

# Calumet County Highway Facilities

## - Frequently Asked Questions -

- **What is wrong with the current highway facilities?**

The buildings in their current state present several life safety and accessibility challenges not to mention they are very poorly insulated and excessive consumers of energy. The County spends \$44,608 annually on utilities to heat and light the two buildings. Also, the sheer size of trucks and other equipment has increased greatly in the last 60-70 years.

- **Why construct one highway facility and sell the existing two facilities?**

Consolidating the two facilities into one centralized energy efficient building will not only save energy costs but it will increase productivity of the staff by eliminating travel between the locations. Information and daily assignments given by the Superintendents could be given to the entire crew at the same time and the crew could leave from the same site and return to the same site at the same time. The County spends more than \$116,200 annually in labor and equipment charges on travel between the two shop locations.

- **Why consider relocating the highway facility outside of Chilton?**

Looking at the long term operation of the Department and use of the highway department building, it is in the County's best interest to purchase adequate land and consolidate the operation. Positioning the building for long term growth and possible consolidation means relocating the operations to a more strategic location in the County.

- **Is it wise to consider a new highway facility during these tough economic times?**

There is never a good time to spend County Resident money but based on the current economic climate, timing is favorable for borrowing money and completing construction. The construction industry is experiencing construction cost indexes that have not been this low since the early 1990's. People need work, suppliers need business. From that perspective, timing could not be better.

- **What efficiencies could be gained by constructing a new facility?**

There are several operational efficiencies to be gained. Having a larger shop area would eliminate jockeying vehicles in order to service them. Plow routing efficiencies can be realized and energy efficiency can be greatly increased. Work crews mobilizing and returning from a project site at the same time.

- **Why doesn't the County simply add on to the current Chilton highway facility?**

It is not in the County's best interest to add on to the existing building. The building, although well constructed, is not designed to accommodate an addition. The infrastructure of the facility does not support expansion and upgrading technology and specialty equipment is difficult and costly.

- **When were the existing highway facilities constructed?**

The Chilton building was constructed in 1936. An addition was completed in 1945. The Sherwood facility was built in 1975.

- **What are the health, safety and ADA concerns with the existing facilities?**

If either of the facilities were built using today's standards they would be completely different buildings. Neither building provides the required fire separation between the vehicle storage areas and the offices or the vehicle repair bays. Poor indoor air quality can have long term impacts on employee health. There are so many ADA requirements that are not met that Calumet County is at risk of being discriminatory. Out of the 74 accessibility items addressed in the Chilton facility, only 14 meet Federal requirements. And 80% of the non-complying items cannot be corrected without incurring major cost.

- **If the County fixed the safety concerns would the existing facilities meet our needs?**

No. Fixing accessibility and life safety issues does nothing to address the lack of space problems. In fact, in some cases, it makes those problems worse by making those areas smaller and more compartmentalized.

- **Has Calumet County considered privatizing all highway department operations?**

Privatization has been considered, but not earnestly at this time. Privatization presents challenges and cost containment issues. The municipalities that have privatized tend to be in the southern part of the country where snow plowing activities are not as intensive.

- **Why not consolidate highway department operations with a neighboring county?**

In discussions with neighboring County Highway Commissioners, they have not expressed any interest in consolidation. Reasons cited were response time and staff availability during weather events, diverse microclimates between counties like lake-effect snow and multiple dispatch locations.

- **What would the County do with the existing highway facilities if vacated?**

Sell off both facilities to offset the costs for construction of the new facility. It is possible that Sherwood could be converted into a vehicle impound and evidence storage area for the Sheriff's Department.

- **What are the values (land and buildings) of the existing highway facilities?**

A WI certified general appraiser has estimated the market values to be:

Chilton: \$550,000

Sherwood: \$210,000

- **What are the pros and cons of selling the existing highway facilities?**

Pros: Sell off aging building assets; eliminate the need to provide costly ongoing maintenance; put property back on the tax roles in their respective communities; eliminate travel time between locations; save thousands of dollars per year in energy costs; provide a safe work environment for employees.

Cons: Current upfront costs to construct a new building; possibility of having to raze the Chilton building in order to sell off the land.

- **Would the construction of a new highway facility support other county departments?**

Yes, the Sheriff's department would also benefit by receiving much needed evidentiary vehicle storage and evidence processing space. Their function of vehicle storage meshes well with the functions of the highway department.

- **What is the potential energy savings to be gained by constructing a new facility?**

The two buildings currently cost Calumet County \$44,608 for utilities yearly. A new (larger) building utilizing the same type of heating system could be heated for approximately \$17,800. The savings over the 50 year lifespan of the building would be over \$1.3 million. This does NOT include any additional savings from Leadership in Energy and Environmental Design (LEED) or Sustainable design practices that should be designed into the facility.

- **What is the total cost of constructing a new highway facility?**

The total cost of the project including all associated soft costs such as design fees, land acquisition, contingencies, and pre-property purchase due diligence is \$7.92 Million.

- **Where will the new highway facility be located?**

It's too early to determine the exact location. However, Geographic Information Systems technology has been utilized to estimate an area that would result in the most efficiencies. The resulting area is located in the southern part of the Town of Woodville or the northern part of the Town of Chilton.

- **What is the estimated impact to individual taxpayers if this facility is constructed?**

Per Wisconsin Public Finance Professionals based on an amortization schedule of 20 years the mill rate increase would be \$.18. That means a homeowner with \$100,000 of assessed value would see an annual increase of \$18.00 per year for 20 years or \$360.00 in total for the project.

- **Why not enter into a lease agreement with a developer for a new highway facility?**

Several people in County Administration weighed in on this issue. Because the County would pay more on a front loaded lease than the actual depreciation of the facility, leasing the building is not an advantage to the County. For much the same reason it was determined that leasing vehicles was not of value, leasing the building is also not desired.

- **What would happen to the communication tower at the Sherwood highway shop?**

There are two possible scenarios. Relocate the tower at a cost of approximately \$200,000. The other option would be to work into the sale agreement with the new property owner the option to retain the tower site and construct a small support building adjacent to the tower to house communications equipment. The revenue generated from collocated cellular providers would more than pay for the improvement costs to construct the tower support structure.

- **Why construct a highway facility large enough to store all trucks indoors?**

Studies have shown that vehicles stored indoors are easier to maintain and operate and are actually worth between \$5,000 and \$10,000 more at trade-in time. Vehicle repair costs on trucks that are stored outside are 15-20% more annually for exposure related repairs than those stored in tempered indoor environments.

- **What is the life expectancy of the proposed newly constructed highway facility?**

Based on the type of construction and materials used, the new facility is expected to withstand 50-75 years of service for the highway department.

- **What environmentally friendly practices are included in a new highway facility?**

Natural day lighting for the vehicle storage and maintenance bays as well as the office areas will decrease the amount of artificial lighting during daytime operation. Ground source heat pumps will utilize the earth's temperature to heat and cool the building. Rainwater reclamation will provide water for washing trucks and other non-potable use. Low flow toilet and showers will decrease water consumption by 30% in the toilet and shower areas. Heat recovery units will harvest latent heat and recycle it into the building's ventilation system. Daylight and occupancy sensors will control lighting during times when rooms are unoccupied.

- **What would happen if the decision is made to not construct a new highway facility?**

It is typical to provide an inflation escalator on the project budget for projects that are not completed in the same fiscal year. Conservatively, the County can anticipate a 7% per year increase in the project cost. Based on the cost of this project, it is likely costs will increase nearly \$550,000 per year for every year the project is delayed.

- **Why now? The existing facility could last another (*blank*) amount of years.**

From a construction cost index, the time is right NOW. Construction costs are at a 15 year low due to the slumping economy. Money is cheap as interest rates are low. The County has avoided any serious injury and discrimination claims up to this point but the opportunity for them becomes greater every day.

- **How would the construction of a new highway facility stimulate the local economy?**

A project of this magnitude would be far-reaching in Calumet County. Construction would mean jobs for residents, local businesses and suppliers whether directly or indirectly. Calumet County government serves this area as an "economic engine". This construction would act as a local "stimulus" project.

- **Would the level of service be reduced if Calumet County only had one highway facility?**

No, service levels would remain the same for most operations and actually increase for some (shouldering crews, mowing crews, sign maintenance crews).

- **Why not ask the residents of Calumet County by way of referendum if they think we need a new facility?**

In our representative form of government, County Board Supervisors are elected on behalf of their constituents to gather information, study the issues, and receive input prior to making decisions. It would be financially and logistically difficult to appropriately inform and educate our 46,000 constituents regarding the challenges and deficiencies of the existing highway facilities preceding a referenda vote.

- **Where can I find out more information on this proposed project?**

For more information, please contact Mike Ottery, Highway Commissioner at (920) 849-1463 [ottery.mike@co.calumet.wi.us](mailto:ottery.mike@co.calumet.wi.us) or Jay Shambeau, County Administrator at (920) 849-1448 [shambeau.jay@co.calumet.wi.us](mailto:shambeau.jay@co.calumet.wi.us) .