

**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, April 1, 2021. Frank Zulski, Chairman of the Board, called the meeting to order at 8:00 a.m.

Commissioners Present:

Frank Zulski – Chairman Wade Williams - Member

Commissioners Absent:

Robert Notestine - Vice Chairman

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

Guests Present:

Philip Wolf, CPA – Anderson, Tackman & Company, PLC.

Guests Present via Zoom:

David White – Emmet County Commissioner Jim Bartlett – West Traverse Twp. Supervisor
Bill Dohm – Little Traverse Twp. Supervisor Dennis Keiser – Bear Creek Twp. Supervisor
Paul Schemanski – Resort Township Trustee Michael Reaves – Emmet Co. Administrator
Toni Drier – Emmet County Commissioner John Eby – Maple River Twp. Supervisor

Commissioner Zulski offered a moment of silence in honor of Commissioner Robert Notestine.

MINUTES: It was moved by Frank Zulski, seconded by Wade Williams, to approve the regular session minutes of March 19, 2021.

Ayes: Williams, Zulski

Nays: None

Absent: Notestine

Motion carried

ACCOUNTS PAYABLE:

Voucher No. 2113 for Accounts Payable checks 47879 through 47923, in the amount of \$118,735.51 was presented for approval. It was moved by Wade Williams, seconded by Frank Zulski, to approve accounts payable for payment of the same.

Ayes: Williams, Zulski

Nays: None

Absent: Notestine

Motion carried

PAYROLL:

Voucher No. 2114 for Payroll No. 7, checks 56541 through 56568 and direct deposit, in the amount of \$97,887.43, was presented for approval. It was moved by Wade Williams, seconded by Frank Zulski, to approve payroll for payment of the same.

Ayes: Williams, Zulski

Nays: None

Absent: Notestine

Motion carried

UNFINISHED BUSINESS:

- a. Gutowski reviewed a list of "Seasonal Roads" that are connected to "All-Season" roads by township. This list is available on our website at www.emmetcrc.org.

PUBLIC COMMENT: None

APPOINTMENTS:

- a. 8:10 a.m.: Public Hearing – Bellmer Road and Rustic Road reconstruction from Pickerel Lake Road then south and east for 0.97 miles in Bear Creek Township. It was moved by Wade Williams, seconded by Frank Zulski, to begin the public hearing.

Ayes: Williams, Zulski

Nays: None

Absent: Notestine

Motion carried

The public hearing was advertised in the Petoskey News Review. No comments were received prior to the public hearing and there were three calls for comments. Dennis Keiser, Bear Creek Township Supervisor, asked for an explanation on the intersection at Pickerel Lake Road and Gutowski commented the road will be made a T with concrete curbs. It was moved by Frank Zulski, seconded by Wade Williams, to end the public hearing.

Ayes: Williams, Zulski

Nays: None

Absent: Notestine

Motion carried

- b. Philip Wolf, CPA of Anderson, Tackman & Company, presented the 2020 Annual Financial Audit. It was moved by Frank Zulski, seconded by Wade Williams, to accept and approve the basic financial statements as presented.

Ayes: Williams, Zulski

Nays: None

Absent: Notestine

Motion carried

NEW BUSINESS:

- a. It was moved by Frank Zulski, seconded by Wade Williams, to award the bid for Lake Road Mill and Fill project in West Traverse Township to Rieth-Riley Construction for \$195,310.56.

Ayes: Williams, Zulski

Nays: None

Absent: Notestine

Motion carried

- b. It was moved by Wade Williams, seconded by Frank Zulski, to award the bid for Hughston Road Ultra-thin Asphalt project in West Traverse Township to Rieth-Riley Construction for \$139,544.28.

Ayes: Williams, Zulski

Nays: None

Absent: Notestine

Motion carried

- c. It was moved by Frank Zulski, seconded by Wade Williams, to award the bid for Ultra-thin Asphalt project in Bear Creek Township to Rieth-Riley Construction for \$240,326.40.

Ayes: Williams, Zulski

Nays: None

Absent: Notestine

Motion carried

- d. It was moved by Frank Zulski, seconded by Wade Williams, to approve gravel crushing in the Morrow Pit and award the bid to Sackrider Excavating for \$4.00 per ton.

Ayes: Williams, Zulski

Nays: None

Absent: Notestine

Motion carried

- e. It was moved by Frank Zulski, seconded by Wade Williams, to approve gravel crushing in the Conway Pit and award the bid to Sackrider Excavating for \$4.00 per ton.

Ayes: Williams, Zulski

Nays: None

Absent: Notestine

Motion carried

- f. It was moved by Frank Zulski, seconded by Wade Williams, to award the bid for Bellmer/Rustic Road reconstruction project in Bear Creek Township to Tri-County Excavating for \$239,797.

Ayes: Williams, Zulski

Nays: None

Absent: Notestine

Motion carried

- g. It was moved by Frank Zulski, seconded by Wade Williams, to award the bid for Stutsmanville Road Asphalt Surfacing project in Pleasantview Township to Payne & Dolan for \$66,703 as long as Pleasantview Township acknowledges approval of the bid.

Ayes: Williams, Zulski

Nays: None

Absent: Notestine

Motion carried

- h. It was moved by Wade Williams, seconded by Frank Zulski, to award the bid for Welsheimer Road Asphalt Surfacing project in Pleasantview Township to Rieth-Riley Construction for \$93,608.20 as long as Pleasantview Township acknowledges acceptance of the bid.

Ayes: Williams, Zulski

Nays: None

Absent: Notestine

Motion carried

- i. It was moved by Frank Zulski, seconded by Wade Williams, to award the bid for Ultra-thin project in Pleasantview Township to Payne & Dolan for \$66,704 as long as Pleasantview Township acknowledges acceptance of the bid.

Ayes: Williams, Zulski

Nays: None

Absent: Notestine

Motion carried

- j. It was moved by Frank Zulski, seconded by Wade Williams, to award the bid for Crack Sealing to Applied Pavement Markings, Inc. for \$1,997 per mile.

Ayes: Williams, Zulski

Nays: None

Absent: Notestine

Motion carried

- k. It was moved by Frank Zulski, seconded by Wade Williams, to sign the contract with West Traverse Township for the Lake Road Mill and Fill project.

Ayes: Williams, Zulski

Nays: None

Absent: Notestine

Motion carried

- l. It was moved by Frank Zulski, seconded by Wade Williams, to sign the contract with West Traverse Township for the Hughston Road Ultra-thin Asphalt Overlay project.

Ayes: Williams, Zulski

Nays: None

Absent: Notestine

Motion carried

- m. It was moved by Wade Williams, seconded by Frank Zulski, to sign the contract with Bear Creek Township for the Ultra-thin Asphalt project.

Ayes: Williams, Zulski

Nays: None

Absent: Notestine

Motion carried

- n. It was moved by Frank Zulski, seconded by Wade Williams, to sign the contract with Bear Creek Township for the Bellmer/Rustic Road reconstruction project.

Ayes: Williams, Zulski

Nays: None

Absent: Notestine

Motion carried

- o. It was moved by Wade Williams, seconded by Frank Zulski, to sign the contract with Pleasantview Township for the Stutsmanville Road Asphalt Surfacing project.

Ayes: Williams, Zulski

Nays: None

Absent: Notestine

Motion carried

- p. It was moved by Frank Zulski, seconded by Wade Williams, to sign the contract with Pleasantview Township for the Welsheimer Road Asphalt Surfacing project.

Ayes: Williams, Zulski

Nays: None

Absent: Notestine

Motion carried

- q. It was moved by Wade Williams, seconded by Frank Zulski, to sign the contract with Pleasantview Township for the Ultra-thin Asphalt project.

Ayes: Williams, Zulski

Nays: None

Absent: Notestine

Motion carried

- r. It was moved by Wade Williams, seconded by Frank Zulski, to sign the contract with Rieth-Riley for the Banwell Road Base Crush and Shape project for the Cedar Creek Bridge Installation.

Ayes: Williams, Zulski

Nays: None

Absent: Notestine

Motion carried

- s. It was moved by Frank Zulski, seconded by Wade Williams, to sign the contract with Tri-County Excavating for the Mindel Road Reconstruction project.

Ayes: Williams, Zulski

Nays: None

Absent: Notestine

Motion carried

- t. It was moved by Wade Williams, seconded by Frank Zulski, to sign the contract with Action Traffic Maintenance for the Country Club Road over Tannery Creek Aluminum Culvert Guardrail Installation project.

Ayes: Williams, Zulski

Nays: None

Absent: Notestine

Motion carried

- u. It was moved by Frank Zulski, seconded by Wade Williams, to sign the contract with Action Traffic Maintenance for the Banwell Road over Cedar Creek Bridge Guardrail Installation project.

Ayes: Williams, Zulski

Nays: None

Absent: Notestine

Motion carried

CORRESPONDENCE: None

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

- Banwell Road over Cedar Creek preconstruction meeting was held yesterday. Tentative start date for this project is the first week of May and plan to be done with bridge installation by June 14 with paving planned for the next week.
- Weight restrictions are tentatively planned to be removed for next Wednesday or Thursday, with a final decision to be made Monday.
- Local Emergency Planning Committee Zoom meeting is scheduled for April 7 at 10:00 a.m.
- Chris Pierce, Conservation Resource Alliance, has scheduled a meeting for April 7 and is proposing two potential bridges for 2022 and 2023; Douglas Lake Road and Robinson Road over the east branch of the Maple River.
- Petoskey Area Small Urban Task Force Meeting is scheduled for Tuesday, April 13. Potential stimulus funding, combined with the City of Petoskey, is planned to resurface Mitchell Road in 2024 from Division Road to the City limits. Keiser asked for the project to be sure to go through the intersection.
- Congressman Jack Bergman's office is helping in application preparation for projects via an earmark in the next stimulus funding package. Any proposed project has to be on our Federal Aid list and is due April 9. Lakeshore Drive is the last road to be completed on the list and funds must be spent by 2022. Zulski discussed not wedging Lakeshore Drive in 2021 if funding can be obtained for the next year.
- Representative John Damoose plans to attend the April 16, 2021 board meeting.
- Hedrick and Catob Road asphalt overlay bids are due at the next board meeting.
- CDC update provided regarding mask use.
- It was moved by Frank Zulski, seconded by Wade Williams, to fill Vice Chairman Robert Notestine's vacancy by Wade Williams.

Ayes: Williams, Zulski

Nays: None

Absent: Notestine

Motion carried

SUPERVISOR'S REPORT: None.

PERMIT/CAD TECHNICIAN'S REPORT: Godzik reported there has been an incident on Rugged Road where violation notices were posted but due to being on vacation, this has not been investigated yet. Zulski got a call from a resident that logs were decked on the side of the road and this road was just paved a couple of years ago. Zulski called to have staff take pictures of the road in order to deal with any damage that may occur. Godzik will follow up on this.

EQUIPMENT SUPERINTENDENT'S REPORT: Genson reported he is pulling trucks to prepare them for summer. Grader training, along with Cheboygan CRC, is scheduled for May. Next week he is going to Ohio along with the road foremen to look at a new style of mower.

ROAD FOREMAN'S REPORT: Gray reported working on trees on Eppler, Crump, and Stutsmanville Roads. Grading on gravel roads will start next week.

FINANCE DIRECTOR'S REPORT: Kleeman reported the following:

- An Equipment Loan Resolution was distributed for review to the Board at the March 19, 2021 meeting. It was moved by Frank Zulski, seconded by Wade Williams, to approve the resolution authorizing execution and delivery of an installment purchase agreement pursuant to Act 283, Public Acts of Michigan, 1909, as amended ("Act 283") with Citizens National Bank for the purchase of equipment.

Ayes: Williams, Zulski

Nays: None

Absent: Notestine

Motion carried

- Michigan Transportation Funding report for February, to be received in April was distributed.
- A new timekeeping kiosk program is in process of being implemented.
- April 12, 2021, at 6:00 p.m. is scheduled for a presentation of the Annual Report to Emmet County Board of Commissioners via zoom.
- All bid tabs and financial information are available on the agency website.
- 2020 Emmet County Road Commission Annual Report was distributed. This will be mailed to all townships along with 2019's report. If you have questions, they can be reviewed at the next board meeting.

COMMISSIONERS' REPORT: Commissioner Zuluski inquired if the drainage issue on Stutsmanville Road was resolved and Gray commented they plan to place a culvert at that location. Zuluski also commented on the excellent report from the auditor and expressed the Board's appreciation as this is the reflection of the staff, Board, and township's millage as all factors to make this a good report.

PUBLIC COMMENT:

- a. Toni Drier, Emmet County Commissioner – discussed the timing of filling the board vacancy. Zuluski responded that it would be satisfactory for Drier to set the appointment for the May 20 meeting.

Commissioner Zuluski adjourned the meeting at 9:12 a.m.



Lisa Kleeman, Finance Director-Clerk of the Board



Date

**Emmet County Road Commission
Emmet County, Michigan**

April 1, 2021

**RESOLUTION AUTHORIZING EXECUTION AND DELIVERY
OF AN INSTALLMENT PURCHASE AGREEMENT**

Minutes of a regular meeting of the Emmet County Road Commission (the "Commission") held at the Harbor Springs facility, on April 1st, 2021, at 8:00 a.m., local time.

PRESENT: Commissioners: Frank Zulski, Wade Williams

ABSENT: Commissioner Robert Notestine

The following preamble and resolution were offered by Frank Zulski and supported by Wade Williams:

WHEREAS, the Commission is in need of financing the purchase of the following equipment and accessories, collectively referred to as the (the "Property"):

- John Deere Compact Excavator, Model 50G (2021)
- John Deere Compact Excavator, Model 85G (2020)
- Western Star single axle 4WD truck, Model 4800SB (2021)
- Monroe truck upfitting, hydraulic system, underbody scraper, 10 Ft. 201 RDS (2021) for above truck
- Western Star single axle 4WD truck, Model 4800SB (2021)
- Monroe truck upfitting, hydraulic system, underbody scraper, 10 Ft. 201 RDS (2021) for above truck
- Dodge Ram 4500 service truck chassis cab 4x4 (2021)
- Stahl truck upfitting, Model CST 134 (2021) for above truck
- John Deere compact track loader – skid steer, Model 333G II (2021)
- Paladin skid steer attachment – forks, Model SSL HD (2021)
- Paladin skid steer attachment – vibe roller, Model VR84C (2021)
- Dodge Ram 5500 flat rack truck chassis cab 4x4 (2021)
- Felling tag trailer drop deck, Model FT 16-I (2021)
- Felling tag trailer tilt with air ramps, Model FT 45-2TA (2021)
- (2) Monroe snow plows, 12 Ft. one-way (2021)

WHEREAS, pursuant to Act 283, Public Acts of Michigan, 1909, as amended ("Act 283"), the Commission may borrow money for the purchase of lands, property or equipment for public purposes, to be paid for in installments over a period not to exceed the lesser of the useful life of the Property or fifteen (15) years; and

WHEREAS, the Commission has received a proposal from Citizens National Bank of Cheboygan (the "Bank") to loan the funds in the amount not to exceed \$1,000,000 to the Commission to purchase the Property at an interest rate of two percent (2.00%),

NOW, THEREFORE, IT IS RESOLVED that:

1. The purchase of the Property is found to be a public purpose and in the best interests of the Commission.
2. The Commission approves the proposal of the Bank and authorizes and directs the Engineer-Manager of the Emmet County Road Commission (the "Authorized Officer") to execute and deliver an installment purchase agreement by and between the Commission and the Bank and approved by the Authorized Officers (the "Agreement"), in an amount not to exceed \$1,000,000, with an interest rate on the principal amount outstanding of two percent (2.00%) per annum, and the Authorized Officers, or any one or more of them, are authorized and directed to execute and deliver such other assignments and closing documents required to complete the closing on the Agreement including a security agreement granting the Bank a first priority lien and security interest in the Property to secure the amounts owing under the Agreement.
3. The Commission hereby agrees to include in its budget for each year, commencing with the present fiscal year if applicable, a sum that will be sufficient to pay the principal of and the interest coming due under the Agreement.
4. The Commission shall at all times while any payments on the Agreement are outstanding, have control of the Property and shall maintain the same for public purposes.
5. The useful life of the Property is at least five (5) years.
6. The Commission designates the obligations under the Agreement as "qualified tax exempt obligations" for purposes of the deduction of interest expense by financial institutions pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code").

7. The Commission covenants that it will comply with all applicable requirements of the Code and, to the extent permitted by law, it shall take all actions within its control necessary to maintain the exclusion of the interest component of the payments due under the Agreement from adjusted gross income for general federal income tax purposes under the Code including but not limited to, actions relating to the rebate of arbitrage earnings, if applicable, and the expenditure and investment of proceeds of the Agreement, and to prevent such proceeds from being or becoming "private activity bonds" as that term is used in Section 141 of the Code.

8. All previous resolutions and parts of previous resolutions, insofar as they may be in conflict with this Award Resolution, are rescinded.

YEAS: Zulski, Williams

NAYS: None

ABSTAIN: 0

RESOLUTION DECLARED ADOPTED.

Lisa Kleeman – Finance Director/Clerk of the Board

I hereby certify that the foregoing is a true and complete copy of a Resolution adopted by the Board of Commissioners of Emmet County Road Commission at a regular meeting held on April 1, 2021, the original of which is a part of the minutes of the Emmet County Road Commission Board, and further certify that notice of the meeting was given to the public under the Open Meetings Act, Act 267, Public Acts of Michigan, 1976, as amended.



Lisa Kleeman – Finance Director/Clerk of the Board

Dated: 04/01/2021