

FROM: Johnson Island Road Commission

TO: BHOA and JIPOA Trustees

SUBJECT: April, 2023 Monthly Report on Causeway Revetment Project

Key Activities:

1. Initiation of the Causeway Project Bidding Process:
 - a. Bid documents were completed and distributed during the first week of April. Individual contractors who had expressed an interest in the project received the bid package. Further, announcements of the availability of the bid documents were made in local newspapers and certain trade publications.
 - b. The pre-bid meeting was held on April 14 and was attended by eight contractors. The project was presented by Richland Engineering with attendees who had the opportunity to ask questions regarding the project.
 - c. Sealed bids were opened during a public meeting on April 28. Two contractors submitted bids: Shoreline Contractors, Inc. and Mark Hayne Construction, Inc. Both bids fell within the budget that has been derived for construction/repair of the revetment.
 - d. Detailed review of the bids is underway. Richland Engineering is leading the technical evaluation of the bidders. JIRC will seek dialogue from Islanders on matters that may affect Islanders generally. That is matters such as: maintaining traffic; hours of operation; acceptable level of disturbance; acceptable level of interruption of internet etc. Selection of the winning bidder will be made by JIRC in conjunction with Richland Engineering Selection and is targeted for June 1, 2023.
2. Revetment Project Permitting: In a hearing of the Planning Commission of the Village of Marblehead on May 3, 2023, the Causeway Revetment Project was approved. This permit, along with permits already obtained by ODNR and Army Corps of Engineers allows JIRC to proceed with the project.

3. Amendment of the “Execution of the 2023 Road Commission Work Plan”: The subject Work Plan Agreement was negotiated by BHOA and JIPOA Trustees and JIRC to provide structure and transparency in the conduct of the Causeway Revetment Project. One provision, dealing with transfer of Causeway Special Assessment to JIRC stated: “Before the Road Commission enters into a contract with the winning bidder, the Special Causeway funds collected by BHOA and JIPOA, \$1.5 million, will be transferred to the Road Commission’s newly created Causeway bank account.
- a. Certain of those owners contacted by JIPOA for the Special Assessment have refused payment thereby thwarting JIPOA’s efforts to raise their aggregate total assessment of (\$980,000) by the time JIRC intends to enter into a contract with the winning bidder.
 - b. A compromise was reached by which JIPOA will transfer all Special Assessment collections it has received by the date a contract is signed by JIRC with the winning bidder. To assure total payment of JIPOA assessments is made, it has procured a line of credit for \$70,000 which will be drawn down as JIRC requires the funding. Separately, a Promissory Note Agreement has been executed by JIPOA and JIRC. This avoids the cost JIPOA would incur for taking a loan to assure total aggregate payment prior to the contract with the winning bidder. Further it gives JIPOA more time to collect Assessment funds, which will minimize the extent to which JIPOA will have to go into their line of credit. Thanks to BHOA and JIPOA trustees for the cooperative spirit in amicably resolving this issue.
 - c. Assessment Collection Status:
 - i. JIPOA has transferred \$927,500 (of the \$980,000 target) to the JIRC Causeway bank account.
 - ii. BHOA has collected \$480,000, their total aggregate assessment amount. They will transfer this amount before a contract is signed between JIRC and the winning bidder.

Monthly Financia Recap:

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| a. Contract Engineering Services: | \$825.00 |
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b. Non-Causeway Spending:	
i. Gate Repair	\$429.00
ii. Pothole Repair	\$3,669.00
c. Month Ending Account Balances:	
a. JIRC Checking Account	\$12,686.71
b. JIRC Savings Account	\$85,980.23
c. JIRC Causeway Account	\$927,581.46

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