

HARRY HAGSTROM, CHAIRMAN  
HAROLD FALAN, VICE-CHAIRMAN  
LORNE HAASE, MEMBER  
ALAN JURIK, MEMBER  
KEITH LEGGETT, MEMBER

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# WEXFORD COUNTY ROAD COMMISSION

*OUR MISSION IS TO IMPROVE AND MAINTAIN A SAFE AND EFFICIENT ROAD SYSTEM*

Regular Meeting

April 21, 2021

The meeting was called to order by the Chairman, Harry Hagstrom, at 7:30 a.m.

Present:

Commissioners: Messrs. Hagstrom, Falan, Haase, Jurik, and Leggett

Engineer Manager: Karl Hanson

Finance and Business Manager: Andrea Herman

Superintendent: Mark Hurlburt

Fleet & Facilities Manager: Travis Smith

Engineering Tech: Keith Moore

Visitor(s): Joe Hurlburt, Jay Clough, Sharon Hagstrom

A motion was made by Commissioner Haase and seconded by Commissioner Jurik to approve the minutes from the regular meeting of March 31, 2021 as presented. Roll call on the motion:

Commissioner Haase yes; Commissioner Falan, yes; Commissioner Leggett, yes; Commissioner Jurik, yes; Commissioner Hagstrom, yes. Motion unanimously approved.

Addition to the Agenda: None.

Public Comment: Jay Clough commented on the berm and how Alan Cooper didn't know anything about the berm or food plots. Mr. Cooper is the fall guy because he is no longer here. It is not right, and we need to look at others involved.

Staff Reports: Mr. Smith stated they are transitioning the seasonal equipment. The mechanics are happy with the updated fleet and are catching up on preventative maintenance. They are getting ready for the brine season. Mr. Smith thanked the board for the skid steer and stated the tractors were holding up well.

Mr. Moore updated the Board on the status of crackfilling.

Mr. Hurlburt stated the crew was transitioning from winter to summer work.

Previous Business: None.

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**New Business:**

A motion was made by Commissioner Jurik and seconded by Commissioner Haase to accept the 2020 Financial Audit as presented. Roll call on the motion: Commissioner Falan, yes; Commissioner Jurik, yes; Commissioner Haase, yes; Commissioner Leggett, yes; Commissioner Hagstrom, yes. Motion unanimously approved.

A motion was made by Commissioner Haase and seconded by Commissioner Leggett to accept the 2021 1<sup>st</sup> Qtr. Financial documents as presented. Roll call on the motion: Commissioner Jurik, yes; Commissioner Leggett, yes; Commissioner Falan, yes; Commissioner Haase, yes; Commissioner Hagstrom, yes. Motion unanimously approved.

A motion was made by Commissioner Haase and seconded by Commissioner Jurik to accept the 2020 Act 51 Report as presented. Roll call on the motion: Commissioner Leggett, yes; Commissioner Falan, yes; Commissioner Jurik, yes; Commissioner Haase, yes; Commissioner Hagstrom, yes. Motion unanimously approved.

A motion was made by Commissioner Jurik and seconded by Commissioner Haase to approve the Clerk's Certificate for the 2021 Kenworth lease purchase as presented and authorize the Chairman and/or Finance & Business Manager to sign. Roll call on the motion: Commissioner Haase, yes; Commissioner Leggett, yes; Commissioner Jurik, yes; Commissioner Falan, yes; Commissioner Hagstrom, yes. Motion unanimously approved.

A motion was made by Commissioner Haase and seconded by Commissioner Falan to amend the capital outlay budget to remove the building addition due to high construction costs and replace with the list of staff recommendations in the amount of \$477,000. Roll call on the motion: Commissioner Falan, yes; Commissioner Haase, yes; Commissioner Jurik, yes; Commissioner Leggett, yes; Commissioner Hagstrom, yes. Motion unanimously approved.

Administrative Update: Mr. Hanson updated the Board on \$180,000 from the USFS to be used for the replacement of large culverts in 2022. He also updated the Board on other possible funding through the Good Neighbor Authority, Rural Task Force and the 1.9 trillion Stimulus. Once clear guidance is established, he will update the Board on these funds.

**County Liaison:**

Board Comments: Mr. Haase thanked Mark and the crew for the compliments he received.


Mr. Hagstrom thanked Mr. Hurlburt and Mr. Smith for attending

Mr. Jurik and the rest of the Board welcomed Keith Moore.

Vouchers	3-25-21	421,916.17
	3-29-21	(107.57)
	4-12-21	387,498.97
Payroll	4-8-21	65,122.71
HRA	3-30-21	1,053.39
	4-13-21	112.14
Total		\$875,595.81

There being no further business, the meeting was adjourned at 7:55 a.m.

  
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Harry Hagstrom, Chairman

  
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Andrea Herman, Finance and Business Manager

Wexford County Road Commission  
2021 Master Lease/Purchase Agreement

CLERK'S CERTIFICATE

I hereby certify that I am the duly elected or appointed, qualified and acting officer of the Wexford County Road Commission (the "Road Commission") holding the office indicated under my signature below; and I am executing and delivering this Certificate in connection with the execution and delivery by the Road Commission of a State and Municipal Master/Lease Purchase Agreement dated as of April 29, 2021, with Exhibit A to State and Municipal Master/Lease Purchase Agreement dated April 29, 2021 (Description of Equipment), Exhibit A (sic) to State and Municipal Master/Lease Purchase Agreement, dated April 29, 2021 (Delivery and Acceptance Certificate), and related documents (the "Obligation"), between the Road Commission and PACCAR Financial Corp, (the "Lessor"), a copy of which is attached hereto and incorporated herein by reference, to evidence indebtedness incurred to finance the purchase of certain Property described therein. All capitalized terms not defined herein shall have the meaning assigned to them in the Obligation.

A. General Certificate

1. I certify that the Obligation and any other documents delivered to the Lessor in connection therewith have been officially signed by an authorized official of the Road Commission; that there is no litigation of any nature pending for the purpose of restraining or enjoining the execution of the Obligation and other documents and certificates delivered to the Lessor in connection therewith or the levy or collection of taxes, assessments, or contract payments sufficient to pay the interest and principal thereon, nor directly affecting the proceedings or authority by which the Obligation is being entered into, or the validity of the

Obligation; that neither the corporate existence of the Road Commission or the title of its present officers, or their respective offices, is being contested; that to the best of my knowledge there is no litigation pending indirectly or collaterally affecting any of the foregoing; and that none of the proceedings heretofore taken to authorize the Obligation and any other documents and certificates delivered to the Lessor in connection therewith and to provide security therefor has been repealed, revoked or rescinded.

2. The Obligation and any other documents and certificates delivered to the Lessor in connection therewith have been duly authorized by the Road Commission, acting through its governing body, are in full force and effect, are valid, legally-binding actions of the Road Commission, enforceable in accordance with the terms thereof, and the information contained therein is accurate and correct. The Obligation is being issued pursuant to and in accordance with Act 283 of the Public Acts of Michigan of 1909, as amended.

3. The execution, delivery and due performance of the Obligation and the motion adopted by the Road Commission on January 6, 2021, authorizing the Obligation, will not conflict with or constitute on the part of the Road Commission a breach of, or a default under, any agreement, indenture, mortgage, lease or other instrument to which the Road Commission is subject or by which the Road Commission is or may be bound and will not conflict with or be in violation of any existing law, court or administrative regulation, rule, decree or order.

4. The foregoing is a complete and correct transcript of all the proceedings and records on file in my office relating to the Obligation, the same having been compared by me with the original on file in my office; that the proceedings have not been rescinded, amended or modified in any manner whatsoever; and that the time for the reconsideration of the proceedings has expired.

5. At the time of the taking of the various proceedings contained in the foregoing transcript, the persons named as being members of the Road Commission constituted all of, and were at such time the duly qualified and acting members of, the Road Commission.

6. The Road Commission believes and anticipates that the useful life of the Property described in the Obligation will equal or exceed 10 years.

7. The signature affixed to the Obligation is the true and genuine signature of the Manager of the Road Commission who signed with full authority of the Road Commission.

B. Non-arbitrage Certificate

I further certify that I have made due inquiry with respect to and am fully informed as to the matters set out in this Certificate, and that I certify and reasonably expect that the following are the facts or anticipated occurrences with respect to the Obligation.

1. The Obligation is being entered into for the purpose of acquiring certain property as set forth in the Obligation within six months of the date hereof (the "Property") and the proceeds of the Obligation will be used to finance the acquisition of the Property and will not be used to acquire any other property.

2. The total cash price of the Property is \$424,814.85 (the "Purchase Price"). The principal of the Obligation is \$398,700.00 (the "Principal Balance"). The Principal Balance is expected to be financed under the Obligation in installments payable as provided under the Obligation with interest on the unpaid balance at the rate of 6.55%, which is the yield of the Obligation for purposes of Section 148 of the Code.

3. The installments will be paid as a budget item from the general operating funds of the Road Commission.

4. To the best of my knowledge, information and belief, the above expectations are reasonable.

5. The Road Commission has not been notified of any listing of it by the Internal Revenue Service as an issuer that may not certify its obligations.

6. The Road Commission anticipates that it will not be required to rebate arbitrage earnings on proceeds of the Obligation to the United States pursuant to Section 148 of the Internal Revenue Code of 1986, as amended (the "Code") based on the following assumptions:

(a) Ninety-five (95%) percent or more of the proceeds of the Obligation are to be used for the local governmental activities of the Road Commission;

(b) The aggregate face amount of all tax-exempt bonds (other than private activity bonds) issued by the Road Commission (and all subordinate entities thereof) during the calendar year 2021 is not reasonably expected to exceed \$5,000,000; and

(c) All proceeds of the Obligation will be expended for the local governmental activities of the Road Commission within six months of the date hereof.

7. This Certificate is being executed and delivered pursuant to Sections 1.103-1 of the Income Tax Regulations, as amended, and is intended by the Road Commission to satisfy the requirements of such regulations.

C. Tax and Financial Covenants

1. The reasonably anticipated amount of tax-exempt obligations issued and to be issued in the calendar year 2021 by the Road Commission, including all subordinate entities thereof, will not exceed \$10,000,000.

2. The Property will not be used by, leased to or loaned to any non-exempt persons (i.e., persons or entities which are not state or local governments or subdivisions thereof) during the time that principal is outstanding under the Obligation.

3. The Road Commission has not received notice that its Certificate as to Arbitrage may not be relied upon with respect to its own issues nor has it been advised that any adverse action by the Commissioner of the Internal Revenue Service is contemplated.

4. The Road Commission is a political subdivision of the State of Michigan which qualifies as a "governmental unit" within the meaning of Sections 141(b)(6)(A) and 141(c)(1) of the Code, as amended, and any successor provision, act or statute and the regulations from time to time promulgated or proposed thereunder.

5. The Road Commission covenants that it will file a true, accurate, and complete Internal Revenue Service Form 8038-G or 8038-GC, as applicable, with respect to the Obligation.

6. The Road Commission covenants and agrees that, to the extent permitted by law, it shall take all actions within its control and that it shall not fail to take any action as may be necessary to maintain the exclusion of the interest on the Obligation from gross income for federal income tax purposes, including but not limited to actions relating to the rebate of arbitrage earnings and the expenditure and investment of proceeds of the Obligation and moneys deemed to be proceeds of the Obligation. In the event that it is necessary to rebate arbitrage earnings to the United States in order that interest payable pursuant to the Obligation remains excludable from gross income under the Code, the Road Commission hereby covenants to rebate such moneys to the United States as provided in the Code.

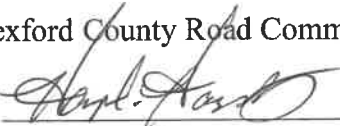


7. On the basis of the foregoing, it is not expected that the proceeds of the Agreement will be used in a manner that would cause the Agreement to be an “arbitrage bond” within the meaning of Section 148 of the Code, and applicable regulations.

Dated as of April 21, 2021

Wexford County Road Commission

by:



Harry Hagstrom  
Its Chairman

by:



Andrea Herman  
Finance Manager and  
Board Secretary

## 2021 Capital Outlay Replacement Items

Item	Cost
Left Side Wing retrofit truck #60	\$22,000
Grapple Bucket for Loader	\$35,000
Fork lift (used)	\$18,000
Skid Steer Trailer	\$18,000
Rear Flail Mowers (2)	\$22,000
Blower Front Mount (self powered)	\$25,000
Grapple for Skidsteer (Reviewing)	\$12,000
Infloor Hoist (Pending review)	\$125,000
Brush Hog Tactor	\$170,000
Brush Chipper Refurbish (approximately)	25,000
Misc	\$5,000
	\$477,000