

**MINUTES
EMMET COUNTY ROAD COMMISSION
HARBOR SPRINGS, MICHIGAN**

The Emmet County Board of Road Commissioners met in regular session at the office in Harbor Springs, December 30, 2020. Chairman Frank Zulski called the meeting to order at 8:00 a.m.

Commissioners Present:

Frank Zulski - Chairman Robert Notestine - Vice Chairman Wade Williams - Member

Staff Present:

Brian Gutowski - Engineer/Manager	John Gray – South Road Foreman
James Godzik – Permit/CADD Technician	Bob Genson – Equipment Superintendent
Lisa Kleeman - Finance Director/Board Clerk	Ed Zmikly – North Road Foreman

Guests Present via Zoom:

James Kargol – Emmet County Commissioner	Toni Drier – Emmet County Commissioner
John Eby – Maple River Township	Bill Dohm – Little Traverse Township
Thomas Miller–Trailsend Bay Property Association	Dennis Keiser – Bear Creek Township
Bob Padilla – Trailsend Bay Property Association	Amy Gray
Kathy Dufek	David Coveyou
Sandy Planisek	Ellie Hoch
Mark Furgeson	Al Welsheimer
Thomas Urman	Buddy Gray
Mitch (Unknown Participant)	William’s I Phone (Unknown Participant)

MINUTES: It was moved by Robert Notestine, seconded by Wade Williams, to approve the regular session minutes of December 11, 2020.

Ayes: Notestine, Williams, Zulski

Nays: None

Motion carried

ACCOUNTS PAYABLE:

- a. Voucher No. 2051 for Accounts Payable checks 47505 through 47563, in the amount of \$647,803.39 was presented for approval. It was moved by Frank Zulski, seconded by Robert Notestine, to approve accounts payable for payment of the same.

Ayes: Notestine, Williams, Zulski

Nays: None

Motion carried

PAYROLL:

- a. Voucher No. 2052 for Payroll No. 26, checks 56333 through 56362 and direct deposit, in the amount of \$114,269.93, was presented for approval. It was moved by Wade Williams, seconded by Robert Notestine, to approve payroll for payment of the same.

Ayes: Notestine, Williams, Zulski

Nays: None

Motion carried

UNFINISHED BUSINESS:

- a. 2021 Board Meeting Schedule was discussed. It was moved by Frank Zulski, seconded by Robert Notestine to move the April 2 meeting to Thursday, April 1.

Ayes: Notestine, Williams, Zulski

Nays: None

Motion carried

- b. Wilderness Park Drive tree cutting update was given by Zmikly. Gutowski discussed tree cutting and getting power poles moved.

PUBLIC COMMENT:

- a. Bob Padilla, Trailsend Bay Property Association – Inquired about immediate plans for tree cutting on the west side of Wilderness Park Drive, a timeline, and any interest in an alternative plan. Gutowski responded with tree removal plans which also involves Great Lakes Energy and pole relocation. He mentioned there is about a month before the annual township meetings when this can be discussed. Padilla is looking for a moratorium on cutting and stated the tree cutting occurred earlier than expected which was supposed to happen during February and March. Gutowski replied that due to a milder December, this allowed for earlier tree cutting than planned. Zulski responded with comments regarding plans for moving the road, funding, and timelines. He also said if there is any activity from the homeowner's, money has to be a part of the discussion. Padilla finished his comments by stating that communication needs to be in writing by both parties on this issue.

APPOINTMENTS:

- a. 8:10 a.m.: Public Hearing – Proposed designation of Greg Road from US 131 then west for .24 miles as a "Seasonal Road". It was moved by Robert Notestine, seconded by Wade Williams, to begin the public hearing.

Ayes: Notestine, Williams, Zulski

Nays: None

Motion carried

The public hearing was advertised in the Petoskey News Review. David Coveyou expressed in writing his opposition. Dan Goldsmith expressed in writing his support. Commissioner Zulski called three times for comments and questions, it was moved by Robert Notestine, seconded by Wade Williams, to end the public hearing.

Ayes: Notestine, Williams, Zulski

Nays: None

Motion carried

NEW BUSINESS:

- a. It was moved by Frank Zulski, seconded by Wade Williams, to sign the contract with John Henry Excavating, Inc. for the Banwell Road Timber Bridge Installation project.

Ayes: Notestine, Williams, Zulski

Nays: None

Motion carried

- b. The Final 2020 Working Budget was reviewed.
- c. The Proposed 2021 Working Budget was reviewed.
- d. The 2021 proposed projects and equipment purchases were reviewed. It was moved by Frank Zulski, seconded by Wade Williams, to sell chip spreader #229 and rubber tire roller #282, and place 50% in the cash balance and the remaining amount be put into roads for wedging.

Ayes: Notestine, Williams, Zulski

Nays: None

Motion carried

It was moved by Wade Williams, seconded by Robert Notestine, to secure an equipment loan for up to \$1,000,000 at a rate of 2% for three years.

Roll Call Vote:

Notestine Aye

Williams Aye

Zulski Aye

Nays: None

Motion carried

It was moved by Wade Williams, seconded by Frank Zulski, to approve additional capital expenditures and gravel crushing for an estimated amount of \$398,100.

Ayes: Notestine, Williams, Zulski

Nays: None

Motion carried

- e. It was moved by Robert Notestine, seconded by Frank Zulski, to approve 2020 Act 51 Budget Amendment #2. See attached.

Ayes: Notestine, Williams, Zulski

Nays: None

Motion carried

CORRESPONDENCE:

- a. Notice of the County Road Association of Michigan 2021 Highway Conference and Road Show, scheduled for March 9-11, 2021, at the Lansing Center was discussed.

ENGINEER-MANAGER'S REPORT: Gutowski reported the following:

- Letter of appreciation from Gordon Kruskie of Readmond Township was read
- Open Meetings Act update was received from Attorney Wendy Hardt, on behalf of MCRC SIP, December 9, 2020. Zoom meetings can be held until March 30, 2021. They can be held until the end of year only if member is absent due to serving in the military or if the State declares a State of Emergency.
- He is on vacation for a week after today

SUPERVISOR'S REPORT: None

PERMIT/CAD TECHNICIAN'S REPORT: Godzik reported finishing 2020 items and Wilderness Park Drive letters are ready to be sent.

EQUIPMENT SUPERINTENDENT'S REPORT: Genson reported by end of day all equipment should be up and running again.

ROAD FOREMAN'S REPORT: Gray reported lots of trees have been removed recently. Zmikly discussed tree cutting on Wilderness Park Drive.

FINANCE DIRECTOR'S REPORT: Kleeman distributed and reviewed the following documents:

- Cash Report December 30, 2020
- MTF Report for November to be received in January
- Statements of Revenue and Expenditures for October 31 and November 30, 2020
- Trial Balance Reports for October 31 and November 30, 2020

COMMISSIONERS' REPORT: Commissioner Notestine asked that thanks be conveyed to the guys for doing a really good job and he appreciates what has been done and the Board is trying to get them better equipment.

Commissioner Zulski discussed the township allocation balance and Gutowski responded that Covid was a factor for some not getting used this year and he has built this into next year's budget.

PUBLIC COMMENT:

- a. Toni Drier, Emmet County Commissioner – Offered congratulations to Wade William's unanimous appointment to the Road Commission Board for six years.
- b. Mark Furgeson, Resort Township – Inquired on the closure of Greg Road and any stipulations or continuation of the process for road abandonment. Gutowski stated there have been no changes to Greg Road.
- c. David Coveyou, Coveyou Scenic Farm – Explained the petition for abandonment was to use farm parcels to the north and if abandoned, he would take responsibility for plowing to the house and campground on the northside. He is still trying to find a way to have access to the parcel from US 131. With a seasonal change to the road, from November through April, he cannot use the road, so he objected to changing the road to seasonal. If Greg Road was abandoned, he takes on responsibility of the road. Greg Road is an easement road, he owns the land under the road and the issue is not resolved and still wishes the road to be abandoned and will continue to work on this issue.
- d. James Kargol, Emmet County Commissioner – Commented in the past, if a road is listed as seasonal, a private person can plow the road. He offered some examples of this.

Commissioner Zulski adjourned the meeting at 9:45 a.m.



Lisa Kleeman, Finance Director-Clerk of the Board

01-11-21
Date

EMMET COUNTY ROAD COMMISSION

2020 BUDGET - AMENDMENT #2

	2019 ACTUAL	2020 ORIGINAL	2020 AMEND #1	2020 PROPOSED AMEND #2	BUDGET DIFFERENCES	
REVENUE:						
Licenses Permits	\$ 69,055	\$ 63,000	\$ 50,000	\$ 63,200	\$ 13,200	1
Federal Sources:						
Surface Transportation Program	1,071,382	524,000	451,248	438,165	(13,084)	2
Other	-	525,843	508,138	505,060	(3,078)	3
Total Federal Sources	\$ 1,071,382	\$ 1,049,843	\$ 959,387	\$ 943,225	\$ (16,162)	
State Sources:						
MI Transportation Funds:						
Engineering	10,000	10,000	10,000	10,000	-	4
Allocation (Primary & Local)	5,926,195	6,443,667	5,828,297	5,917,500	89,203	4
Snow Removal	213,475	213,475	195,000	226,419	31,419	4
Urban (Primary & Local)	244,660	268,486	242,846	244,334	1,488	4
State Grants:						
Bridge	170	-	-	-	-	
State D	137,414	160,531	172,916	162,270	(10,646)	2
Forest Funds	25,000	99,000	99,000	99,000	-	5
Other	349,200	168,000	156,034	144,827	(11,207)	6
Total State Sources	\$ 6,906,114	\$ 7,363,159	\$ 6,704,093	\$ 6,804,350	\$ 100,257	
Contributions:						
Local Units-Other (Sale of Fed Aid)		\$ 467,404	\$ -	\$ 16,410	\$ 16,410	2
Local Units (Twps & Villages)	3,052,724	1,133,627	1,168,968	1,185,215	16,247	7
Total Local Contributions	\$ 3,052,724	\$ 1,601,031	\$ 1,168,968	\$ 1,201,625	\$ 32,657	
Charges for Services:						
Trunkline Maintenance	1,344,608	1,400,000	1,403,841	1,509,163	105,322	8
Trunkline Non-Maintenance	589,192	40,000	560,620	861,744	301,124	9
Salvage Sales	2,725	2,295	2,295	2,800	505	10
Other	1,900	-	-	-	-	
Total Charges for Services	\$ 1,938,425	\$ 1,442,295	\$ 1,966,756	\$ 2,373,707	\$ 406,951	
Other Revenue:						
Interest & Rentals	10,616	5,000	5,000	1,500	(3,500)	11
Gain on Equipment & Disposal	11,332	-	-	-	-	12
Contributions from Private Sources	1,245,717	2,624,680	1,925,605	1,972,227	46,622	13
Other (Local Revenue, Sales, Etc.)	81,218	25,000	20,000	10,400	(9,600)	14
Total Other Revenue	\$ 1,348,883	\$ 2,654,680	\$ 1,950,605	\$ 1,984,127	\$ 33,522	
Other Financing Sources:						
Loan/Note Proceeds	-	-	-	-	-	15
Total Other Financing Sources	\$ -	\$ -	\$ -	\$ -	\$ -	
TOTAL REVENUE	\$ 14,386,582	\$ 14,174,008	\$ 12,799,809	\$ 13,370,234	\$ 570,425	

	2019 ACTUAL	2020 ORIGINAL	2020 AMEND #1	2020 PROPOSED AMEND #2	BUDGET DIFFERENCES	
EXPENDITURES:						
Primary Roads:						
Heavy Maintenance	\$ 2,916,310	\$ 3,613,139	\$ 3,058,112	\$ 3,191,239	\$ 133,127	16
Structures	390,540	319,526	7,062	38,675	31,613	17
Maintenance	2,153,100	2,316,931	2,071,124	1,938,502	(132,622)	18
Total Primary Roads	\$ 5,459,950	\$ 6,249,596	\$ 5,136,298	\$ 5,168,416	\$ 32,118	
Local Roads:						
Heavy Maintenance	3,242,956	1,671,272	1,393,137	1,574,660	181,523	19
Structures	138,178	741,523	734,900	794,065	59,165	20
Maintenance	2,747,669	2,836,644	2,507,707	2,165,213	(342,494)	21
Total Local Roads	\$ 6,128,803	\$ 5,249,439	\$ 4,635,745	\$ 4,533,939	\$ (101,806)	
State Trunkline:						
Maintenance	1,359,981	1,400,000	1,268,252	1,373,574	105,322	22
Non-Maintenance	589,192	40,000	560,619	861,744	301,125	23
Total State Trunkline	\$ 1,949,173	\$ 1,440,000	\$ 1,828,871	\$ 2,235,318	\$ 406,447	
Equipment Expenses-Net	190,565	202,774	337,137	462,224	125,087	24
Distributive Expense	-	-	-	-	-	25
Capital Outlay - Net	54,310	(273,000)	(555,311)	(687,000)	(131,689)	26
Administrative - Net	493,015	604,920	601,990	616,122	14,132	27
Other	15,254	-	-	17,328	17,328	28
Debt Service:						
Principal	604,608	619,618	618,618	618,618	(0)	29
Interest	94,782	80,661	80,661	80,760	99	30
TOTAL EXPENSES	\$ 14,990,459	\$ 14,174,008	\$ 12,684,009	\$ 13,045,724	\$ 361,715	
Net Gain or Loss	\$ (603,877)	\$ -	\$ 115,800	\$ 324,510	\$ 208,710	
Beginning Fund Balance	1,817,746	1,213,869	1,213,869	1,213,869	-	
Net Gain or (Loss)	(603,877)	-	115,800	324,510	208,710	
ENDING FUND BALANCE	\$ 1,213,869	\$ 1,213,869	\$ 1,329,669	\$ 1,538,379	\$ 208,710	