

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, May 1, 2020. Chairman Frank Zulski called the meeting to order at 8:00 a.m.

Commissioners Present:

Frank Zulski - Chairman
Robert Notestine - Vice Chairman

Commissioners Absent:

Larry Williams - Member (Excused due to illness)

Staff Present:

Brian Gutowski - Engineer/Manager
Lisa Kleeman-Finance Director/Clerk of the Board
James Godzik-Permit/CADD Technician
Robert Genson-Equipment Superintendent

Guests Present: via Zoom

Toni Drier – Emmet County Commissioner
James Kargol – Emmet County Commissioner
Dennis Keiser – Bear Creek Township

MINUTES: It was moved by Frank Zulski, seconded by Robert Notestine, to approve the regular session minutes of April 3, 2020.

Ayes: Notestine, Zulski

Nays: None

Absent: Williams

Motion carried

ACCOUNTS PAYABLE: The following Lists of Accounts Payable were presented for approval:

Voucher No. 2015, checks 46682 through 46728, in the amount of \$571,402.10

Voucher No. 2017A, check 46729, in the amount of \$25,000.00

Voucher No. 2017B, checks 46730 through 46757, in the amount of \$64,954.79

It was moved by Robert Notestine, seconded by Frank Zulski, to approve accounts payable for payment of the same.

Ayes: Notestine, Zulski

Nays: None

Absent: Williams

Motion carried

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Minutes of 05/01/20

Board of Emmet County Road Commissioners

PAYROLL: The following Payrolls were presented for approval:

Voucher No. 2016 for Payroll No. 8, checks 55738 through 55770 and direct deposit, \$96,337.06

Voucher No. 2018 for Payroll No. 9, checks 55771 through 55802 and direct deposit, \$94,508.93

It was moved by Frank Zulski, seconded by Robert Notestine, to approve payroll for payment of the same.

Ayes: Notestine, Zulski

Nays: None

Absent: Williams

Motion carried

UNFINISHED BUSINESS: None

PUBLIC COMMENT: None

APPOINTMENTS:

- a. 8:05 a.m.: Phil Wolf - Anderson, Tackman & Company, presented the 2019 Financial Statements. The annual audit report was reviewed and the road commission received an unmodified opinion which is the highest opinion to be given. Mr. Wolf explained the different between Act 51 methodology and the Statement of Net Position and Activities with regards to the timing of recording of assets, liabilities, revenue, expenses, and deferred inflows and outflows which result in Net Position. He suggested a benchmark of 10% of 2020 expenditures for fund balance. Graphs were presented to indicate a three year history of Statement of Net Position, Revenue Comparison, and Peer Information. There was significant discussion on retirement liability and pension funding percentage along with uniform assumption factors to be used during 2020 that will increase our liability.

It was moved by Frank Zulski, seconded by Robert Notestine, to accept the audit as presented and be put on file with Michigan Department of Treasury and Michigan Department of Transportation.

Ayes: Notestine, Zulski

Nays: None

Absent: Williams

Motion carried

NEW BUSINESS:

- a. It was moved by Frank Zulski, seconded by Robert Notestine, to reject the bids for the reconstruction project on Cedar Valley Road in Bear Creek Township. Dennis Keiser, Bear Creek Township Supervisor, gave history and comments addressing township participation, Elmer's Crane & Dozer participation and hill removal. Keiser requested these bids be rejected and the project be rebid as a local road as Bear Creek Township has allocated \$150,000 for this project.

Ayes: Notestine, Zulski

Nays: None

Absent: Williams

Motion carried

- b. Signing the contract with Bear Creek Township for the Cedar Valley Road Project was not discussed due to the rejection of the bids.
- c. 2020 Budget was discussed.

CORRESPONDENCE: None

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

- Truck Drivers and Heavy Equipment Operators coming back next week
- Mechanics came back this week
- Office operating with reduced staff through May 15
- Next Board Meeting is Wednesday, May 13
- MCRCSIP Meeting May 14 via Zoom
- Bear Creek Township Meeting regarding Howard Road/Lears Road Reconstruction Project via phone, Tuesday, May 12
- Designing stream crossing for potential culvert failures and replacements such as West Conway Road, Geary Road, and Greenwood Road

SUPERVISOR'S REPORT: None

PERMIT/CAD TECHNICIAN'S REPORT: None

EQUIPMENT SUPERINTENDENT'S REPORT: Genson reported the mechanics came back this week and due to reduced funding doing the bare minimum to get everything going.

ROAD FOREMAN'S REPORT: None

FINANCE DIRECTOR'S REPORT: Kleeman distributed and discussed the following reports:

- Cash Summary as of 04/30/20
- MTF Report for March to be received in May
- Financial Reports for January, February, and March 2020
- Budget Information for a possible Amendment #1

Kleeman discussed unexpected revenue changes due to COVID-19 that necessitated a large reduction in expenses to maintain a balanced budget. More detail will be available at the May 28, 2020 Budget Work Meeting.

COMMISSIONERS' REPORT: Commissioner Notestine thanked Gutowski for the television interview on the erosion issue on Beach Drive and he expressed concerns on Eppler Road. He also thanked the staff for trying to determine funding and deal with uncertainty and thanked the townships for understanding the delay in projects until next year. Commissioner Zulski asked about the working budget cash balance, Wilderness Park Drive Federal Aid Buyout status, and thanked the crew for working safely and health concerns of the staff are high priority.

PUBLIC COMMENT:

- a. Dennis Keiser - Bear Creek Township Supervisor, commented on the Cedar Valley Road Project and communication with Elmer's about \$100,000 participation. Keiser and Gutowski will plan to meet with Elmer's on this next week.

Commissioner Zulski adjourned the meeting at 9:14 a.m.



Lisa Kleeman, Finance Director-Clerk of the Board

5-13-20

Date