

Acting Chair J. Mesec called the meeting to order at 6:00 pm.

- 1.0 ROLL CALL** – Present: Commissioners J. Mesec, R. Murphy and M. Postotnik and Trustee Liaison K. Meleski and DPW Director M. Martin. Absent and excused: A. Fritz, M. MacGillis and T. Sobocinski (Alternate). Audience: 1.

2.0 GENERAL BUSINESS

- 2.1 Approval of Minutes- Motion (Postotnik, Murphy) to approve the August 15, 2019 minutes; unanimously approved.
- 2.2 Public Comment- None.
- 2.3 Written Communications- None.

3.0 DIRECTOR'S REPORT

- 3.1 Road Improvement Program – This item was jointly discussed with the Board of Trustees and Public Works Commission. Refer to September 19, 2019 Board of Trustee minutes for further information. Director Martin reviewed the PASER rating system and the rating of the conditions of the roads within the Village. Approximately 14.3 miles are rated a 1-3 which may be eligible for full reconstruction or possible full depth pulverization, 9.41 miles are rated 4-6 which may be suitable for a mill and overlay process or full depth pulverization, and 11.73 miles are 7 -10 which are the newer roadways requiring maintenance such as crack filing. Martin stated based upon his experience an enhanced road program as planned will result in higher resident satisfaction levels, improvements in home sale values, and spur residential repair and remodeling. On the negative side, Martin stated that a program of this magnitude may increase staff workload and increase maintenance costs to insure a long life on these roads. Martin further stated that the Public Works Committee is developing policy for the project prioritization and selection. A careful balance must be established between resurfacing and reconstruction. In addition, depending upon the scheduling of these projects, other associated infrastructure improvements such as sanitary sewer, storm sewer, and water main may deplete funds set aside specifically for their improvement and repair. Per borrowing issuance rules, the funds must be spent within a three year period therefore several projects must be ready to bid in order to meet the spend-down requirements. Project timing and collaboration with public utilities will also be a challenge as these utilities will require time to design, replace, or modify their facilities within the project boundaries. The current funding of \$415,000 allows for approximately a 1/2 mile of reconstruction or 1 mile of mill and overlay. The proposed \$3 million bonding is estimated to address approximately 5 miles comprised of a mixture of reconstruction and resurfacing projects. Village Administrator Kulik commented that the funding would increase General Transportation Aids (GTA) funding over time. Kulik added that, the current Fed Rate was lowered again today and the note should yield a bond premium as the DPW Facilities note did which is approximately \$173,000 on the \$5.3 million dollar issuance. Bond premiums can only be used to pay for interest and therefore any premium would also be available to support bond payments for principal and interest. D. Besson asked the Board and PWC to consider 3 questions – 1) Are the current roads acceptable the way they are? 2) Is current policy keeping up with demands? and 3) Is what is being proposed a viable program? He believes the road conditions are not acceptable to the residents, the program is doing what it can with the funds it has but it is not keeping up and he wants to know if this is a workable doable study. The proposal would be an estimated zero increase to tax levy to support this program for at

least 6 years. PWC Commissioner J. Mesec commented that residents have come to the PWC meetings complaining about their roads and one in particular that we couldn't get to. His concern is only that it will be a "What about my road" mentality from some residents. M. Martin commented that using a conservative estimate of funds needed to address all roads is \$24 million and the proposed program is not going to solve all of this but it is a major step towards addressing these conditions. Some projects will have to be addressed in future years. The Village requires a sound policy that all support as to the road selection process. D. Besson commented that the PWC recommends to the Board and we are working together. However, it gives the Board the ability to review the program and if it doesn't work it can be pulled back in, however it is an opportunity to develop a program so that the roads do not get back to the condition they are currently in and it is worth exploring. M. Martin summarized the road funding history over the last 20 years. In 1998, the annual funding for the road program was \$30,000 and it remained at that level until 2011 when funding increased to \$36,000. In 2012, annual funding leapt to \$200,000 and has steadily increased to the current level on \$415,000. This funding does not include the borrowed funds for several larger projects that were implemented over the years. Other funding sources include Surface Transportation Program (STP) and Local Road Improvement Program (LRIP). STP is restricted to arterial streets and is an extremely competitive process. The Village may have an eligible project every 20 years or so. LRIP funding is provided on a four year cycle. LRIP is not competitive but averages about \$40,000 per funding cycle. S. Kulik commented on the State Governors program that was recently announced and indicated that those projects typically have to be "shovel ready" in order to receive funding. M. Martin indicated that the details are of this new program is still not known and more information would be forthcoming. S. Kulik reported on prior borrowings for roads for bonds sold in 2008, 2012 and 2015. Trustee R. Brinkmeier questioned when the program would begin. S. Kulik commented that the borrowing should begin now to take advantage of favorable bond rates which allows for funds be available in December to begin design work on the proposed road projects in order to let for bid the selected roads in early spring of 2020. Director Martin commented on a potential schedule that in the first 2 years, the smaller mill and overlay projects would be constructed and the larger reconstruction project(s) would be scheduled for construction in year 3 of the borrowing term. The extra time is required for design, public utility accommodation, condition assessment of existing municipal utilities, potential water main expansion, and possible right of way acquisition or easements. S. Kulik commented that the financial planner was asked to do was show an impact on the entire debt picture if we were to proceed under subsequent borrowings to improve roads. The matter under discussion is one borrowing for \$3 million, preliminary offering statement, and bond underwriting. Further, even if only one project to reconstruct was proposed at \$1 million, the only option for funding is to borrow for it. Trustee M. Bennett also expressed concerns that PWC did not ask for funding options that this was giving it to them versus them requesting it and that we cannot commit future boards under a multiyear plan. S. Kulik commented that the concept was to use the \$415,000 that had been transferred to capital it would go towards debt service and be a flat effect. Trustee M. Stahl commented that she understands this is about one borrowing and that favorable interest environments make this a good option and without it we are doing nothing and this is a start as without it we are going to continue getting behind in this. M. Bennett feels the public needs to see we are doing something about the roads and at a favorable time. M. Bennett questioned how other equipment replacement needs or emergencies would be met under this multi-year program. S. Kulik commented that two options exist: utilize short term State Trust Fund loans which could be rolled into other future bond or note options or tap into the undesignated reserve. Kulik does not recommend using the fund balance for that purpose but that would be a board decision at that time, if needed. In addition, Tax Increment District(s) will be closing which eases some of the tax impact as 50% of the increment value is allowed to be added to the general tax levy. Further, under the levy cap and expenditure restraint, this is the only option you have to undertake a larger road program. Decision to implement a larger road

program is a policy decision the Board can make and staff will proceed that way. J. Mesec commented that the PWC has built many roads here and that if anything goes wrong it would be under the first project list and can be addressed at that time. The Village has just enough staff to handle the \$3 million and get this done well. Director Martin commented that you can never catch up but this program will make large strides towards a goal of improving Village streets but will require a larger maintenance effort. Commissioner M. Postotnik commented that he has been on the commission for many years and former DPW director(s) could just “put out fires” as no money was available and he feels this is an opportunity to make progress. President D. Besson reiterated that this is just an initial borrowing and that if it doesn’t work out then we look for something else. The Board and the Commission need to operate under the same guidelines and present a unified front. Trustee K. Meleski question on why we don’t issue a \$6 million dollar bond as we know the impact and we know we have the work. Further, we know the interest rates are low and we should take advantage of that. Has an analysis of that been explored? S. Kulik commented that anything over \$5 million is bank qualified debt which mandates that it be spent within 18 months of issuance at 90% and 100% at two years. Kulik stated that additional staff would require to be hired to manage a program that aggressive. Kulik does not recommend at \$6 million or \$5 million program as it is not manageable by existing staff. K. Meleski commented that what about \$4.5 million to accomplish road work. S. Kulik commented that it is the same problem in terms of inadequate staff time to manage that much work. M. Martin confirmed that the staffing and management is inadequate to address a road program that large. S. Kulik commented you would have to hire additional staff and that those costs would be tax levy supported as the bond cannot be used to pay for employee personnel. M. Stahl questioned PWC if they feel we should move forward to take advantage of favorable interest rates. The consensus of the Public Works Commission and the Board of Trustees is to proceed with a \$3 million dollar. The issuance will be presented to the Committee of the Whole in October.

- 3.2 Salt Storage Building Update – M. Martin reports the temporary electric service needs to be reconnected for a final test. R. Murphy asks about back up power in the event of a power outage. M. Martin indicates there will be one large stand by generator that will feed the public works building and the salt shed.
- 3.3 DPW Facility Update – M. Martin provided an update. The pre cast panels have been installed, the interior masonry walls have been completed, some interior plumbing has begun, site storm water management has started, and roof truss installation is underway. Next week they will be working on roofing panels, trench drain, the wash bay, pouring some of the flooring, and interior framing. Weather permitting, tentative completion is mid-November.
- 3.4 2019 Road Program Update – M. Martin reports the remaining task is a punch list walk through of 113th Street. The date is to be determined.
- 3.5 2019 Ash Tree Removal Program Update – M. Martin indicates the addition to the program is about 85% complete. The remaining four areas are off road on Village owned land and these trees pose a threat to buildings. Commissioner J. Mesec asks when the program is expected to be complete. M. Martin indicates he will be drafting Right of Entries for the home owners to sign and return before they can get to those last few trees. In addition, both he and the contractor would like to wait for drier conditions.
- 3.6 2019 Pothole Report – M. Martin reports that DPW is behind schedule due to weather, available staff, and the need to perform two (2) cross culvert emergency replacements at the intersections of 121st and Parkview and 104th and Scharles. Totals as of the September 19, 2019: 11.2 tons of patch and 30 bags of concrete. Year to date totals are

as follows: 67 tons of hot mix and 9,600 lbs. of the concrete patch. Year to date labor is estimated at 750 hours.

- 3.7 MMSD StormGUARDen Program Update – M. Martin displayed pictures of our two StormGUARDens to the commission. Trustee Liaison K. Meleski asked how many more could be added to Village Hall. Director Martin estimated 3 or 4, but would have to check.
- 3.8 Smart Growth Comprehensive Plan Update – M. Martin states the next committee meeting is on the 16th^h. A date for a public information meeting is to be determined.

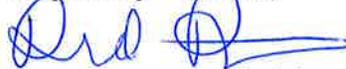
4.0 PROJECTS-

- 4.1 Neighborhood Traffic Calming Policy (NTCP) – M. Martin states public works and the police department placed in their budgets for portable flashing radar signs that display to drivers their speed. They are also looking at a radar unit that will measure and record traffic levels and speeds in both directions. Martin reported that he is behind on the draft policy but intends to have something for the PWC to review next meeting.
- 4.2 2020-2023 Road Program – M. Martin reported that he had an opportunity to meet with two (2) project managers from local road contractors to discuss the proposed road program (See 3.1) and seek comments and suggestions regarding project size, location, and other potential construction cost savings. The contractors' consensus was that the Village should bid like work for like work. The contractors were not in favor of a large bid with over three years to complete because of the price of materials can vary from year to year. Currently, the price of oil has leveled off but the cost of stone has been fluctuating significantly.

5.0 NEXT MEETING- Thursday October 17, 2019, 6:30 p.m., at the Village Hall.

6.0 ADJOURNMENT- Motion (Postotnik, Murphy) to adjourn the meeting at 7:44 pm.; unanimously approved.

Respectfully Submitted,



Rachel Pocquette, Administration Clerk