

From the Boardroom of the Fayette County Supervisors
Submitted by Vice-Chair Janell Bradley

The world has kicked off a new decade with the arrival of the year 2020. And Fayette County is well on its way to experiencing an historic year with a plan to re-surface 26 miles of county roads in what will be the largest one-year HMA (Hot Mix Asphalt) reconstruction project in Fayette County history.

The work is slated for this summer after the Board's recent awarding of a \$7.2 million bid for the project – to Mathy Construction of Onalaska, Wis. Mathy was also the low bidder on the recent resurfacing of Golden Road and W51 from south of Wadena through Arlington.

The roads that are in a state of near collapse that will see re-construction are: C50, 25th Street, R Avenue, Outer Road, 6th Street, portions of County Roads B44, and W14, and all of B66, and 247th-255th streets through Alpha. Around \$800,000 of the cost involves joint projects with the cities of Oelwein, Waucoma, St. Lucas and Hawkeye.

The project will be funded with Farm to Market and Secondary Road Funds, and a \$5 million essential purpose bond. The Board met frequently with County Engineer Joel Fantz, and bonding consultants, to get the best rate, ending up with 2.08%. Both the very low bid price and interest rate combine to provide exceptional value for Fayette County and City taxpayers.

The first year of interest on the \$5 million bond is \$110,000. This will decrease every year as the principal is paid off. The County is currently spending more than \$110,000 per year to patch these failing 26 miles of road. Whereas the interest paid on the bond will decrease each year the money taxpayers would have spent to patch these roads would have only increased each and every year.

When the idea to move forward on a road bond was recommended by our engineer early last summer, we agreed to cold patch rather than spray patch (a better but more costly patch) on B66, C50, and W14 in 2019 because the top couple of inches of the surface will be ground up in 2020, recycled and laid back down in what is termed as a 'cold-in-place' process. Before the project begins, the County has saved significant taxpayer money on patching.

If history is any guide, the cost of construction is likely to increase much more rapidly per year than 2.08%. If we had waited four, five or six years to do the work, this project would have cost much more than \$7 million. During this delay user costs would have increased. During the bonding meetings we held last fall, we listened to motorists/farmers as they told us of the damage to vehicles and farm equipment due to the poor condition of these roads.

Our essential purpose bond will be repaid from debt service, levied on all taxable property in the county, over a period of 10 years or less. Had we not entered into the essential purpose bond, the most Fayette County could have expected to do with its financial resources, may have been a couple of miles of

asphalt re-surfacing in a single year. As most residents realize, our needs are much greater than that. Even with the progress we intend to make in 2020, we know there are other critical needs: Juniper Road, Apple Road, W25, C14, and numerous bridge projects, just to name a few.

Additionally, part of the 2020 contract with Mathy will include four miles of asphalt shouldering on W51 (Cedar Road) going south out of Elgin to State Highway 56. This work is funded by a \$430,000 safety grant. It was awarded in part because of the many curves on this stretch of road, and the steep inclines that lead to frequent rutting along the concrete road's edge – another safety concern.

As a last comment, the Board of Supervisors was disappointed to see a recent open forum letter suggesting we are using 'Creative Accounting,' in our methodology to plan for construction of a new county shop.

The truth is, the Board and County Engineer purposely CHOSE to be transparent by creating a 'sinking fund' within the Secondary Roads Department. In this way the public can see the progress in how funds are being set aside to fund this construction.

The funds put into the sinking fund are from absolute, verifiable savings from the Road Department's normal budget. The long hours of work with fewer people, great ideas from the guys to save money, and changes (that are never easy) to work processes are 100% responsible for the money in the sinking fund. To say that these savings are "creative accounting" is personally upsetting and diminishes the exceptional effort by the road department workers that made those savings possible.