



## Bayfield County Administrator

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### BAYFIELD COUNTY EXECUTIVE COMMITTEE MEETING

Brett T. Rondeau (Chair)

Fred Strand

Jeff Silbert

Bill Bussey (Vice Chair)

Shawn Miller

Harold Maki

Dear Committee Members:

This letter is written to inform you of the Bayfield County Executive Committee Meeting scheduled for **Thursday, April 5, 2018, 5:30pm**, at the **Emergency Operations Center (EOC)**, Bayfield County Annex Building, Washburn, WI. The agenda for this meeting is as follows:

*Notice is hereby given that a majority of the Bayfield County Board may be present at the meeting to gather information about a subject over which they have decision-making responsibility. This constitutes a meeting of the Bayfield County Board pursuant to State ex rel. Badke v. Greendale Village Bd., 173 Wis. 2d 553, 494 N.W.2d 408(1993), and must be noticed as such, although the County Board will not take any formal action at this meeting.*

#### AMENDED (April 3, 2018)

- 1) Call to Order:
- 2) Public Comment: 3 minutes per person
- 3) Approval of Minutes of March 8, 2018.
- 4) Discussion and Possible Action Regarding a Community Development Block Grant/Loan
- 5) Discussion and Possible Action Regarding Business Park Rezone.
- 6) Discussion And Possible Action Regarding A Resolution Authorizing The Submission Of A Wisconsin Department Of Transportation Facilities For Economic Assistance (Tea) Grant Application
- 7) Discussion Regarding County Mineral Rights

- 8) Discussion and Possible Action on Focus on Energy Grant
- 9) Discussion and Possible Action Regarding County Solar Project

10) Reports

- a) Local Emergency Planning (LEPC) Hazard Mitigation Matrix
- b) Strategic Planning
- c) Treasurer Report March, 2018
- d) Financial Report for March, 2018

- 11) The Committee may enter in and out of closed session pursuant to Wisconsin Statutes §19.85(1)(e) to deliberate or negotiate the purchasing or public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session, and;  
§19.85(1)(g) to confer with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved:

- a) Approval of minutes of the March 8, 2018 meeting.
- b) Bargaining with prospective Business Park Tenant
- c) Discuss possible investment of public funds for Business Park Improvements
- d) Discussion and Possible Action regarding the South Fish Creek Watershed Animal Waste Storage and Management Ordinance litigation.

12) Adjourn

## Executive Committee Narrative Thursday, April 5, 2018

Item 4: Mark Staff with the WI Dept of Administration will be available to provide an overview of the purpose and process related to the Community Development Block Grant/Loan program. Sheldon Johnson with Northwest Regional Planning will also provide information on this topic.

Item 5: Business Park Rezone

Item 6: The County has received inquiries about leasing county mineral rights (for sand and gravel) held on properties the county no longer owns. We began a discussion on this topic at the last meeting. John Carlson will be present to follow up on this conversation.

Specific requests that we have received are:

1. Will we release / convey mineral interests
2. Would we enter into a long-term lease.

Item 7: Craig Parks and I met with Focus on Energy representative to review and discuss the retro-commissioning project. We will discuss recommendations provided by Focus on Energy.

Item 8. County Solar Project

Item 9.

- a. The Local Emergency Planning Committee (LEPC) is in the process of updating the Hazard Mitigation Plan. The committee will review the Hazard Mitigation Plan Matrix.
- b. Strategic planning consolidated document will be provided at the meeting.
- c. Financial reports will be provided in the drop box prior to the meeting.

Item 10: Closed session.

**Minutes of the  
Bayfield County Executive Committee Meeting  
4:30pm, March 8, 2018  
Emergency Operations Center, Bayfield County Annex, Washburn, WI**

**Members Present:** Jeff Silbert, William Bussey, Fred Strand, Shawn Miller, Brett Rondeau, Harold Maki

**Others Present:** Mark Abeles-Allison-County Administrator, Kris Kavajecz-Assistant, Jennifer Augustine-Northern Lights, Scottie Sandstrom-BCEDC, Dennis Pocerlich

Meeting called to order at 4:30 pm by Chairman Rondeau.

Public Comment: None Received

*Motion Maki, Miller to approve Minutes of February 14, 2018. Motion Carried (6-0). Bussey noted that the vote regarding the Elected Official wages was recorded correctly, however the tally should reflect (3-1).*

**Northern Lights Services, Inc. presentation, Jennifer Augustine:** Augustine reported that Northern Lights is running with a strong census at the end of 2017 and start of 2018. Percent of clients on Medicaid and Inlusa is increasing. Northern Lights observes a \$68 loss per day for each Medicaid resident. Certification Surveys are underway. Union is dissolved as of March 1, 2018. Staffing of RN's and LPN's is an ongoing challenge. Projected \$496,000 loss at end of 2017 on paper. Cash deficiency of \$140,000. Continuing to work on Medicaid rate advocacy. Development staff member has generated about \$26,000 in 2017 and several large donations and grants already in 2018. Capital needs include: computers/IT structure, moderate repairs and updated furniture for rooms.

**Business Park Road Bids:** Abeles-Allison reviewed a design for the business park road and identified the phases for the bids. A summary of bids was reviewed. Discussion at the Business Park Planning Committee was to award the Base Bid and a combination of a portion of Alternate A and the spur road.

*Motion Miller, Bussey to recommend the acceptance of the Rittola base bid to the full county board. Discussion: Will this have any impact on a decision related to Alternates A and C. Discussion was held regarding whether the bond requirement for the contractors could be modified, which could increase the funding available for the road construction. Motion Miller, Maki to not require a performance bond for the project. Discussion regarding the fairness of making this change now, after the bids were received. Motion Failed (1-5). Further discussion took place on the original motion. Strand would like the understanding forwarded to the county board that the project would not proceed until and*

unless additional funding is secured. Discussion took place regarding whether the alternates would need to be re-bid if only the base is awarded now. Suggestion was made to include the option to lock in the bids for a certain period of time, should the county secure the funds for additional alternates.

*Vote on the initial motion carried (6-0)*

**T-Mobile Tower Lease:** Corporation Counsel has reviewed a proposed lease with T-Mobile for location on the Port Wing Tower.

*Motion Bussey, Maki to recommend to the full county board to approve the lease with T-Mobile on the Port Wing tower as proposed and reviewed by Corporation Counsel.*

Discussion took place regarding the foundation work that needs to be done at this tower site. Suggestion was made that the lease not be approved until details are worked out regarding the foundation work.

*Motion Bussey, Silbert to amend the original motion and recommend approval of the lease to the full county board including the contingency that the lessees would be responsible for the foundation repair work. Motion Carried (6-0)*

Kavajecz exited the meeting at this time.

**Superior Wellness Shower Project:**

A proposal to add a shower in an existing no longer used restroom adjacent to the health department at a cost of \$4650 was discussed by the committee. Funds are available in the wellness budget as a piece of wellness equipment budgeted will not be purchased.

*Motion Silbert, Bussey to approve the Superior Wellness Shower Project at a cost of \$4650. Motion Carried.*

**Telecommuter Forward Law:** Scottie Sandstrom provided an overview of the Telecommuter Forward law which was passed by the State Assembly. The Law is awaiting consideration by the Senate. Sandstrom shared that this is an opportunity for the county to be a leader in Telecommunications as Bayfield County played a leadership role in this legislation. Upon passage Sandstrom will provide updates on how the county can proceed under this legislation.

**Broadband Forward:** This ordinance opportunity streamlines county highway permit requirements for fiber installation and follows the state template. Specifics include timeline to approve or reject applications and sets a maximum of \$100. The Ordinance would designate the county as a Broadband Forward Community. This will be presented to Highway Committee for approval then on to the full board.

**Mineral Rights:** Discussion took place regarding the county's current/past practice with regard to mineral rights. The committee discussed the definition of mineral rights. The County passed a resolution in 2000 regarding mineral rights that specifically excluded sand and gravel from the

mineral rights. Further review with Corporation Counsel will clarify this with a report back to the Executive Committee at the next meeting.

**Budget Amendment, Clerk of Court:** A budget amendment addressing additional appointed attorney costs was reviewed. It was noted that additional revenues, over those estimated, exceeded these expenditures so no fund balances were required.

*Motion Bussey, Strand to recommend approval of the Clerk of Court Budget amendment to the county board in the amount of \$5,047. Motion Carried.*

**Strategic Planning:** This discussion was postponed until the next meeting.

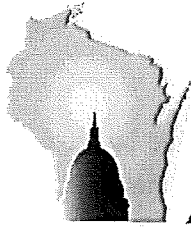
### **Reports**

- a. 2017 Financial Report: Reviewed by the Committee
- b. Treasurer Report February, 2018: Reviewed by the Committee
- c. Financial Report for February, 2018: Reviewed by the Committee.
- d. 2019 Budget Survey Question Review: The draft survey was reviewed with several suggestions made for modifications.

*Motion Miller, Maki to enter in and out of closed session pursuant to Wisconsin Stat. §19.85(1)(c) and (e). The committee will discuss and may take action on the following: §19.85(1)(c) to consider employment, promotion, compensation or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility: County Administrator Performance Evaluation and to Approve closed session minutes of the November 9, 2017 §19.85(1)(e) to deliberate or negotiate the purchase of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session: Negotiation related to a prospective business to be located at the Bayfield County Business Park. Motion Carried (6-0). Entered closed session at 6:00pm.*

*Motion Bussey, Maki to return to open session. Motion Carried.*

Meeting Adjourned at 6:30pm. *Minutes submitted by Kristine Kavajecz and Mark Abeles-Allison*



**WISCONSIN DEPARTMENT OF  
ADMINISTRATION**

**SCOTT WALKER**  
GOVERNOR  
**MIKE HUEBSCH**  
SECRETARY

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**POLICY:** ED 01-2013

**TITLE:** CDBG-ED Grants – Commerce Underperforming or Non-Performing Grants  
**EFFECTIVE DATE:** Updated March 1, 2017

**OVERVIEW:**

**Description:** This policy references Economic Development and Public Facilities for Economic Development projects granted prior to July 1, 2013, that have not met, or will not meet contract goals, but may meet federal criteria. Updates to this policy also reflect on both Economic Development (ED) and Public Facilities for Economic Development (PFED) grants awarded after July 1, 2013.

**Purpose:**

In the fall of 2011 the HUD Office of Inspector General began highlighting projects around the nation that required additional review. Upon reviewing the files the Division of Housing (DOH) determined that the former Department of Commerce was not consistent in contract language, review, monitoring, or reporting information in HUD's Integrated Disbursement and Information System (IDIS).

The system requires the State to define the federally defined: eligible activity, national objective, and projected outcomes for each grant award. Once the contractual end date arrived it was expected that corresponding data was entered into IDIS. The Office of Inspector General flagging system noted that across the nation, projects were not updated upon completion of the contract and Wisconsin had a number of items to review.

The former Department of Commerce contract language varied by Unit of General Local Government (UGLG) and project concerning the amount of award funds granted per job anticipated to be created or retained. Frequently the Department of Commerce contract language was much more restrictive than the HUD standard of \$35,000 per job (24CFR570.209 (b)(1)(i)). Consequently, if a business did not fulfill the contractually anticipated job creation, the business still may satisfy HUD's national objective. Therefore, Units of General Local Government (UGLGs) can be subject to several levels of consideration.

**Policy:**

**Job Creation:**

- For ED and PFED awards, if a company creates at least 90% of the positions anticipated as specified by the contract, and 51% are filled by LMI job candidates, and the number of jobs created meets the HUD national objective threshold of \$35,000 per job created; then

No payback of funds to the State will be required by the UGLG.

- If a company creates less than 90% of the positions anticipated, as specified by the contract, and 51% are filled by LMI job candidates, and the number of jobs created meets the HUD national objective threshold of \$35,000 per job created; then

Repayment of the grant from the UGLG will be prorated at the rate of CDBG funds per job for each job not created up to the grant amount.

- Regardless of the number of jobs the company creates, if 51% are not filled by LMI job candidates, or the number of jobs created does not meet the HUD national objective threshold of \$35,000 per job created; then

The UGLG must repay the funds to the State of Wisconsin to be either returned to HUD at their discretion or re-utilized in new State CDBG – Economic Development projects.

**Job Retention:**

- For ED and PFED awards made after July 1, 2013, the baseline number of jobs shall be retained for the period defined in the grant agreement (normally 5 years). The full amount of the grant is subject to repayment in accordance with the terms of the grant agreement should the baseline number of jobs fail to be retained.



## CDBG PUBLIC FACILITY ED GRANT Q&A

Q: Bayfield County can apply for CDBG Public Facility ED grant for jobs created. This must be used for public infrastructure. We could use this for water, sewer, site preparation expenses provided the county owns the site for the term of the project. Max of the grant would be job # commitment over a two year period x \$20,000,

A: That is correct but the property would have to be owned by the County for 5 years after the closeout of the project. Assuming there are no extensions to the 2 year contract period, the site would have to be owned by the County for approximately 7 years.

Q: Bayfield County can apply for a CDBG ED Loan for jobs created. This provides a reduced interest rate of 1% for five years based on jobs created over two year period? Jobs commitment x \$20,000.

Both of these can be used at the same time BUT cannot double count jobs.

So if 15 jobs total, then we could request a grant of \$200k and a loan of \$100k. (Using \$20k figure per job). Do any / all of these jobs need to be LMI?

A: That is correct as well.

The County would be able to apply for both of the projects and at least 51% of the jobs created for each project would need to be held by LMI individuals. Federal rules allow the dollar per job figure to go as high as \$35,000 but the previous range of awards from the State have been in the 15k-20k range. The exact amount is determined after the application is reviewed and the underwriting process is completed.

Q: Could you explain in what situations extensions are given on job creation and for how long?

A: The extension on job creation would go no longer than one additional year or 3 years from the start of the project. An amendment request would have to be submitted for review by the State where the business would have to explain why they haven't been able to reach the job creation requirement and then show how they would be able to meet the job creation requirement with additional time.

Q: Do you have a job guarantee agreement you could share?  
I am thinking between the county and business.

A: DEHCR doesn't enter into agreements with businesses in the CDBG program so I don't have any examples of an agreement. DEHCR requires agreements to include job creation and reporting requirements that mirror the agreement between the State and the County. The

repayment language we use is included in the policy linked below. Any other requirements or provisions are local decisions.

[https://doa.wi.gov/DECHR/ED01\\_Underperforming\\_Grants.pdf](https://doa.wi.gov/DECHR/ED01_Underperforming_Grants.pdf)

Q: In the case of the loan.

Who is the loan made to? I would assume the municipality.

Does the City / County then have a loan agreement with a business regarding the repayment?

A: An award will be made to the municipality in the form of a grant and then the municipality will loan the funds to the business. Loan documents such as a loan agreement, promissory note etc. need to be in place between the municipality and the business.

The extension on job creation would go no longer than one additional year or 3 years from the start of the project. An amendment request would have to be submitted for review by the State where the business would have to explain why they haven't been able to reach the job creation requirement and then show how they would be able to meet the job creation requirement with additional time.