

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

Committee Members Absent: Larry Neuens was excused.

Others Present: Joe Bestor and Jeff DeMuri.

The meeting was called to order by Chairman Steber.

Approval and/or revisions to current agenda: On a motion by Gardner, seconded by Halada and voted unanimous the agenda was approved as submitted.

Items to be discussed and/or acted upon:

Discussion on proposed bonding: DeMuri said that the reason for this meeting was that he received a call from Jeff Belongie the Investment Manager from Hutchinson Shockey Erley & Co. regarding the amount of money that the Highway Department wants to borrow. He needs that information in order to contact the people that will be investing in the bonds/notes. This way he will have everything prepared, including the final interest rates, for the County Board meeting on Tuesday. The intent resolution that was passed by the County Board last month was "not to exceed 2.5 million" but now he needs to know the final amount that we actually do need. DeMuri prepared his road plan and sent it to the Committee prior to this meeting. Much discussion was had regarding the proposed work and amount we should be bonding for. Halada said that his constituents felt they could approve was 1.6 million as they didn't want to go into debt any further. The nine miles on CTH "N" is estimated to cost approximately 1.8 million including the 2,000 plus feet of guard rail that will need to be replaced. DeMuri said that his last job he did in 2011 on CTH "U" it cost approximately \$16.00 per foot to replace the guardrail. It is cheaper to replace the entire guard rail than to try to work within the existing guard rails. Instead of pulverizing and blacktopping over it we'd have to pulverize and then pull about three inches of material out from the whole stretch and then blacktop, in order to keep the same elevation to maintain the existing guardrails. The Committee asked about the life of the guardrails and DeMuri noted that he didn't know about the guardrails themselves but the problem that usually develops is that the posts will start rotting. He said that he had no clue to how old the existing posts are. DeMuri's spreadsheet shows the estimated total for the pulverizing and paving work on CTH's "N" and "C", and a chip seal on CTH "D" is approximately 2.9 million but assured the committee that we would not have to bond for that total amount. This total includes money for culvert and guardrail replacements as well as the other proposed work. The 2.5 million is a workable dollar amount. The committee asked how much had already been spent on trying to get this bonding issue passed and was told \$19,000 plus. This included legal, investment, printing and distribution fees. Gardner said that he thought we had to go back to the board to get approval on the dollar amount that we wish to bond for, not just the interest rate itself. This Committee should be making a recommendation to the County Board regarding the amount of money needed to be bonded for. We can do that at this meeting and take it to the County Board on Tuesday for their approval on the overall dollar amount and interest rate. Considerable more discussion followed. It was noted that Larry Neuens had talked to DeMuri and Bomberg and told them both he was in support of bonding for the 2.5 million. The rating for Florence County by Standard & Poor's Rating Services, Inc. was a double AA- so that should give us a very good interest rate. It was moved by Gardner, seconded by Bomberg and voted three (3) to one (1) to recommend the County Board go ahead with bonding/notes for 2.5 million for the Highway work as proposed by DeMuri. Halada cast a dissenting vote.

Sale of Caterpillar Loaders: DeMuri noted that the bids were opened for the sale of the one caterpillar loader and we only had one bidder. He submitted a bid for \$100 over the minimum amount posted in the advertisement. He also submitted a second bid as he really would like to purchase both loaders. DeMuri said his original idea was to sell the one loader and return the second loader to FABCO for their guaranteed buyback amount. Steber felt it was essential that we follow procedure so we should advertise the second loader. After discussion it was the consensus of the committee to advertise the second loader and if need be we could still return it to FABCO for the guaranteed buy back amount if no bids were received.

Committee Members comments & concerns: None at this time.

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

Respectfully submitted,

Jeff DeMuri
Highway Commissioner