

Minutes of the Transportation Committee

The Transportation Committee of the McLean County Board met on Tuesday, October 6, 2015 at 8:00 a.m. in Room 400, Government Center, 115 East Washington Street, Bloomington, Illinois.

Members Present: Chairman Soeldner, Members Buchanan, Finch Harris, Metsker, Martin and Robustelli

Members Absent: None

Other Members Present: None

Staff Members Present: Mr. Bill Wasson, County Administrator, Ms. Hannah Eisner, Assistant County Administrator, Mr. Don Knapp, First Assistant State's Attorney Civil, Ms. Diana Hospelhorn, Recording Secretary

Department Heads Present: Mr. Eric Schmitt, County Engineer;

Others Present: Mr. Jerry Stokes, Assistant County Engineer

Chairman Soeldner called the meeting to order at 8:02 a.m. He stated that the first item for action is approval of the minutes from the September 1, 2015 Transportation Committee Meeting.

Motion by Robustelli/Buchanan to recommend approval of the minutes from the September 1, 2015 meeting of the Transportation Committee.

Motion carried.

Chairman Soeldner asked the Committee to review the bills for September 30, 2015. The prepaid total is \$749,657.39.

MCLEAN COUNTY BOARD COMMITTEE REPORT

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AS OF 10/1/2015

EXPENDITURE SUMMARY BY FUND

Transportation Committee

FUND	FUND TITLE	PENDING TOTAL	PREPAID TOTAL	FUND TOTAL
0120	HIGHWAY		\$231,571.11	\$231,571.11
0121	BRIDGE MATCHING FUND		\$262,094.48	\$262,094.48
0122	MCLEAN COUNTY MATCHING		\$59,413.55	\$59,413.55
0123	MOTOR FUEL TAX		\$27,024.30	\$27,024.30
0501	TOWNSHIP MOTOR FUEL TAX		\$169,553.95	\$169,553.95
			\$749,657.39	\$749,657.39



COMMITTEE CHAIRMAN

Motion by Robustelli/Martin to recommend payment of the September 30, 2015 bills as submitted by the County Auditor.

Motion carried.

Chairman Soeldner stated that the first item for action is the Resolution and Bid Tab for the September 29, 2015 letting for one (1) County Non-MFT Maintenance Project.

Mr. Eric Schmitt, County Engineer, stated that this repair project is for the hot-mix asphalt overlay patch work on County Highway 12, County Highway 36 and County Highway 27. Minor damage was cause when Enbridge Pipeline crossed the roads. McLean County Asphalt was the low bidder at 37.55% above the estimated costs. Enbridge has agreed to the increase in cost and will reimburse the County for the work. He presented pictures showing the minor repairs to be done. Most of the Enbridge traffic was the crossing of the equipment.

Ms. Harris expressed concerns with the safety checks on Enbridge internal and external monitors and if they have followed the Department of Transportation Pipeline Hazzard Waste Materials regulations. She asked if Enbridge needs to retro fit anything will the work need to done again. Mr. Schmitt responded that it would not. The work proposed is being done quickly to be completed before the winter months.

He noted that this project does not finalized the Road Work Agreement.

Mr. Finch asked if the County Board were to provide any voice of support for City of Bloomington's effort to retro fit the pipeline, what would be the appropriate Committee or process of a resolution. Mr. Wasson responded that the Executive Committee would be the appropriate place for a resolution to originate.

Mr. Schmitt recommended the following contract be awarded:

2015 Non-MFT Maintenance Sections:

McLean County Sec 2015 Non-MFT GR 10A

The Successful bidder on the above section was:

McLean County Asphalt Co, Inc.

1100 W Market Street, Bloomington, IL

\$26,960.00

Motion by Harris/Robustelli to recommend approval of the Resolution and Bid Tab for the September 29, 2015 County Non-MFT Maintenance.

Motion carried.

Chairman Soeldner presented the Illinois Commerce Commission (ICC) Stipulated Agreement for Weston Road – CH 13 with Toledo, Peoria and Western Railway Crossing – TP&W.

Mr. Schmitt advised that the County has received an ICC Stipulated Agreement for the Crossing Surface Renewal of the CH 13, Toledo, Peoria, and TP&W Railway Corporation Crossing in Weston. The work will include the installation of a new full-depth composite surface. This crossing receives a large amount of truck traffic due to its proximity to the grain elevator in Weston and the quarries in Livingstone County. He added that there will be no cost to the County. This project is completely funded by the Grade Crossing Protection Fund. The project will be done in the spring.

Motion by Metsker/Harris to recommend approval of the Illinois Commerce Commission (ICC) Stipulated Agreement for Weston Road – CH 13 with Toledo, Peoria and Western Railway Crossing – TP&W.

Motion carried.

Chairman Soeldner continued with the Intersection of North Street – CH 18 and Jefferson Street, Village of Danvers Resolution for a Multi-Way Stop.

Mr. Schmitt reported that, at the request of the public the Highway Department performed an engineering study of the intersection of North Street with Jefferson Street in the Village of Danvers. The study shows that adding stop signs for the westbound traffic on the north leg of North Street for the eastbound traffic on south leg of North Street as they intersect Jefferson Street will provide additional positive guidance for the roadway users. He referred to the map pointing the locations for the stop signs. Mr. Schmitt recommended approval of the multi-way stop at the intersections of North Street and Jefferson Street in the Village of Danvers.

Chairman Soeldner asked if the Department has been in contact with the Village of Danvers. Mr. Schmitt responded that there has been no communication with the Village of Danvers. Both legs are County Highways.

Mr. Robustelli stated that when stop signs are added, how public awareness is done. Mr. Schmitt responded that to draw attention to the new stop signs, flags will be added.

Motion by Martin/Harris to recommend approval of the Intersection of North Street – CH 18 and Jefferson Street, Village of Danvers Resolution for a Multi-Way Stop.

Motion carried.

Chairman Soeldner presented the Emergency Appropriation Ordinance for Fund 0120 – Enbridge Repair Work.

Mr. Schmitt stated that the amendment is needed to add both revenue and expense for hot-mix asphalt patching to repair minor road damage caused by the Enbridge Pipeline project. Enbridge is paying for the repairs in accordance with our road use agreement.

Mr. Robustelli asked if administrative costs are included. Mr. Schmitt advised that the administrative costs are included. He recommended approval of the following:

	<u>ADOPTED</u>	<u>ADD</u>	<u>AMENDED</u>
County Highway Department Construction/Maintenance 0120-0055-0056-0410-0010	\$4,500.00	\$29,000.00	\$33,500.00
	<u>ADOPTED</u>	<u>ADD</u>	<u>AMENDED</u>
County Highway Department Maintenance Road/Drainage Structures 0120-0055-0056-0716-0001	\$125,000.00	\$29,000.00	\$154,000.00

Motion by Robustelli/Metsker to recommend approval of the Emergency Appropriation Ordinance for Fund 0120 – Enbridge Repair Work.
Motion carried.

Chairman Soeldner continued with the last item for action to be presented to the Committee, the FY 2016 Budget and 5 Year Plan Review.

Mr. Schmitt reported that the Highway Department operates primarily from four different tax funds. Three of these are property tax based:

1. 0120 Highway Fund - Primary operating fund used for the day to day operations of the Department.
2. 0121 Bridge Fund - Used for the construction and maintenance of County and Township bridges and culverts.
3. 0122 Matching Tax Fund - Used to match Motor Fuel Tax, Federal and State funds and can only be used for engineering, construction and right-of-way acquisition on construction projects.

The fourth fund, 0123 MFT Fund is derived from the State Motor Fuel Tax. MFT Funds are used for construction and maintenance of our County Highway System. This fund has more regulation regarding its use than the other three funds.

Mr. Schmitt presented the FY 2016 Recommended Budget. He stated that the first fund to be addressed is the Highway Fund - 0120. The Highway Fund is the Highway Department's General Operating Fund used for some construction, some salaries, equipment purchases, and daily operations. He added that 71.6% of the revenue for this fund comes from General Property Tax. The remaining revenue is received from:

- Commodities sold to Townships and Municipalities
- Engineering services provided for Townships
- Equipment Rental reimbursement from Motor Fuel Tax
- Permits and Road Use Agreement fees
- Fund Balance – 10.6%

Mr. Schmitt noted that the most significant parts of the Highway Department's FY 2016 Budget are the completion of the Towanda Barnes Road Reconstruction Project, the resurfacing of the Gridley Road from 2700 N to US Route 24, and the continuation of the replacement cycle for our large trucks. He presented highlights of the FY 2016 Recommended Budget.

McLean County

Fiscal Year 2015 Recommended Budget

Fund: County Highway Fund 0120

Department: County Highway 0055

Highlights of the Recommended Budget:

REVENUE:

400.0000 Unappropriated Fund Balance: This line item account was budgeted at \$448,434 in the FY 2015 Adopted Budget and is budgeted at \$400,000 in the FY 2016 Recommended Budget. This is needed to fund construction projects planned for 2016.

401.0001 General Property Taxes: This line item account went up \$85,935 in the FY 2016 Recommended Budget;

- 1% increase - \$26,836
- Increase in EAV - \$59,099

The County Highway Fund is permitted by law to levy a property tax in an amount not to exceed a tax rate of \$0.0750 per \$100 of equalized assessed valuation. The tax rate for the FY 2016 Recommended Budget is projected to be \$0.07185 per \$100 of equalized assessed valuation. This is a 1% increase over the FY 2015 final tax rate which was \$0.07114.

410.0009 Commodities: This line item account was budgeted at \$130,000 in the FY 2015 Adopted Budget and is budgeted at \$85,000 in the FY 2016 Recommended Budget. The 2009-2014 average is \$123,291, a decrease the last couple years. We are selling less signs and carrying less stock of materials to sell to the townships.

410.0022 Labor & Equipment Rental: This line item account was budgeted at \$400,000 in the FY 2015 Adopted Budget and is budgeted at \$25,000 in the FY 2016 Recommended Budget. This decrease reflects the \$375,000 in Equipment Rental that we will be transferring from the Motor Fuel Tax fund during FY 2016 being moved to line item 0450.0011.

450.0011 Transfer from Other Funds: This line item account was budgeted a \$0 in the FY 2015 Adopted Budget and is increased to \$375,000 in FY 2016 Recommended Budget. This line item is where the Equipment Rental funds from the Motor Fuel Tax fund will be deposited during FY 2016.

410.0035 Unclassified Revenue: This line item account was budgeted at \$20,000 in the FY 2015 Adopted Budget and is budgeted at \$21,000 in the FY 2016 Recommended Budget. This reflects the 2009-2014 average of \$22,282. This includes:

- Farm Rent
- Salvage Materials
- Map Sales
- Misc. Rebates

EXPENDITURES:

Personnel:

There is a 1.01 decrease in the Full-Time Equivalent Staffing levels for the Highway Fund in the FY 2016 Recommended Budget. This is the result of the elimination of our Office Support Specialist II position due to a retirement in 2015

Fringe Benefits:

The 5.78% increase in fringe benefits is due to the increase in health insurance costs.

Materials and Supplies:

All of the line items in the Materials and Supplies line item accounts have either decreased or remained the same with the exception of three line items:
Line item 0601.0001, CLOTHING/EMPLOYEES, increased from \$14,700 in FY 2015 to \$15,812 in FY 2016. This is due to the increase in the price of clothing and footwear purchased for the employees.

Line item 0620.0001, OPERATING OFFICE SUPPLIES, increased from \$22,050 in FY 2015 to \$24,200 in FY 2016. This reflects 2011-2014 average \$24,183.

Line item 0625.0001, BLDG/GROUNDS/EQUIP Supply; increased from \$3,900 in FY 2015 to \$4,000 in FY 2016. This increase is a result of aging buildings at the Department and an increase in maintenance costs performed by the Highway Staff.

Contractual Services:

The following items in Services increased by more than 2% from the FY 2015 amount:

Line item 0740-0002, EQUIP. MAIN/REPAIR-HWY, increased from \$235,000 in FY 2015 to \$277,500 in FY 2016. The cost to maintain our equipment continues to increase with new technology and aging equipment.

Line item 0750.0004, SOFTWARE LICENSE AGREE, increased from \$7,400 in FY 2015 to \$14,490 in FY 2016. This increase is needed for the software for our new computers and a vehicle maintenance software upgrade.

Line item 0757.0002, EMPLOYEE MEDICAL EXPENSES, increased from \$1,100 in FY 2015 to \$1,800 in FY 2016. This reflects increased costs for our required drug testing programs for our employees.

Line item 01767.0001, PROPERTY TAXES, increased from \$600 in FY 2015 Adopted Budget to \$655 in FY 2016 Recommended Budget. This is the property tax paid for the farm land on Route 9. The expense is reimbursed to the Highway Department through the farm lease.

Line item 0781.0001, MANDATORY FEES, increased from \$1,000 in FY 2015 to \$2,500 in FY 2016. This line item pays for the annual MS4 permit fee. The increase reflect the additional environmental review work now required for projects.

Line item 0790-0004, EQUIPMENT RENTAL, increased from \$20,000 in FY 2015 to \$26,800 in FY 2016. He referred to the handout for further detail regarding the increase. He noted that it is much more cost effective to lease mowing tractors rather than the cost of purchasing and maintaining County owned mowing tractors. This process has been very successful for the Parks and Recreation Department.

Line item 0795.0001 ELECTRIC SERVIDES, increased from \$21,500 in FY 2015 to \$22,200 in FY 2016. The average for 2013-2014 was \$22,180.

Line item 0795.0002 GAS SERVICE, INCREASED FROM \$8,000 in FY 2015 to \$10,000 in FY 2016. The average for 2013-2014 was \$10,017.

Capital Outlay:

All of the line items in the Capital Assets line item accounts have decreased or remained the same with the exception of:

Line item 0810.0001, CONSTR.RDS/BRIDGES/CULV'T, increased from \$404,604 in FY 2015 to \$424,376 in FY 2016. This is for construction work planned in 2016.

Line item 0833.0002, PURCHASE/COMPUTER EQUIP., increased from \$2,750 in FY 2015 to \$3,850 in FY 2016. This increase reflects the purchase of 2 CAD computers and 1 laptop in 2016.

Line item 0838.0002, PURCH. MACH./EQUIP.-HWY, increased from \$43,000 in FY 2015 to \$48,700 in FY 2016. Please see the attached write-up for further detail regarding this increase.

Mr. Schmitt referred to the handout reflecting the under \$10,000 items to be replaced or added in FY 2016:

	Price Each	Net Budget Cost
➤ 3 New Snow Plows	\$9,500	\$28,500
➤ A/C Recovery/Recycle Machine	\$6,000	\$6,000
➤ 2 New Salt Spreaders	\$4,600	\$9,200
➤ 1 New Chip Sprd Turkey Trail	\$5,000	\$5,000
➤ 6 Traffic Counters	\$1,450	\$8,700

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Sub Total 48,700

Mr. Schmitt continued with the over \$10,000 items:

	Price	Trade in	Net Trade in
Tandem Dump Truck			
Cab and Chassis	\$104,500	\$35,000	\$69,500
New dump body and hoist	\$29,200		\$29,200
Hydraulics and Hydraulic Wing Plow	\$32,000		\$32,000
Total	\$165,700		\$130,700
Tandem Dump Truck	\$104,500	\$35,000	\$69,500
New dump body and hoist	\$29,200		\$29,200
Hydraulics and Hydraulic Wing Plow	\$32,000		\$32,000
Total	\$165,700		\$130,700
Tandem Dump Truck	\$104,500	\$40,000	\$64,000
New dump body and hoist	\$29,200		\$29,200
Hydraulics and Hydraulic Wing Plow	\$32,000		\$32,000
Total	\$165,700		\$125,700
Fleet Manager Truck	\$20,000	\$0	\$20,000
Engineer's Extended Cab Pickup	\$25,500	\$4,500	\$21,000
Maintenance Foreman Pickup	\$30,000	\$12,000	\$18,000
Lawnmower w/Snowblower	\$11,000	\$300	\$10,700
Truck Lift in North Garage	\$37,500		\$37,500
2 – ½ Batwing Mowers	\$32,000	\$30,000	<u>\$2,000</u>
Sub Total			\$496,300

Mr. Schmitt continued with the Bridge Fund 0121 which is used to fund:

- County Bridges,
- County Culverts,
- 10% of Township Bridges
- 50% of Township Joint Culvert Projects.

He advised that 70.2% of the revenue for the Bridge Fund comes from property tax and the remaining revenue comes from Township reimbursement for bridge and culvert projects.

Highlights of the Recommended Budget:

County Highway Department 0055

Bridge Fund 0121

REVENUE:

400.0000 Unappropriated Fund Balance: This line item was budgeted at \$311,480 in the FY 2015 Adopted Budget and is budgeted at \$222,925 in the FY 2016 Recommended Budget. This fund balance is needed to fund the projects planned for 2016.

401.0001 General Property Taxes: The \$1,532,805 of generated revenue in the FY 2016 Recommended Budget is \$35,528 more than the FY 2015 Adopted Budget. The County Bridge Fund is permitted by law to levy a property tax in an amount not to exceed a tax rate of \$0.0500 per \$100 of equalized assessed valuation. The tax rate for the FY 2016 Recommended Budget is projected to be \$0.04060 per \$100 of equalized assessed valuation. This is a 0.1% increase over the FY 2015 of \$0.04055 per \$100 of equalized assessed valuation, an increase of \$35,528 of additional revenue:

- 0.1% increase - \$1,888
- EAV increase - \$33,640

410.0010 Construction/Maintenance: This line item was budgeted at \$300,000 in the FY 2015 Adopted Budget and is budgeted at \$426,000 in the FY 2016 Recommended Budget. This line item increase represents the increase in reimbursement for joint projects that we will receive from joint culverts and bridges with the townships.

EXPENDITURES:

Personnel:

There is a 0.04 increase in the Full-Time Equivalent Staffing levels for the Bridge Fund in the FY 2016 Recommended Budget. This is the result of the reallocation of FTE's to the Bridge Fund (0121) from the Highway Fund (0120) and Motor Fuel Tax Fund (0123). This reallocation reflects the program of projects that is planned for the 2016 construction season.

Contractual Services:

All of the line items in the Services line item accounts have remained approximately the same in the FY 2016 budget as compared to the FY 2015 budget.

Capital Outlay:

One line item in the Capital Assets line item accounts has increased in the FY 2016 budget.

Line item 810.0001, CONST.RDS/BRIDGES/CULV'T, increased from \$1,535,000 in FY 2015 to \$1,599,800 in FY 2016. This line item accounts for 73.32% of the Bridge Fund Budget expenses, and is used for the construction of County and Township bridges and culverts.

Mr. Schmitt continued with the County Matching Tax Fund 0122. He stated that the Matching Tax Fund is used to fund the County's matching portion of Federal, State and Motor Fuel Tax projects. 91.21% of the revenue for this fund comes from the General Property Tax. Mr. Schmitt stated that the statute requires that Matching Tax fund can only be used for:

- Construction Expenses
- Engineering Expenses
- Purchase of Right-of-way.

Fund: County Matching Tax Fund 0122

Department: County Highway 0055

Highlights of the Recommended Budget:

REVENUE:

400.0000 Unappropriated Fund Balance: This line item account has decreased from \$299,965 in the FY 2015 Adopted Budget to \$130,000 in the FY 2016 Recommended Budget. This reflects the decrease in the available fund balance for construction projects in 2016.

401.0001 General Property Taxes: This revenue line account went up \$42,436 in the FY 2016 Recommended Budget. The County Matching Tax Fund is permitted by law to levy a property tax in an amount not to exceed a tax rate of \$0.0375 per \$100 of equalized assessed valuation. The tax rate for the FY 2016 Recommended Budget is projected to be \$0.03575 per \$100 of equalized assessed valuation. This is up 0.96% from the FY 2015 Adopted Budget tax rate of \$0.03541 a \$42,436 increase in revenue:

- 0.96% increase - \$12,836
- EAV increase - \$29,600

EXPENDITURES:

Contractual Services:

All of the line items in the Services line item accounts are relatively the same for FY 2016 as they were for FY 2015.

Capital Outlay:

One line item in the Capital Assets line item accounts has increased and one line item has decreased. Line item 0810.0001, which decreased by \$143,754 to \$1,448,409 in

FY 2016. 97.88% of the Matching Fund Budget expenses are in Line Item 0810.0001, CONST.RDS/BRIDGES/CULV'T, for the construction of County roads.

Line item 0820.0001, PURCHASE OF RIGHT-OF-WAY, increased from \$7,500 in FY 2015 to \$10,000 in FY 2016. This is planned for the purchase of right-of-way for a project planned in 2017.

Mr. Schmitt continued with Motor Fuel Tax Fund 0123. He stated that the Motor Fuel Tax fund is used to fund the Maintenance, Engineering, and Construction of the County Highway System. 72.10% of the revenue comes from our monthly allotments. The amount budgeted for our FY 2016 monthly allotments is \$185,500 each, an increase of \$1,000 a month over FY 2015.

Fund: Motor Fuel Tax 0123

Department: County Highway 0055

Highlights of the Recommended Budget:

REVENUE:

407.0020 County Motor Fuel Tax: This line item account is budgeted \$25,522 less for the FY 2016 than it was in FY 2015 Budget. This reflects an expected \$1,000 increase in our monthly allotment and a \$37,522 decrease in our County Consolidated Allotment.

EXPENDITURES:

Personnel:

There is a 0.03 decrease in the Full-Time Equivalent Staffing levels for the MFT Fund in the FY 2016 Recommended Budget. This is the result of the reallocation of FTE's based upon projects planned for 2016.

Contractual Services:

All of the line items in the Services line item accounts have decreased or remained the same.

Line item 716.0001 Maintenance Roads/Drainage Structures: This line item account was decreased by \$188,730 in FY 2016 Recommended Budget to \$1,277,270. This reflects an increase in oil and chip work on existing hot-mix asphalt roads and a transfer of the Equipment Rental expense from this line item to line item 0999.0001, TRANSFERS TO OTHER FUNDS.

Capital Outlay:

All of the line items in the Capital Outlay line item accounts have decreased.

Other:

Line Item 0999.0001, TRANSFERS TO OTHER FUNDS, increased by \$375,000 because this is the Equipment Rental payment to the Highway Fund and was moved out of the 0716.0001 line item.

Line Item 810.0001, CONSTRUCTION RDS/BRIDGES/CULV'T decreased from \$1,664,661 in FY 2015 to \$1,356,541 in FY 2016. 93.91% of the Motor Fuel Tax Fund expense budget goes to maintenance and construction of County Roads.

Mr. Robustelli referred to Mr. Schmitt's presentation on the net funding available vs the needed funding to properly fund the highway maintenance program. The deficit on average was \$527,000. He asked where we were in the FY 2016 Recommended Budget in terms of this deficit. Is it accurate to say we are looking at least the same deficit? Mr. Schmitt responded that Mr. Robustelli is correct.

Mr. Robustelli asked what available revenue sources can be used for highway maintenance. If we increase the levy of the Highway Fund to the maximum, how much net revenue would this produce? Mr. Schmitt added that the actual increased revenue produced by a maximum rate in the Highway Fund is \$119,000.

Ms. Metsker stated that we cannot tax our way out of the deficits. The EAV and increase in the tax rate will never generate enough revenue to help with the back projects. Mr. Wasson added that the major fight is to obtain a State wide increase in Motor Fuel Tax.

Mr. Robustelli noted that \$400,000 is being transferred for the Unappropriated Fund in operational expenses to cover costs. Is the policy on the fund balance per fund or on the net amount of fund balance across the board? Mr. Wasson responded that the budget policy reflects the General Fund. He noted that because of the work of Department Heads such as Mr. Schmitt, while we have appropriated unencumbered fund balances in the budget; they have mostly gone unspent due to costs savings and good stewardship in challenging times.

Chairman Soeldner noted that we will be using 12-14% of the unencumbered balance this year however the balance is increasing. He asked if this is normal to see the unencumbered fund balance fluctuate. Mr. Wasson responded that this is normal.

Mr. Robustelli ask what the revenue would look like if the Matching Tax Fund rate was increase to the maximum to support the highway maintenance program in indirect ways. Mr. Schmitt responded that the funds could be used to fund construction projects which would free up revenue in the Highway Fund and MFT Fund for road maintenance. He advised that \$66,000 of additional revenue would be generated if the Matching Tax Fund rate was increased to the maximum.

Mr. Robustelli asked if the Highway Fund was increased to the maximum rate, what would be the average increase for a home of \$165,000. Mr. Schmitt advised that if both the Highway Fund and the Matching Tax Fund were increased to the maximum rate the increase would be:

- \$1.73 – Highway Fund
 - \$.96 – Matching Fund
- \$2.69 Total cost for a home appraised at \$165,000

Mr. Robustelli stated that we do not have the ability to fully fund the highway maintenance program. We do have the ability to fund almost 50% by increasing these two levies to the maximum rate. In a ten year period we will have decreased the maintenance back log from \$5.25 million to \$2.75 million. This is an investment in costs and would save taxpayers millions of dollars over ten years. The rate can always be lowered if State or Federal funds become available. He is in support of at least considering the increase. We need to do what we can to fund the County highway maintenance program.

Ms. Metsker asked Administration why we would not generate all the revenue we can. Mr. Wasson responded that as directed by the County Board, the budget policy is to attempt to keep the tax rate as close to the prior year as possible.

Mr. Schmitt added that this is why the Department continues to find ways for pavement preservation.

Mr. Buchanan stated that the budget policy is being blindly applied. He advised that the budget policy when applied assures that we will not be able to keep up. It is never the desire of the Committee to raise the rates.

Mr. Wasson advised that it is not beyond the capacity of any Oversight Committee to make recommendations relative to a modification in the budget. He noted that the operations budget was done with the funds available. Mr. Wasson and Mr. Schmitt recommend the presented budget. If the Committee believes it would be beneficial to increase fund balance relative to the Highway Fund and the Matching Tax Fund for use in future projects, it is a policy decision the Committee would make.

Ms. Harris is in support of the increase given the amount of research Mr. Robustelli has done. Mr. Schmitt has done a great job working within the budget to do as much as possible. The other issue is having a budget that allows us to do the projects that must be done. She believes the public would agree with the \$3.00 increase to have County roads in better repair.

Ms. Metsker stated that whether we increase the budget or not, this Department has shown us responsibility with what they have been given and this will continue. She added that she is never in favor of a tax increase; however not everyone lives in a \$165,000 house. There is a significant number in her district of family farms which would be paying more than the \$2.69 increase. She added that it is critically important

that ignoring infrastructure is tremendously taxing on future generations. Many will be impacted above the estimated \$3.00. In this situation, the increase is justified.

Chairman Soeldner pointed out that this is FY 2016 Recommended Budget not the Adopted Budget. The Committee can recommend what they feel is right. Mr. Soeldner requested the cost per acre of a typical farm if the increases were made.

Mr. Martin agreed that Ms. Metsker raises an important issue. The effect on acreage is a major concern which varies with the quality of the land.

Mr. Finch agreed it is a messy situation when comparing the urban taxpayer to the agricultural taxpayer. He advised that there is a logic to the increase in the tax levy.

It was determined that the approval of the FY 2016 Recommended Budget for the County Highway Department could be acted on at the November, 2016 Transportation Committee Meeting.

Mr. Wasson reported that the likely process would be to decrease the unencumbered fund balance usage in both funds by the appropriate amount and increase the property tax levy revenue line by the corresponding amount. The budget presented to you would decrease the fund balance over the FY 2016. By taking this action, the unencumbered fund balance would grow and be available for future recommended projects.

Mr. Wasson stated that staff will provide a more detailed analysis on the assessment of farm land to help better understand the impact an increased levy will have on the average farmer.

After an in-depth discussion and information provided by the Supervisor of Assessment and the Farm Bureau, it was determined that without more information including the average increase a typical farmer would incur, the Committee could not act on the County Highway FY 2016 Recommended Budget. There are too many variables that need to be looked at.

Mr. Buchanan stated that he is not prepared to vote today.

Chairman Soeldner asked if another Transportation Committee needs to be scheduled.

Mr. Knapp stated that he believes the Committee has three options:

1. Motion to amend the action item as discussed by increasing the County Highway Fund and the Matching Tax Fund to the maximum rate.
2. Table the motion and request of staff an action item that reflects the change in the levy to the maximum rate for the County Highway Fund and the Matching Tax Fund.
3. Vote on the FY 2016 Recommended Budget as presented.

Mr. Wasson reiterated the Committee's options available. He noted that the budget revenue lines dictate the tax rate.

Mr. Robustelli stated that it is the responsibility as the Oversight Committee of the Highway Department to determine what we think is best. The County Board will then vote on whether they agree or disagree. He believes the increase is what's best for the County and the Highway Department.

Motion by Robustelli/Finch to amend the FY 2016 Recommended Budget by increasing the County Highway Fund and the Matching Fund to the maximum rate.

Motion by Buchanan to adjourn. There was no second.

Chairman Soeldner would like to see the FY 2016 County Highway Recommended Budget postponed until further information is available.

Mr. Wasson advised that a special meeting of the Committee can be scheduled. There is a November Committee meeting before the County Board adopts the FY 2016 Recommended Budget.

Mr. Robustelli stated that with the agreement of Member Finch if, there is an interest in scheduling another Committee meeting in October to be determined based on the Committee members availability, he is withdrawing his motion to amend the FY 2016 Recommended Budget by increasing the County Highway Fund and the Matching Fund to the maximum rate.

Mr. Robustelli called to question the vote.

Motion by Robustelli/Martin to table item 5-E and hold a Special Transportation Committee Meeting in October based on the availability of the Committee Members for the FY 2016 Recommended Budget changes.
Motion carried.

Chairman Soeldner continued with the items of information, project summaries.

Mr. Schmitt stated that the Towanda Barnes Road – CH 29 project continues. The aggregate base course is in place on the three new lanes and the curb and gutter is poured on the west side. Placing the hot mix asphalt pavement on the three new lanes will begin within the next couple weeks.

Mr. Schmitt reported that the construction on the Schlipf III Culvert is completed the final paperwork needs to be completed. He presented pictures of the completed project.

It was the consensus of the Committee to hold the Special Transportation Committee on Wednesday, October 14, 2015 at 5:00 p.m.

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Chairman Soeldner stated that the next meeting of the Transportation Committee will be held on Tuesday, November 3, 2014 Room 400.

Chairman Soeldner asked if there was any other business to come before the Committee. Hearing none, he adjourned the Transportation Committee meeting at 10:35 a.m.

Respectfully submitted,

Diana Hospelhorn
Recording Secretary