

WASHTENAW COUNTY BOARD OF ROAD COMMISSIONERS
555 North Zeeb Road, Ann Arbor, MI 48103
Minutes of March 7, 2017

Board Present: Road Commissioners Douglas Fuller, Barbara Fuller, William McFarlane

Staff Present: R. Townsend, S. Siddall, J. Harmon, D. Ackerman, W. Thomas, N. Peterson,
M. MacDonell, K. Harris, M. Bernbeck, C. Brochue, C. Ryan

Others Present: R. Jamnick, S. Mann, B. Hayes, W. Tobler, J. Monge, J. Ulrich

The meeting was called to order at 1:00 p.m. by Douglas E. Fuller, Chair. The Pledge of Allegiance was recited.

APPROVAL OF AGENDA

RC17-077 B. Fuller moved, McFarlane seconded to approve the agenda as presented.
Voice Vote: YEAS: 3 NAYS: 0 ABSENT: 0 ABSTAIN: 0 Motion Carried.

ACCEPTANCE OF THE MINUTES

RC17-078 B. Fuller moved, McFarlane seconded, the Board hereby approves the Board Meeting Minutes of February 21, 2017 as presented with one noted change.
Voice Vote: YEAS: 3 NAYS: 0 ABSENT: 0 ABSTAIN: 0 Motion Carried.

RC17-079 B. Fuller moved, McFarlane seconded, the Board hereby approves the Working Session Minutes of February 21, 2017 as presented with one spelling change.
Voice Vote: YEAS: 3 NAYS: 0 ABSENT: 0 ABSTAIN: 0 Motion Carried.

STAFF RECOGNITION

25 Year Recognition – Willie Thomas

Willie Thomas was presented with a watch for his 25 Years of Service Recognition.

CITIZEN PARTICIPATION

Border to Border Trail

Brian Hayes addressed the Board stating opposition to the Border-To-Border Tail running through the front of his property on Dexter-Chelsea Road.

Zeeb Road Paving

John Monge addressed the Board stating that he is in favor of paving Zeeb Road between Waters Road and Pleasant Lake Road.

Delhi Court Drainage

Richard Ulrich addressed the Board stating concern with water draining from his neighbor's dry well onto his property on Delhi Court and asked if the Road Commission could assist in resolving this issue.

WRITTEN COMMUNICATIONS

- A. Issued on March 2, 2017. A Media Advisory was issued by Ken Harris, Assistant Superintendent of Maintenance, regarding the closure of Bethel Church Road between Ernst Road and Koebbe Road and Lima center Road between Bethel Church Road and Hieber Road in Freedom Township due to extreme flooding. A copy of this advisory was provided to the Board for review.
- B. Issued on March 1, 2017. A Media Advisory was issued by Ken Harris, Assistant Superintendent of Maintenance, regarding the closure of Liberty Road between Honey Run and Stags Leap Lane in Scio Township on Wednesday, March 1, 2017, due to severe flooding. A copy of this advisory was provided to the Board for review.
- C. Issued on February 24, 2017. A Media Advisory was issued by Ken Harris, Assistant Superintendent of Maintenance, regarding the closure of Warren Road between Earhart Road and Dixboro Road in Ann Arbor Township on Monday, February 27th for an emergency culvert replacement. A copy of this advisory was provided to the Board for review.

CONSENT AGENDA

DRAFT

The items approved on the Consent Agenda are as follows:

- RC17-080 B. Fuller moved, McFarlane seconded the approval of the Consent Agenda for March 7, 2017 as presented with noted changes to item #11. Voice Vote: YEAS: 3 NAYS: 0 ABSENT: 0 ABSTAIN: 0 Motion Carried.

Scio DDA Concrete Joint Repairs – Final Plan Approval

- RC17-081 B. Fuller moved, McFarlane seconded that upon the recommendation of the County Highway Engineer and the concurrence of the Managing Director, the Board hereby approves the final plans, specifications and estimate of approximately \$737,000, to perform concrete joint repairs and pavement marking upgrades in the Scio Township DDA district, located in Sections 19-28 of Scio Township. Voice Vote: YEAS: 3 NAYS: 0 ABSENT: 0 ABSTAIN: 0 Motion Carried.

2017 Federal Aid Preventative Maintenance Crack Sealing Program

RC17-082 B. Fuller moved, McFarlane seconded that upon the recommendation of the County Highway Engineer and the concurrence of the Managing Director, the Board hereby approves the final plans, specifications, and the \$736,400 project estimate to crack seal 26 different segments of county roads totaling 62 miles using various sources of federal and state aid. Voice Vote: YEAS: 3 NAYS: 0 ABSENT: 0 ABSTAIN: 0 Motion Carried.

Guardrail Chemical Treatment Program – Reject Bids

RC17-083 B. Fuller moved, McFarlane seconded that upon the recommendation of the Director of Operations and the concurrence of the Managing Director, the Board hereby rejects all bids submitted for the guardrail chemical treatment program and directs staff to rebid. Voice Vote: YEAS: 3 NAYS: 0 ABSENT: 0 ABSTAIN: 0 Motion Carried.

Roadside Brush Chemical Treatment Program – Reject Bids

RC17-084 B. Fuller moved, McFarlane seconded that upon the recommendation of the Director of Operations and the concurrence of the Managing Director, the Board hereby rejects all bids submitted for the roadside brush chemical treatment program and directs staff to rebid. Voice Vote: YEAS: 3 NAYS: 0 ABSENT: 0 ABSTAIN: 0 Motion Carried.

2017 Hot Mix Asphalt Resurfacing Program – Bid

RC17-085 B. Fuller moved, McFarlane seconded that upon the recommendation of the Director of Operations, and the concurrence of the Managing Director, the Board hereby approves and authorizes the Managing Director to sign the contract with Cadillac Asphalt, LLC, 1785 Rawsonville Rd, Belleville, MI 48111, for the 2017 Hot Mix Asphalt Resurfacing Program for the cost of 2,770,735.25. Voice Vote: YEAS: 3 NAYS: 0 ABSENT: 0 ABSTAIN: 0 Motion Carried.

Northeast Service Center Construction Contract

- RC17-086 B. Fuller moved, McFarlane seconded that upon the recommendation of the Director of Operations and the concurrence of the Managing Director, the Board awards the contract for the construction of the Washtenaw County Road Commission Northeast Service Center to be located at 1222 E. North Territorial Road, Whitmore Lake, Michigan 48198 to Phoenix Contractors of 2111 Golfside Road, Ypsilanti, Michigan, 48197 for the amount of Six Million Nine Hundred and Eighty Three Thousand Dollars (\$6,983,000) contingent upon successful closing of the installment purchase financing. It is understood that this contract award and price includes the base bid scope of work, Add Alternate #3 Concrete Salt Barn, adding 100 concrete bin blocks, and adding metal siding and roofing to the Salt Barn. The Board hereby authorizes and directs the Chair and Managing Director to execute the contract with Phoenix Contractors. Voice Vote: YEAS: 3 NAYS: 0 ABSENT: 0 ABSTAIN: 0 Motion Carried.

Ann Arbor Technology Park Road Improvements – Plan Approval & Advertisement

- RC17-087 B. Fuller moved, McFarlane seconded that upon the recommendation of the County Highway Engineer and the concurrence of the Managing Director, the Board approves the plans, specifications, and estimate of approximately \$1,261,900 for the Ann Arbor Technology Park Road Improvements project located in section 24 of Ann Arbor Township and authorizes staff to advertise the project for bid. Voice Vote: YEAS: 3 NAYS: 0 ABSENT: 0 ABSTAIN: 0 Motion Carried.

Ypsilanti Township Agreement – Allen Avenue Traffic Calming Project

- RC17-088 B. Fuller moved, McFarlane seconded that upon the final approval from the Ypsilanti Township Board with the recommendation of the County Highway Engineer and the concurrence of the Managing Director, the Board hereby approves and authorizes the Chair and Managing Director to sign the Ypsilanti Township agreement for the design and administration of the construction of three (3) speed humps on Allen Avenue between Holmes Road and Forest Avenue at the estimated cost of \$21,404.00. Voice Vote: YEAS: 3 NAYS: 0 ABSENT: 0 ABSTAIN: 0 Motion Carried.

Ypsilanti Township Agreement – Berwick Drive Traffic Calming Project

- RC17-089 B. Fuller moved, McFarlane seconded that upon the final approval from the Ypsilanti Township Board with the recommendation of the County Highway Engineer and the concurrence of the Managing Director, the Board hereby approves and authorizes the Chair and Managing Director to sign the Ypsilanti Township agreement for the design and administration of the construction of six (6) speed humps on Berwick Drive between Rachel Drive and Hampton Drive at the estimated cost of \$40,491.00. Voice Vote: YEAS: 3 NAYS: 0 ABSENT: 0 ABSTAIN: 0 Motion Carried.

Ypsilanti Township Agreement – North Clubview Drive Traffic Calming Project

RC17-090 B. Fuller moved, McFarlane seconded that upon the final approval from the Ypsilanti Township Board with the recommendation of the County Highway Engineer and the concurrence of the Managing Director, the Board hereby approves and authorizes the Chair and Managing Director to sign the Ypsilanti Township agreement for the design and administration of the construction of seven (7) speed humps on North Clubview Drive between Packard Road and Greenside Avenue at the estimated cost of \$45,344.00. Voice Vote: YEAS: 3 NAYS: 0 ABSENT: 0 ABSTAIN: 0 Motion Carried.

Ypsilanti Township Agreement – Rachel Drive Traffic Calming Project

RC17-091 B. Fuller moved, McFarlane seconded that upon the final approval from the Ypsilanti Township Board with the recommendation of the County Highway Engineer and the concurrence of the Managing Director, the Board hereby approves and authorizes the Chair and Managing Director to sign the Ypsilanti Township agreement for the design and administration of the construction of five (5) speed humps on Rachel Drive between Hitchingham Road and Dover Drive at the estimated cost of \$34,038.00. Voice Vote: YEAS: 3 NAYS: 0 ABSENT: 0 ABSTAIN: 0 Motion Carried.

Ypsilanti Township Agreement – South Clubview Drive Traffic Calming Project

RC17-092 B. Fuller moved, McFarlane seconded that upon the final approval from the Ypsilanti Township Board with the recommendation of the County Highway Engineer and the concurrence of the Managing Director, the Board hereby approves and authorizes the Chair and Managing Director to sign the Ypsilanti Township agreement for the design and administration of the construction of four (4) speed humps on South Clubview Drive between Ellsworth Road and Greenside Avenue at the estimated cost of \$25,732.00. Voice Vote: YEAS: 3 NAYS: 0 ABSENT: 0 ABSTAIN: 0 Motion Carried.

Michigan Cycling Club Bike Race

RC17-093 B. Fuller moved, McFarlane seconded that upon the recommendation of the Director of Engineering and the concurrence of the Managing Director/County Highway Engineer, the Board approves the closure of the following roads from 8:00 a.m. – 3:00 p.m. on Sunday, April 9, 2017 for the Michigan Cycling Club bike race training event:

- Highland Drive from Varsity Drive to Varsity Drive.
- Varsity Drive from Highland Drive to Highland Drive.

Voice Vote: YEAS: 3 NAYS: 0 ABSENT: 0 ABSTAIN: 0 Motion Carried.

Debt Service – SAD Bond Issue

RC17-094 B. Fuller moved, McFarlane seconded the Board hereby approves Voucher 362-201701 totaling \$434,190.69 for Debt Service SAD Bond Issues. Voice Vote: YEAS: 3 NAYS: 0 ABSENT: 0 ABSTAIN: 0 Motion Carried.

Payroll & Bills for February 22, 2017

RC17-095 B. Fuller moved, McFarlane seconded the Board hereby approves Voucher 10234 totaling \$262,632.45 for payroll of February 22, 2017, and Voucher 10235 totaling \$580,730.61 in payment of bills for February 22, 2017. Voice Vote: YEAS: 3 NAYS: 0 ABSENT: 0 ABSTAIN: 0 Motion Carried.

ACTION ITEMS**Abandonment Request – Garvey Road**

RC17-096 B. Fuller moved, McFarlane seconded

WHEREAS, this Board has received a petition from seven (7) freeholders of the Township of Sylvan, Washtenaw County, Michigan praying for the absolute abandonment and discontinuance of the improved portion of Garvey Road between Cavanaugh Lake Road and the Amtrak railroad (also known as, MDOT railroad, formerly known as Michigan Central Railroad) right of way in the NE1/4 Section 15 of Sylvan Township, Washtenaw County, Michigan, depicted in Attachment "A" and more particularly described as:

A ROAD EASEMENT ABANDONMENT LOCATED IN THE NORTHEAST QUARTER OF SECTION 15, TOWN 2 SOUTH, RANGE 3 EAST, SYLVAN TOWNSHIP, WASHTENAW COUNTY MICHIGAN, BEING MORE PARTICULARLY DESCRIBED AS:

ALL THAT CONTIGUOUS PART OF GARVEY ROAD, SO CALLED, LYING NORTHERLY OF THE NORTHERLY RAILROAD RIGHT OF WAY LINE, AND LYING SOUTHERLY OF A LINE 60.00 FEET SOUTHERLY OF AND PARALLEL WITH THE SURVEY CENTERLINE OF CAVANAUGH LAKE ROAD, SO CALLED; SAID EASEMENT BEING 66' WIDE AND PARALLEL WITH AND ADJACENT TO THE EXISTING RAILROAD RIGHT OF WAY (100' WIDE) SUBJECT TO EASEMENTS AND RESTRICTIONS OF RECORD, IF ANY.

WHEREAS, it appears from viewing the premises and hearing the petitioners reasons, that it is in the best interest of the public that the said public right of way of the aforementioned portion of Garvey Road, as proposed, be absolutely abandoned.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Road Commissioners of the County of Washtenaw, that the above described portion of public road right of way for Garvey Road, located in the NE ¼ of Section 15 of Sylvan Township, being under the jurisdiction of the Washtenaw County Road Commission is hereby absolutely abandoned and discontinued as public right of way, excepting and reserving easements and public utilities of record and/or use, as now occupying said right of way.

BE IT FURTHER RESOLVED that this notice of determination be given by the Clerk to the proper authorities of the Township of Sylvan and to the Register of Deeds of Washtenaw County, and the State Department of Transportation.

YEAS: 3 NAYS: 0 ABSENT: 0 ABSTAIN: 0 Motion Carried.

Northeast Service Center Installment Purchase Contract

Dan Ackerman, Director of Finance and Steve Mann from Miller Canfield, Bond Counsel, provided a review of the Northeast Service Center Installment Purchase Contract. It was decided to utilize installment financing. On February 17, 2017, an RFP was sent out to six banks in the amount of \$5.5 million dollars. Mr. Ackerman thanked Steve Mann for his assistance in this financing. The lowest bidder was Old National Bank at a 1.96% interest rate. Steve Mann stated that Old National’s interest rate was below the national interest rate.

RC17-097 B. Fuller moved, McFarlane second

WHEREAS, the Board of County Road Commissioners of the County of Washtenaw, Michigan (the “Road Commission”) determines it to be necessary for the public health, safety and welfare of its residents to provide funds for the purchase of a new Northeast Service Center as described in Exhibit A attached hereto (the “Project”); and

WHEREAS, under the provisions of Act 283, Public Acts of Michigan, 1909, as amended (“Act 283”), the Road Commission is authorized to enter into any contracts or agreements for the purchase of property or Project for public purposes, to be paid for in installments over a period of not to exceed the useful life of the property acquired as determined by resolution of the Road Commission; and

WHEREAS, the Road Commission has solicited quotes for the financing of the Project; and

WHEREAS, quotes have been received, and it has been determined that the proposal of Old National Bank (the “Bank”), is the most advantageous to the Road Commission; and

WHEREAS, an Installment Purchase Contract (the "Contract") between PHX Construction, Inc. (dba Phoenix Contractors, Inc.) (the "Contractor"), and the Bank, for the purchase of the Project has been prepared; and

WHEREAS, the Contract is to be assigned to the Bank.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Approval of Contract. The Contract is hereby approved substantially in the form attached hereto at Exhibit B. The Road Commission shall incur the debt described in the Contract through execution of the Contract by the officers authorized below which debt shall consist of the principal financed amount of not to exceed Five Million Five Hundred Thousand Dollars (\$5,500,000) which shall be payable in ten (10) annual payments of principal due April 1 of each year, commencing April 1, 2018 or such other dates and/or payment frequency as the authorized officers shall determine, with interest payable semi-annually on April 1 and October 1 of each year, commencing on October 1, 2017 or such other dates and/or payment frequency as the authorized officers shall determine, at the rate of 1.96% per annum. Principal installments maturing April 1, 2018 through April 1, 2022 under the Contract shall not be subject to prepayment prior to maturity. Principal installments maturing on April 1, 2023 and thereafter shall be subject to prepayment, in whole or in part, at the option of the Road Commission on any date, without penalty or premium, with 30 days written notice to the Bank.

2. Execution and Delivery of Contract. The Chair and Clerk are hereby authorized and directed to execute the Contract and deliver it to the Contractor, substantially in the form attached hereto with such additions, changes and modifications as shall be reasonably necessary, provided such changes shall not be materially detrimental to the Road Commission.

3. Useful Life of Project. The useful life of the Project is hereby determined to be not less than ten (10) years.

4. Authorization of Officers. The Chair, Clerk, Managing Director, and Finance Director (each, an authorized officer) are each hereby authorized and directed to execute such additional documentation and open such accounts as shall be necessary to effectuate the closing of the Contract and the assignment thereof.

5. Assignment of Contract. The assignment of the Contract by the Contractor to the Bank as the assignee of the Contractor is hereby approved.

6. Security. The Contract will be payable as a first budget obligation by the Road Commission, and the Road Commission hereby covenants to include in its budget for each year, commencing with the current fiscal year, a sum which will be sufficient to pay the principal of and interest on the Contract coming due before the next fiscal year, until the Contract is paid in full.

7. Mortgage. The Project is hereby pledged as collateral in support of the Contract. The authorized officers are each hereby authorized to prepare, execute and deliver a first mortgage on the Project and over the lands on which the Project is located in support of the Contract.

8. Tax Covenant. The Road Commission hereby covenants that, to the extent permitted by law, it shall take all actions within its control necessary to maintain the exemption of the interest on the obligations under the Contract from general federal income taxation (as opposed to alternative minimum or other indirect taxation) under the Internal Revenue Code of 1986, as amended, including but not limited to, actions relating to the rebate of arbitrage earnings, if applicable, and the expenditure and investment of proceeds of the Contract and moneys deemed to be proceeds.

9. Qualified Tax-Exempt Obligations. The Road Commission hereby designates the Contract as a "qualified tax-exempt obligation" for purposes of deduction of interest expense by financial institution under the provisions of the Internal Revenue Code of 1986, as amended.

10. Authorization to Adjust Terms; Solicitation of Proposals; Award of Financing. The Chair, Clerk, Managing Director, and the Finance Director are each hereby authorized to adjust the final details set forth herein to the extent necessary or convenient to complete the transactions authorized herein, and in pursuance of the foregoing are authorized to solicit proposals, make determinations regarding the principal and interest payment dates, frequency, maturity, and redemption provisions. The final terms of the Contract shall be evidenced through execution of the Contract by the Chair and Clerk. Actions by the authorized officers heretofore are hereby ratified, confirmed and approved.

11. Repealer. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

Voice Vote: YEAS: 3 NAYS: 0 ABSENT: 0 ABSTAIN: 0 Motion Carried.

REPORTS**ROAD COMMISSIONER REPORTS****Commissioner Bill McFarlane**

Commissioner Bill McFarlane will be attending as many of the upcoming Township Meetings as possible.

Commissioner Barb Fuller

Commissioner Barb Fuller attended the following meetings:

- Thursday, 2/23 Manchester meeting regarding the proposed Manchester Trail
- Tuesday, 2/28 Northfield Township Board Meeting – NE Service Center
- Thursday, 3/2 Webster Township Meeting – Jennings Road
- Sunday, 3/5 Sharon Township Meeting - Broadband Meeting & Board Meeting
- Met with Bruce Westlake, President of Michigan Electric Auto Association regarding electric vehicles

Commissioner Doug Fuller

Commissioner Doug Fuller asked for an update on the closure of Bethel Church Road at Lima Center Road. Jim Harmon, Director of Operations, stated that the area is drained through a private agricultural tile. The property owner constructed a road which damaged the tile and was repaired but has since failed. Mr. Harmon stated that the Road Commission is working closely with the property owner on addressing the failure with the manufacturer of the drainage tile and replacing the failed tile.

MANAGING DIRECTOR'S REPORT**STAFF REPORT –2-13-17 to 2-28-17****Sheryl Siddall, Director of Engineering – Engineering Report**

- 2017 Culvert Projects – Sheryl Siddall distributed a culvert list to the Board.
- Engineering is continuing to hold preconstruction meetings utilizing an electronic bidding process.
- Engineering is currently focusing on tree removal prior to April 1st, for the 2017 road projects.

Jim Harmon, Director of Operations – Operations Report

- Operations is working closely with the foremen and the County Highway Engineer on when to lift the seasonal weight restrictions.
- Staff is working on the annual township meeting packets and scheduling.
- Operations has taken delivery of two of the four heavy trucks purchased last year that have been put into service as well as three new pickup trucks.

MICHIGAN TRANSPORTATION FUNDS

Roy Townsend, Managing Director, reported that Michigan Transportation Funds were up in January nearly 25% as a result of the new revenue legislation passed in 2015.

ADJOURNMENT

RC17-098 McFarlane moved, B. Fuller seconded to adjourn the March 7, 2017 meeting at 1:41 p.m. Voice Vote: YEAS: 3 NAYS: 0 ABSENT: 0 ABSTAIN: 0 Motion Carried.

Douglas E. Fuller, Chair

Roy D. Townsend, Deputy Clerk

Minutes Approved: _____

DRAFT