

A SPECIAL MEETING of the Board of Chippewa County Road Commissioners was held in their offices located at 3949 S. Mackinac Trail, Sault Ste. Marie, MI on January 25, 2023.

Chairman Gagnon called the meeting to order at 9:05 A.M.

PRESENT: Chairman Gagnon, Commissioner Sprague, Manager Laitinen, Office Manager Decker, Clerk Livermore.

ABSENT: Commissioner Moser

GUEST PRESENT: Dan Autore and Ryan Schmitt diel from Autore Oil and County Commissioner Jim Traynor.

Chairman Gagnon accepted the agenda as presented.

FUEL VENDOR / BOARD DISCUSSION

Office Manager Decker explained the reason for calling a special meeting with the board and a vendor was due to a material change in pricing policies established with Autore Oil that are conflicting to the bid as it was awarded. The meeting was scheduled to give the vendor an opportunity to provide an explanation to the board.

Ryan Schmitt diel, sales representative for Autore Oil, addressed the board. Before addressing the change in pricing, Mr. Schmitt diel apologized to the board for causing the necessity for a meeting, noting he should have called and been forthcoming with a change in policy. Mr. Schmitt diel provided the results of an initial audit going back to October which shows a discrepancy in billing amounting to approximately \$5,000 in the Road Commission's favor. He noted that the discrepancy has to do with the timing of the rack price and the delivery of fuel. Discussion ensued.

Chairman Gagnon wants doing business with local vendors to be fair, but commented, "a bid is a bid." Commissioner Sprague remarked, "we have to hold the vendor to the bid price and we need an independent verification of price going forward." Manager Laitinen suggested a full audit of the bid year be done and Mr. Schmitt diel offered to complete the audit with Office Manager Decker and work to develop a more fair bid process for the future. Manager Laitinen noted this process was developed several years ago with the previous owner of Autore Oil as a means to be more fair.

Manager Laitinen commented on the lack of communication by the vendor having potential to create a lack of trust in the relationship but voiced an overall wish to maintain a relationship beneficial to both CCRC and the vendor.

Officer Manager Decker addressed the initial response by Mr. Schmitt diel when the billing discrepancy was discovered regarding pulling the contract if the Road Commission decided to hold them to

their bid price. Mr. Schmitt diel responded that it is not the intention of Autore oil to deny service but to make the contract whole and finish out the term of the bid. He asked for an opportunity to work with the Road Commission on how to better collect bid prices, noting too much volatility in the market. Autore Oil wishes to continue to provide service to the area and has no interest to sell nor will the company leave the Road Commission "high and dry in the middle of the winter."

PUBLIC COMMENT

None

NEW BUSINESS

CLOSED SESSION - COLLECTIVE BARGAINING NEGOTIATION STRATEGY

MOTION by Commissioner Sprague **SECONDED** by Chairman Gagnon to enter Closed Session for discussion regarding Collective Bargaining Strategy.

MOTION CARRIED by **UNANAMOUS ROLL CALL VOTE**

MOTION by Commissioner Sprague **SECONDED** by Chairman Gagnon to re-enter open session.

MOTION CARRIED

Resumed open session at 10:02 a.m.
No decisions were made during the closed session meeting.

MOTION by Commissioner Sprague **SECONDED** by Chairman Gagnon to ratify the Collective Bargaining Agreement with the items discussed in closed session.

MOTION CARRIED

ROAD COMMISSIONERS' COMMENTS

With no further business to come before the Board, the meeting adjourned at 10:04 A.M.

Bobbie Livermore
Clerk for the Board

Jeremy Gagnon
Chairman