

Members Present: Gary Steber, Jeanette Bomberg, Don Gardner, Larry Neuens and John Halada.

Members Absent: None.

Others Present: Joe Bestor, County Financial Manager; Jeff DeMuri and Francie Freeberg.

The meeting was called to order by Chairman Steber.

Approval and/or revisions to current agenda: It was moved by Gardner, seconded by Halada and voted unanimous to approve the agenda as submitted.

Old Business

Discussion on Bonding for Roads: Since the County Board voted to proceed with the intent resolution for borrowing not to exceed 2.5 million for highway construction at their last County Board meeting there was a conference call to discuss the next step in the bonding/promissory note process. DeMuri said that the conference call was on Wednesday of last week and included Donna Trudell, Joe Bestor, Scott Sternhagen the County Auditor, Jeff Belongie the Investment Manager from Hutchinson Shockey Erley & Co. and personnel from Standard & Poor's Rating Services, Inc. There were approximately 15 questions that need to be answered in order for them to establish our investment rating. Jeff Sternhagen was a major help with answering the questions so hopefully Florence County will get a good rating. DeMuri presented the Committee with a preliminary statement regarding the proposed payment schedule. He noted that the schedule is for ten years and that in 2024 there is a balloon payment scheduled for \$1,050,000. It isn't known if Florence County will be able to make that large of a payment in one year so if not, prior to that time we will have to consider refinancing or continuation of the bond for five or more years. It is planned that the County Board will be voting on a resolution to accept the interest rates at their June meeting. This resolution will have to be passed by 51% of the County Board. Donna Trudell is working on the resolution and whatever other paper work will be needed. Considerable discussion followed regarding the highway work and construction of a new shop/office area versus repairing the existing structure. The Committee felt that they need more detailed information before the County Board meeting. They felt that all the construction costs, including the prep work, culvert replacements, shoulders, etc. for the road work should all be part of the bonding costs. DeMuri's previous estimate just for resurfacing CTH "N" from the Pine River Bridge to Florence was nearly 1.8 million and that excluded the prep work, culverts and shoulder work. Once those dollars are factored into the equation, along with the work on CTH "C", we will be very close if not over the 2.5 million dollars. We still haven't addressed the repairs to the highway building. There are safety concerns regarding the electric panels that need to be addressed before an accident occurs. They considered an option of postponing action on the bonding for another month but the interest rates may not remain this low and the ball has already begun to roll. If the resolution is passed at the June meeting there is a good chance that we would have the money by the 1st of July. The money would then be put into a capital improvement account to be drawn upon as needed. It is a possibility that our budget could sustain the expense for repairs/renovations to the building as long as all the highway construction costs come out of the bond/promissory note. Once the projects sections that are being done in the area designated for the CHIP/CHIP D projects that reimbursement money could then be put into the major repairs to the building. There are DNR permits needed for work on CTH "N" and they may take another month or so to get. We could start with the proposed work on CTH "C" until such time as we get the permits for CTH "N" from the DNR. 2014 and 2017 are only partial years for working on the project and 2015 and 2016 will be the biggest paving years. These monies will have to be spent within three (3) years. Bomberg stressed the need to consider safety, in both the highways and repairs/renovations to the highway building. Gardner said that he was willing to work with Jeff to help get a report that would be understandable by both the County Board and the general public. It is felt that he needs to itemize his costs for the culvert replacement, shoulders, blacktopping, etc. It would be nice to see an updated road plan for the bonding needs. After additional discussion, it was moved by Bomberg, seconded by Gardner, and voted unanimous to have DeMuri update his road plans for presentation to the highway committee, the rest of the County Board and the general public.

Occasional labor for summer: There were only three (3) applicants for the Occasional Laborer position for the summer. DeMuri asked if he needed to conduct interviews. Bomberg said that all applicants need to be treated equally and that a County Board member should be involved in the interview process.

Forestry Equipment: DeMuri wrote up a policy regarding use/maintenance of the County Forestry equipment. He noted that Pat Smith, had reviewed the policy and had no objections with it. There are three (3) units that we will be tracking expenses and revenues as well as maintenance for them. Each committee member read the policy presented. After discussion, it was moved by Bomberg, seconded by Gardner and voted unanimous to move forward with this policy.

Highway Committee Meeting

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Loaders/Sale: The two new Volvo loaders have arrived. DeMuri said that he did put one of the existing CAT loaders on the On-line Auction. Unfortunately, the high bid did not meet what FABCO had as a guaranteed buy-back, so it was not sold. He said that a local contractor had expressed an interest in purchasing one of the loaders. With that in mind, DeMuri advertised locally with bids due on the 12th of June. He had a minimum bid of \$87,000 required. DeMuri said that he has another meeting scheduled with the DOT and would not be able to attend the bid opening. He asked if the Committee felt a need to attend or could Joe Witynski and Francie Freeberg handle the bid opening. The Committee felt that it was OK for Witynski and Freeberg to open and record the bids for the purchase of a loader. It was then moved by Neuens, seconded by Gardner and voted unanimous for DeMuri to proceed with the sale of the loader(s).

Procurement Policy: DeMuri said that he had attended the Audit and Budget Committee meeting regarding updating of the procurement policy. He said that the Committee voted to increase the procurement limit to \$25,000 to cover public works projects only.

Old Business

State Financed Salt Shed: As discussed in the past the Wisconsin Department of Transportation is looking at building a new state salt shed in Florence. This shed would be 100% financed by the State. There would be a MOU (Memorandum of Understanding) issued stating that if the DOT ever contracts out the State Maintenance work to someone other than the County, then those people would be guaranteed access to the State owned salt shed. Steber asked who would be responsible for the liability if someone other than county personnel were to get injured on our property. DeMuri will check into this. Soil borings were conducted today, and DeMuri will be meeting with the architect, DOT personnel and other on Thursday to discuss this project. The shed probably won't be constructed before 2017. The plan is to build it large enough to get the complete winter's supply of state salt into the shed in early summer. They believe they will be able to get better prices this way. The old state shed will then revert to the county. Due to the location of the proposed building DeMuri will probably have to go to the Building & Grounds committee to get a variance for a strip of land on the North end of the Highway property to allow for construction.

State Performance Based Maintenance Project (P.B.M.): DeMuri said that he has put in for a PBM project for shouldering four (4) miles of highway 70. The gravel needed to be tested so Coleman Engineering and WisDOT completed those tests last week. He doesn't have the results of the tests but believes there shouldn't be any problems with it passing the DOT requirements. This is a pilot project and all the details still need to be worked out. DeMuri said that if his gravel does not meet the required DOT specifications then he will pull out of the agreement. He has also told the DOT that we could not do the work for the price quoted if we have to haul the gravel from some other location. After discussion it was moved by Gardner, seconded by Halada, and voted unanimous to sign the agreement for the PBM project.

Commissioner's Report: DeMuri said that both loaders had arrived. There were some adjustments that needed to be made in order for our attachments to fit onto the loaders. Aring Equipment agreed to have Grailer Welding make the repairs/adjustments as well as pay us for the time involved in taking the loaders/equipment to Aurora for them to work on.

Distribute monthly financial statements: The monthly financial statements were distributed and reviewed by Freeberg. It was then moved by Gardner, seconded by Bomberg and voted unanimous to approve the financial report as submitted.

Present bills: The bills were presented and after review it was moved by Bomberg, seconded by Neuens and voted unanimous to pay the bills for a total not to exceed \$50,385.59.

Committee Members comments, concerns and future agenda items: Next month's agenda should include discussions on bonding, sale/buy back of the loaders, and results of gravel tests and the PMB project.

Adjourn: There being no further business it was moved by Neuens, seconded by Bomberg and voted unanimous to adjourn.

Respectfully submitted,

Francie Freeberg
Office Manager