

Martin County Board of Commissioners
Work Session
June 1, 2016

The meeting was called to order at 2:30 p.m. by Chairman Belgard. Those present were Dan Schmidtke, Steve Flohrs, Kathy Smith, Tom Mahoney, and Elliot Belgard. Also present were Scott Higgins, James Forshee, Steve McDonald, Teresa Tieman, Deena Frerichs, Jason Nelson, Rod Halvorsen, KSUM-KFMC Radio, Jason Sorensen, Sentinel Newspaper, Doug Landsteiner, Mike Burnham, Frontier Communications, Keith Severson, Frontier Communications, Kevin Peyman, and Julie Walters.

The Pledge of Allegiance was recited.

By consensus, approve the agenda for the June 1, 2016 Board Work Session.

The minutes of the March 29, 2016 Board Work Session were reviewed.

Higgins introduced Mike Burnham and Keith Severson with Frontier Telephone, the County's current telephone and service provider. Higgins noted Frontier has offered a cost savings to the County by upgrading its telephones and service.

Burnham noted today the County's system is Centrex and what Centrex is, is we host your phone system down at our office on North Main in Fairmont. Each individual gets a phone and their own individual phone number; so every phone has a phone number associated with it here in the courthouse and some of your outlying offices. The Highway Department is a little different in that they have their own phone system now so they just have a number of phone lines with extensions off of that.

Burnham went on to note the system that we're proposing would be a phone system with what we call two PRI's into it. PRI stands for Primary Rate Interface so basically what it is, is a voice T1 so it will give you 46 channels of voice communications and those voice communications can be either phone or fax...faxes are recommended; but you can do a few if you have a limited amount of faxing in an office you can put it on a PRI. It is a digital service versus analog. So with the PRI again and then there will be two (2) channels for carrying data over or basically caller ID. And I think the conversation really started about the phone system because of law enforcement...today with Centrex you get your choice. You can either have name caller ID or number caller ID – you do not get name and number on caller ID through Centrex. Centrex is a system that has been around since the 1950's and we haven't done any upgrades to it. We've just has customers on it for years and we've been hosting those phone systems. So with that you would actually have what we call a Premise Based Solution or a Premise Based Phone System and in this case the proposal includes three of those...interconnect the Highway Department, the County Attorney's Office, and the Courthouse, so that you are all on the same system and all sharing the PRI. The ultimate goal is to save on your monthly reoccurring expenses. Obviously there is a cost up front or we can put it into a monthly cost on a lease; still saving you a considerable amount of money every month by making a change.

Burnham also noted so there are three different phone sets that we're looking at. We've got the 5320 which is the simplest of the phones and those we recommend for break rooms, common areas, places like that. The 5330 is more of a desk phone...that's the phone that I use day in and day out and the 5330 actually has some speed dials and other features associated with it; and then the 5340 is for the heavy users that need a lot of speed dials and it also can show especially in bigger departments...whoever is answering the phone can see who currently is on the phone so when a call comes in they can say that person is currently on the phone do you want to hold or would you like your call transferred to voice mail. Everybody will have voice mail...each department can have their own what we call auto attendant meaning that as a call comes in especially after hours they can come to the general phone number...if you want to talk to such and such, press 1...and along those lines.

Burnham noted Frontier has been around since the 1990's and made a decision five years ago to get back in selling the phone equipment and 4 out of the last 5 years we've been Mitel's number one phone distributor in the United States. The pricing that we have for you folks is on the NJPA which is for non-profits so that you get the very best pricing available out there. We install six of these per day, 365 days a year nationwide. Today you have Centrex phone lines, each office gets billed individually today and that part of it will go away; but I think we have a solution for that. Then each individual gets to decide what feature sets that they want to put on the current phones today through the Centrex and each one of the features costs extra money. You just have basic voice mail, we don't have any auto attendant capabilities or any of those...Teresa (Tieman) contacts LeAnn (Feller with Frontier) often for adds, moves, and changes, and all of those cost every time you need something like that done. Again getting back to the caller ID...it is single line either name or number...those are your choices.

Burnham went on to note what we're moving to is Voice over IP system...it's the most reliable and most current technology out there today. You're going to be able to keep in departments if the line is busy it's going to roll to another line and things like that and we'll sit down with you and go through all of that programming if you decide to move forward. Additional phone numbers...you're going to get 200 DID's to go over those PRI's and today you have 130 numbers so you'll have a bank of numbers as you add people or whatever...they will each get their own individual phone number. That phone number can either be given out or not given out...that's the beauty of PRI...because what we'll push out for caller ID is whatever that department wants pushed out for caller ID...we have that flexibility.

Burnham also noted Record a Call is a feature that the law enforcement center wanted. It's a button on the phone that once you start a conversation if you want to record that call...push that button and it will record it and then it will send that call as away file to your outlook. So then it can be archived to your computer in the form of an away file and you can save that for later on. And that is a feature on the phone system.

Belgard inquired do you have to alert them that you're doing that?

Burnham answered no, not in Minnesota.

Burnham went on to note Hot Desking is for the law enforcement center...you have officers that are sharing phones so they can each have their own voice mail now they just have to punch their pin into the phone and listen to their voice mail. Voice mail not only resides with the phone but it also comes to their outlook either at their desk top or if they have a smart phone. The numbers can reach remote employees...for example you've got people at the Highway Department that if they are out of the office and they want their calls to come to them they can push a button called Dynamic Extension and the phone rings at both their cell phone and their desk phone and they can answer the phone. The beauty of that is their cell phone shows them the caller ID of the person calling them.

Burnham noted we give you the first level of administration...set up voice mails and things like that. Because they're Voice over IP phones the phone is for the individual so if they unplug from one...if you move from one office to another they unplug their phone and take it with them and they plug it in. You may have some changes but they'll be very infrequent...most of the administration can be done by you guys yourself. Night service for emergency calls I don't know if there's any departments that would have that kind of need or anything like that...and then again of course the unified communications which I talked about your voice mails and your recorded calls and things like that going to your office.

Burnham went on to note conference room phones are...it's different than the Polycon – what it is, is it is a rounded unit and it actually is very good...the Polycon is not a terrible design; but the conference room phone on the Mitel has 16 different speakers in it and as people are talking on a conference call...where the microphone is actually lights up for that person and the rest shut off so it is directional so people from across the room can talk...that mic will pick them up and that's the person that the other end hears. It also has android interface to it so you can actually do Power Point presentations through it.

Burnham also noted Teresa (Tieman) did get me a count on headsets. The headsets are what we call deck technology instead of blue tooth so they have a range of up to 300 feet again not a great building for the cordless headsets; but on the other hand the range is actually going to be farther than on a blue tooth. However, the Auditor has a couple of cordless phones on this proposal and those cordless phones will do a range of 6 acres...so you should be able to go anywhere in this building even with the infrastructure and be able to talk on the cordless phone.

Burnham noted getting to the nuts and bolts...what the proposal is, is for three county systems...one for the courthouse, one for the county attorney, and one for the Highway Department. That does give you, because you're already connected with fiber to the Highway Department, it gives you the capability of interconnecting those phones that have four digit dialing between locations but also they can share the PRI with the courthouse and it eliminates all but two phone lines at their location. They need one phone line for 911 and one phone line for fax. Other than that they connect back here, they keep their phone numbers on the PRI and they actually connect to the world back through the courthouse. Same scenario with the county attorney...they'll keep two phone lines but everything else will be in communications back and forth from here. We've got a breakdown of the phones that are included in here. The system allows up to 250 voice mail boxes. You can set up extensions for cell phones...they don't have to have a desk phone so we can set up an extension on the system, give them a DID number if

you wish and from there they can actually retrieve a voice mail through their smart phone and they have a county phone number instead of having to give out their cell phone number.

Burnham also noted today you're paying us in the neighborhood of \$4600 per month and that includes \$121 from (inaudible) that I did along with my customer support person LeAnn Feller. That's what we came up with for the number of phone lines that you're paying for a day or Centrex lines. Your long distance you have about 3670 minutes and then you've got a toll free number and 33 minutes a month there's not a lot of people using that toll free number so we're leaving that as is.

Burnham went on to note so what I would do is kick you up to a block of time or 5000 minutes of long distance...we'd go from \$461 a month in long distance to \$135 a month in long distance. We still need to keep some like the Highway Department, the County Attorney, and then other faxes and alarms and things that you have throughout the courthouse...the original quote was for 16 and I'm keeping that number until I know different...those lines are \$30.50 a piece so we come up to a total of \$488 for that. Two PRI's...the original quote was for one and I would not recommend anything less than one and one half PRI's...we can do that...but for the cost of the PRI's I'm recommending two to give you plenty of connectivity and that would be \$1,000 a month and then we've got some federal subscriber fees associated with the PRI in the amount of \$147. All fees, except for 911 and any other regulatory things are included in this quote...there will not be any surprises other than the taxes and usual fees. Everything else on the monthly reoccurring basis I've included in this quote. So your overall savings if you lease the equipment along with five years of support technical, maintenance, technical support...you would have a savings of \$976.44 per month going from Centrex to a Premise Based Phone Solution.

Higgins inquired about the maintenance agreement.

Burnham noted that's actually the lease.

Higgins inquired if there is an option to cash purchase.

Burnham noted if you purchase it the cost is right at \$70,000...\$71,000 for all three systems...and your monthly savings increases by \$1,800 per month. Your savings is going to be \$2,700 - \$2,800 per month.

Belgard noted actually this could go indefinitely then.

Burnham noted yep, it could, as long as the phone system lives. Average life of the Mitel phone systems is 8-10 years. And probably longer in this environment depending on what features and things you want in the future.

Higgins noted and like Mike (Burnham) said kind of the catalyst was over in the law enforcement but then at the same we have all of the projected savings on our current service. Part of this too this Voice Over IP is on the agenda under the discussion of cabling...going from CAT we have 3 and 5 to CAT 6 which is kind of another side project anyway. The Building Committee has talked about this.

Steve McDonald inquired you mentioned the county, the highway, and the county attorney were the three phone systems and Library is not part of this anymore? I thought that was part of this.

Burnham noted Deena and I had a conversation before the meeting...we're going to meet next week. It was part of it and then after some discussion with Teresa (Tiemann) and the fact that the City is paying for the monthly phone bill and stuff like that it makes more sense to tie it to the City than it does to the County in my opinion.

McDonald noted the other question is the county attorney office...were you planning to hook them up?

Burnham noted engineering didn't get back to me but we're looking at doing a 5 meg point Ethernet connection and if I get my way what I asked for it's going to cost an additional \$120 a month. They're going to have an \$80 savings on phone lines by eliminating two phone lines and then there will be a \$200 cost.

McDonald inquired and that's going to go directly to our phone network? So it will stay separate from their network? So we'll have to do some cabling and things down there too?

Burnham noted yes.

Higgins noted this system was proposed with the new cabling. We aren't going to do the switches and things on our old existing system with this proposal are we? The reason being is that we will be discussing the proposal to re-cable the courthouse and LEC.

Burnham noted right. In order to move forward it's all predicated on the fact that you guys upgrade the infrastructure in here. And you really don't need to upgrade the wiring necessarily...it's the switches that need to be upgraded. So, the cabling project, we'll enable you to upgrade your network to a gig service which you don't currently have today to get to the current technology on the networking side and then we'll just piggyback off of that to get the phone system. One caveat is the proposal is for 30 days and that's only because the end of June Mitel is discontinuing the \$8,000 or however much discount that is on the main phone system for here.

Belgard inquired so what's involved with the cabling, Steve?

McDonald noted in order to do this properly you need a phone network and a data network. You can try and piggyback your data to the phone but it's not really the proper thing to do. The correct way is to have a separate network. Here in the courthouse we've got cabling and switches all over the place and we can't put Power Over Ethernet switches behind desks or on the floor over at the Extension office or something like that. They need to be re-cabled. And also in the LEC...they're on a separate network over there but their network is not tied to this one but there are areas that they've got phones they need cabling so my proposal is to rewire the courthouse and I wired this in 1998 and it is standard CAT 5 cabling so to do it properly my recommendation is to re-cable the courthouse and do the cabling for the LEC that needs to be done over there. A Power Over Ethernet switch is noisy and loud...you've got some setting

right up by Teresa's (Tieman) desk on the wall and we've literally got one behind a desk up in the Recorder's Office, These have kind of grown in 20 years and they have their own little networks and we've attached them all together in certain areas, now we'll need to centralize all of the cabling and wiring into one location here in the courthouse main floor and then put all our switches in one location, so that staff won't have to sit and hear them because they will be noisy and hot.

Belgard inquired that has to be done before this phone system is put in?

McDonald noted that's my recommendation, yes.

Belgard inquired what would that cost?

McDonald noted that last price was about \$40,000 to do some minimal cabling and equipment. What we're going to be looking at I would say is at least \$50,000 to cable and all the required hardware.

Flohers inquired who does this work, Steve. Do you do it?

McDonald noted, no. I pulled enough cable awhile back in order to pull network cabling and all that you're supposed to be low voltage licensed. I have pulled in stuff over the years but the scope of this project it will have to be hired out.

Belgard noted plus it would take too much time along with what you're trying to do already.

Burnham noted the whole point is that we need to do if you wanted to move forward with a phone system or if you decide to move forward with the cabling is we get the system ordered before the end of June (2016) and then we would not bill for that until it was installed. So that gives you time to do your cabling and things like that.

McDonald noted not only up here but out at the Highway Shop too.

Burnham noted we could actually put in a Streamline for the phones that we can run the voice over they only have two phones that aren't by computers so we put a 4 port Streamline in that quote that for them so we can run over CAT 5 and you won't have to do any wiring out there if you don't want to.

McDonald noted oh, no, we have to look at that.

Higgins inquired did we talk about courts last time?

Burnham noted we did and courts is included in that.

McDonald noted and they need to be all wired. We've got separate networks. Our county has a network that does not see law enforcement and courts has a network that doesn't see each other. We're all little separate networks...so you can't just plug and play on this network, so courts all

their phones would have to have a CAT 5 or a 6 drop to their phone locations that would be on the county phone network. Their data network would stay separate...that's how they prefer it. Same with law enforcement. We could put a separate phone network there too so it kind of keeps all the phone traffic on one network and the data on another so that's inherently how this is done up here courts is separate...law enforcement is separate...county is separate...library is separate...the Attorney is separate until eventually some day they may incorporate up here and I don't know what happens with that to connect them up to the secure network on law enforcement.

Doug Landsteiner inquired it looks like a \$2700 a month savings if we bought the equipment outright - \$70,000 did you say? And so the difference between the lease and the buying outright would be about \$110,000 with \$40,000 savings. But what about the maintenance part over the five years? Would we be missing that if we bought the equipment outright?

Burnham noted you can purchase that and I can quote that. It's a little over \$5,000 a year for 4 years. Your first year is included in the purchase of the equipment.

Belgard noted if I'm reading this right \$976 a month is \$11,000 a year over five years \$58,000 if we do the savings it is \$110,000. If we buy it for \$71,000 it will be about close to \$40,000 if we own it so it would be less then we'd have the potential to save for the next two or three years in addition, right?

Burnham noted there's a cost of money one way or the other...there's always a cost...taking it out of your own piggy bank and putting it toward the capital, so yeah.

Belgard noted well you're talking about saving money once instead of spending it...that's always good.

Landsteiner: noted so to follow up on my question then if we wanted the maintenance support for the four years we contract an extra \$5,000 a year for that maintenance support so that cut our \$40,000 savings down to \$20,000 savings.

Burnham noted again, have to put in a request to do that. They would give me pricing for one year and for four years and there's a discount if you pay for all four years up front.

McDonald inquired what's covered under the maintenance.

Burnham noted Monday through Friday, 8a-5p, phones and equipment. So anything if something goes out in the server we're going to replace the server or that part or if a phone should die we're going to replace the phone. The phones on average are a little over \$300 apiece.

McDonald noted keep in mind too that the management of all of this is going to end up in our office too, so we'll have to manage all these peoples phones and their set ups and all that stuff.

Burnham noted well that will all be done initially by us when we come in to install. The ongoing stuff, the only things you're really going to be doing is setting up a new user and changing

somebody's voice mail if that's what they want. If you want somebody in each department to manage the phones in their own department, the limited scope of what they can actually do with their phones that we give them it can be handled by someone who can pretty much work on a desk top.

Belgard inquired if we would lease this phone system for five years...at the end of those five years who owns those phones?

Burnham noted this program is called the Shield Program so if during that five year term all of a sudden technology explodes and there's something better, greater, faster, you know whatever is out there, this company that we lease with would allow you to cancel your current lease and upgrade to the next if that is what you want to do. So at the end of the lease it is fair market value so you can either turn around, re-lease it at whatever the fair market value is at that time or you can buy it out. There is another option that we can do...a \$1 buyout at the end of the five years.

Belgard noted so we'd have to do something at the end of five years if we leased it.

Burnham noted yes, on the Shield. If we go with the \$1 buyout you give us \$1 and you own the equipment at the end of the five years. The monthly payment goes up a little bit...it goes up about \$50 a month for 60 months to have the \$1 buyout.

Smith inquired when you're doing these systems...what is the most popular choice...to lease or buy?

Burnham noted you know what in today's world the business world the majority is starting to do the leasing just because of changes in technology and things like that. From your side of the aisle you know if counties or cities have the budget or the money to buy...they're buying.

Schmidtke noted well there's a bigger savings in buying, obviously.

Kevin Peyman noted I think there are some good features that we don't currently have and if we can save some money our office would go for it.

Belgard inquired let me ask this question of the county employees that are here...certainly we see a need to upgrade our phone system...there's no question about that, right?

Forshee noted it would be nice to have the features of the new system.

Higgins noted I'm just more concerned with the savings to the county that is being offered.

Burnham noted well the conversation started because we could show you a cost savings. But, to be honest with you, this is moving from the 19th century into the 21st century type of thing.

Belgard inquired this is what you would call win, win...right? You get a new system and you save money?

McDonald noted and that's kind of where I am with the cabling stuff too...if we're going to invest and put this kind of money into this, we need to get our infrastructure up to par too and that's going to cost a bit.

Belgard noted we've been lagging on that and you've told us over and over and over again that we're going to have to bite the bullet.

Burnham noted well we've got you some money here to help you pay for that.

Forshee: Teresa (Tieman) went around to the different departments about whether they needed a headset. The phone itself is like say \$300...but the headset attachment was another \$300? We have about 35 people that wanted them.

Burnham: Yep. The headsets help with productivity too.

Landsteiner noted you said there's an \$8,000 savings by making a decision by the end of the month. But, you wouldn't be billing it out until it actually got installed.

Burnham noted correct, what I have to do is get it ordered and booked and then we let Mitel know it's been ordered.

Landsteiner noted even if our cabling didn't happen until next year.

Burnham noted that won't work. We can probably set on the equipment for 60 days so that give you from June 1st to the end of August to get cabling done and get ready.

McDonald noted that's going to be pushing it.

Burnham noted, we can work something out but I understand you guys have other things that you've got to get done first. Again, we don't want to buy that equipment and be sitting on it without billing for it.

Belgard inquired so Steve (McDonald), what would be the logistics of spec-ing it out and doing the cabling?

McDonald noted right now we did a walk through with ISG Engineering and I don't know if he got that proposal back...after we got done he said he was going to try and get done as fast as he could...we would have it spec'd out and I've already worked on some of it...I have to create a map of all of the offices, all the drops, specifications of the wiring, how many drops per location; we've got to find a wiring closet down here...somebody's going to lose something down here on this first floor. We've come up with a couple of different options: over here in the Extension area and a closet over here that would possibly work that could be modified to turn that into a wiring closet because all of the wiring has to start at the top and go down all these little shafts in the courthouse so everything's got to go down to the bottom floor and then it's got to come back up to the offices. So the less that comes back up, the less work and the amount of cabling. So

ideally we need a spot on the first floor, we turn that into a wiring closet, all the wiring come down terminate here run a couple lines up to our office and attach the equipment to it...once that's all done we have to go out and find some vendors either ISG specs it out and put's it out for bids or I go out and solicit bidders. I have them come in so they all see the same plans, same everything, just like we did on the remodel so everybody's bidding apples to apples. If we go through a cabling person it's probably going to get done faster versus we do a lot with electricians too but they could be in their busy season. A lot of times they like to do winter work for things like that. It will take a little bit to get it.

Belgard noted so you told me you thought it would be about \$50,000 but you didn't tell me it could take two months or...

McDonald noted that would probably be pretty close.

Belgard noted and the length of time...the window to do it...to get your map done, to bid it, and have them do it...does that work with this contract...that's what we'd be curious about.

McDonald noted I don't know if I could get it done. This next month I've got vacation and gone at a conference next week (MCCC) for that week so half of next month is gone already so...

Higgins noted he had called two engineering firms, stating that there are firms that spec it out and do the work that Steve (McDonald) would have to do. We were supposed to get a quote for specs and design.

McDonald noted I was hoping they would have something here because if it's a drastic amount I could spend the time to sit down and do it too.

Belgard noted, well you know the reason I'm asking is because we've got two Board meetings until we would have the deadline to save that money.

McDonald noted I can't say I'd have all that done by the end of June...I can see what I can do but there are only two of us here.

Belgard noted we get that...we're well aware of the fact that we burden you guys with a lot of work. But the pressure is kind of on us to make this decision.

Schmidtke noted it's not going to get cheaper in July when this deal runs out.

Higgins inquired are there any other deals coming that you're aware of?

Burnham noted it depends on how the first half of the year went and based on what we've done in the last two months Promos aren't going to be as good.

Burnham noted the thing of it is if you wait until June 30th and we do the agreement on the 30th of June by the time I get all the paperwork in and stuff like that it will be the end of July before

we even have the equipment. I will get an answer for you as to how long we can keep the equipment.

McDonald inquired can you get back to me with how you're planning to do the highway shop? I wasn't in the loop on this

Burnham noted because we're going to do three phone systems it's just going...we'll get you specs.

McDonald noted that's all dependent on the amount of cabling that needs to get done at these other locations. Every time we talk it all changed. I need to get caught up on what you're proposing now.

Deena Frerichs noted the cabling still has to be done no matter whether the City of Fairmont does it or the County. If you've got somebody doing the bidding for the cabling, if they could include the library that would be good so that we would have a number to give the City.

Burnham noted we can tie the phone system into here or I can tie it into the City either way. They both have PRI so the cost is going to be the same. And again, the reason based on our discussion the last time I was here and the billing issues with them on your PRI's I just thought it would be easier if we put them on the City. We can do it either way so the monthly cost for the library is going to go down no matter which way I do it. It's just on who wants to include them into their phone system.

Belgard noted Steve (McDonald) you see what you can do for a ballpark figure of some type...we're going to be operating like the state legislature now in trying to get it all done at the last minute.

Schmidtke noted I'm pretty sure we'll get it done. That will be the difference.

Belgard thanked the Frontier reps for their presentation.

Michele Clark, Southwest Minnesota Housing Partnership Program and Lending Manager presented information on the rental rehabilitation deferred loan program. Clark noted back in 2012 the Martin County Commissioners approved and authorized a resolution, that was reaffirmed in 2014 when we got our second award, and are coming around again asking commissioners to reaffirm that they still want us serving their county with this program and request that you pass a resolution that would allow us to continue administering the program in your county. Clark also noted there are no fees to the county for allowing the program to be administered in Martin County.

Clark continued with a brief overview of the program including features and benefits of the program, borrower eligibility, property eligibility, loan amount and terms, and eligible improvements.

Kevin Peyman, County Engineer, presented a review of the Five Year Road Construction Plan which is updated every year. Peyman reviewed plan maps and indicated yellow is this year (2016) we had the letting for it not long ago and we're still looking at probably July construction...my goal is to get a lot of the streets around Fairmont done because next year we're going to have a pretty intensive MnDOT construction season both through Fairmont and the Interstate north of us so I think a lot of traffic will be taking our roads as unofficial detours...so this is kind of a way to get a lot of this work done around Fairmont so our roads are ready for the traffic. In addition it is a slightly smaller dollar figure that we've had some years because next year we have County Road 26 which is a long stretch with some of the cracks we've had on 26 it's going to be more expensive to fix than a standard overlay so that will allow us to save up a little money. Again, we've talked about transportation funding, so not knowing what's going to happen with that...we're kind of capped for what we get from the state so I always do a fiscally constraining five year plan based on what we have available for money. So since 26 will probably be more expensive than what we have in our allotment we'll probably have to look at borrowing ahead again. We've had to do that in the past sometimes we've had bigger years. Some counties always borrow ahead every year they spend their next years' allotment and I don't like to do that just in case things come up. In the dark blue in the year 2020 is 52 we have federal aid on that project again which is kind of what we had on 41 south of Fairmont (old 15) and I anticipate having to borrow ahead for a few years until we get to 52. So what I did on this sheet I show that we anticipate having money to overlay. I also show just because we've talked about our shortage I show in red I mainly showed roads that are pre 1990 surfaces which you know at 2020 we're just as far out as our five year plan goes that would be roads that are currently 30 years old.

Peyman next reviewed the Pavement Quality Index (PQI) which is MnDOT's overall pavement condition index and Pavement Distress (unit of measure) to track the ride of our roads and how much each mile of our road costs to maintain it. We do have a lot of data that goes into developing that plan and what's the right solution to what road when.

Peyman noted otherwise, I would be amazed if in five years from now we look back and all of these roads are actually done...it's a guideline. This is my best guess now and it allows us to start doing surveying work and planning on those roads. Most of the roads on the five year plan honestly are overlays. Standard overlays like we've talked about because of the funding, other than CR26 is going to have to be more than an overlay because of the amount of truck traffic and amount of cracking that it has. The two options that I'm currently looking at are either a reclamation, which is basically grinds up the existing bituminous, mixes it with some of the existing gravel and puts down as it just moves...it doesn't get taken off the road or anything, gets compacted and then gets a small overlay on top of that or either a concrete overlay which has been pretty common in Iowa for the last 30 years. Concrete is a rigid pavement as opposed to a flexible pavement so it's going to crack...concrete has its advantages in that we don't have to seal coat them with the truck traffic we have...the hard part with the concrete that I struggle a little bit with is we've gotten pretty good at making a 20 year blacktop road last 30 and in some cases 35 years. Unfortunately, they're easier to stretch out at the end of the letting where concrete is fairly low maintenance, but the porous design is 20-25 years but it's harder to prolong that life if we don't have the funding. In a perfect world if we designed a concrete for 20 years or 25 years and then at 25 years replace it, then the concrete is probably going to be a little bit

cheaper over the life of it, but concrete is harder to stretch the next whatever years or until we can afford to redo it. So that's where I go back and forth on the issue. I am doing design and a cost comparison on the reclamation and the concrete, which is the same problem we're going to have on the State Highway 262. If we ever do something with that, it will be concrete because it is not a candidate for reclamation and probably have to be a concrete overlay. We'll talk about that another time in a little more detail. The only other one that is really not an overlay is CR54 up on the county line, it's a narrow road without much shoulders. Luckily we've been more aggressive in at least the last 10 years in improving the roads, where we've taken a lot of our roads without shoulders and have decent alignments and taken out a lot of the hills and narrow roads.

Schmidtke inquired CR54 is a shared road with Watonwan County so are they doing their part? Is that whole section getting done up there from CR27?

Peyman noted that's the plan right now. We are planning on doing our portion. I think they are planning on doing theirs. We're trying to coordinate...right now that's what we're planning...worst case is they may fall a year or two apart if one of the county's has to balance things. The goal is that both counties try to do something at the same time. Same thing with CR41...that's the other one that we're trying to add some paved shoulders. We're also trying to coordinate with Faribault County on CR26.

Smith inquired speaking of CR26 going into the City of Fairmont after the 4-way stop...is that our responsibility or is that the City's responsibility?

Peyman noted the Bixby corner one? Yes, I know it's bad and we've talked about it a little bit. I'm talking to the City about rural intersection lighting, which are safety improvements, but then you have costs with them. We might look at working with the City on them to get some lighting on CR39 at a couple of those intersections I sure can talk to Troy (Nemmers) about that stretch.

Peyman also noted some of these things on the Five Year Plan like overlays if we have other options, sometimes there are band aid overlays that we know aren't going to last that long, but we don't have a choice. This is a fiscally constrained plan where if it's a dedicated funding source as opposed to a one time throw some money at it then I can plan the best solution with the amount of money that I know we're going to have.

Flohers noted that stretch of CR50 west of CR27 needs redoing real bad. I get more grief on that road...we've got to get that fixed.

Steve McDonald, MIS Director, noted we covered a lot of it at the phone meeting. I guess my recommendation; because we're pushing 18-20 years on our existing cabling, and some of it was here before I started. The standard CAT 5 cable, it doesn't meet even gigabit speeds, we'll need to replace it. They're starting to put CAT 6E cable in now, which is very expensive but we won't need to go that route, but in the courthouse, since the complexity of rewiring this building, we'll put a CAT 6 cable in and get it up to another 20 years hopefully. And that phone project has kind of pushed this along, so in order to do it properly then we need to do the cabling.

McDonald went on to note after we left our last little meeting when I met with Frontier, he always comes back with well you don't have to cable things. We'll need to cable and in order to do it right plus courts isn't on our network, they've got to have cable no matter what, at that point I've tried to work with them, I've met with them, and I have to get back with their IT people too. We've talked about seeing if they could pay for some of that. At that point in time, I talked to the court administrator recently and she didn't know if they had any money. But, my thought was as long as we're doing this already and we got somebody here to pull the phones, if we get a new phone system, we'd pull data for them also. At that time and see who would pay for that. It would only make sense to replace all that at the same time because the largest expense is the labor. The more you can pull when you have people here the better off you are, so we'll be rewiring this building, about half of the LEC would need to be done, Kevin (Peyman's) office out there at the Highway Department if he's going to be on a true IP system. Possibly down at the Attorney's office and the Library is going to have to do some cabling. That's where I'm at with the cabling project. I guess we'll have to work toward trying to get some pricing and quotes. And we're kind of pushing it in this next month's schedule, because I've lost the end of this week, I'm gone all the following week and that only leaves five days then I'm on vacation for the next week.

Mahoney inquired so the \$50,000 cabling that was just for the courthouse?

McDonald noted no, when this first come about I had a local electrician company through and we did a bare minimum amount of cabling so we could put a phone system in and it was about \$17,000 to do part of the courthouse and part of the LEC. The total cost come a little under \$40,000 and that would take care of replacing all the switches and all that stuff. We add courts, we're kind of doubling the amount of cabling we're going to do, plus we've added on these remote offices. A good guesstimate to throw out there would be \$40,000 to \$50,000.

Mahoney inquired are there cabling issues at 121 No. Main too?

McDonald stated they left that out, so we couldn't quite figure out why they did that. So that part of the bid did not have any cabling. I've met with them three different times down there specifically for that and they left that out.

Belgard inquired would Jason be able to do any of this while you're gone you know some of the mapping.

McDonald noted well we've got unfortunately our WatchGuard law enforcement video system is in and they're scheduled to have it installed on the 20th. So that's what we're working on now trying to get that done so they can have the company come down and start setting that up. Right now it happens to be there's quite a bit going on this time of year. They just scheduled that install with WatchGuard, because we just received all of that wireless equipment. Now we're in the process of setting it up and trying to learn it and make sure we can get all that properly installed, so that when the company gets here on the 20th, it's all ready to go...amongst trying to put out the fires around here.

Schmidtke inquired once we get a bid on what it would cost to cable, would it be one month or two months before somebody could come and do it?

McDonald noted if they're not busy they can probably get on it right away. I know one company CTS out of Mankato, they could probably work that into their schedule pretty quick. When the local electricians originally looked at doing a winter project on that, we looked at shuffling offices and doing some things like that, so there's no sense in rewiring offices if we're going to be moving them around and then have to change. And they wanted to push it on a winter project because they're busy all summer. Most of them are probably booked out so we'd go strictly with a network cabling company.

Belgard inquired what ballpark figure do you think it would take them to do this.

McDonald noted probably a few weeks.

Belgard inquired do they pull all the CAT 5 out then?

McDonald noted right now, no, we'd be using the old. They'd put the new into a new wiring closet and then once that's all done then we abandon the other cable. Two of the locations we've looked at were...this phone room is too small. If it didn't have some of the existing stuff in there we could probably use it but you can't take it out because we're using it. There's a closet in the women's restroom on the first floor which we could put a door from the Extension side into that closet, but then Maintenance would lose that storage space. The other option would be to partition wall off where the copier used to sit in the Extension area. That used to be a little data room years ago when Human Services was here.

Higgins noted we can talk about it at the Board meeting on June 7th and maybe there will be more progress in getting a quote from ISG for the cabling project.

McDonald noted he was hoping to have that.

Forshee noted Steve (McDonald) will be gone on June 7th attending the MCCC conference Monday through Thursday.

Belgard noted if you get some information give it to Scott whatever you know and have Jason (Nelson) come to the meeting and update us if you receive any new information.

McDonald noted I'll send something if we got it but right now I don't think we will.

Peyman noted the purchasing laws...over \$100,000 you have to do sealed bids; between \$25,000 and \$100,000 then you can do multiple quotes; but if they're a member of the state contracting like they indicated, then that does the bidding for you basically. And under \$25,000 is direct negotiation or multiple quotes so it sounds like it could fall into that multiple quote range.

Higgins stated you were presented the bids at the last meeting, which you have in your board packets, which include not only the bid tabulations, but the additional reductions to the proposed

project and base bid of \$123,000 with a few alternate bids. The proposed reductions is estimated at about \$7,145 in savings; however, with the data cabling missing down there you'd add back in \$1,560...

McDonald: Yeah, we haven't verified what all that entails either.

Higgins continued so that's an approximate net reduction of \$5,585 from the base bid of the project.

Schmidtke noted so we're at \$118,000 roughly.

Higgins noted the following proposed reductions to the project, they are proposing to leaving the electrical meter in place for a reduction of approximately \$2,300; looking at removing the bollards around the electric meter and would deduct only \$400; and to leave the back door for reduction of \$885; and to not fill in the original front door, leaving it as is for a reduction of approximately \$1,200; and then to leave the two doors for the existing bathrooms for reduction of \$1,460; and then installing regular carpet instead of the carpet tiles for a \$812 savings.

Landsteiner noted and that's another thing where STS isn't really being utilized because like that two door thing...how hard is it to stud in a header...move the door and install a header. STS is willing to do that and they said they would do any studding.

Belgard inquired in Fairmont? Maybe they can maybe they can't.

Landsteiner noted yeah...they have. They did the drivers breakroom at the Transit Facility and did work on both of the restrooms.

Higgins noted they have been allowed to do the work, as long as the City codes are being met.

Belgard noted let's go to the Asbestos Removal at 121 N. Main.

Higgins noted we asked for three bids and received two for the asbestos removal at 121 No. Main (Fairmont) and the bids ranged between \$7,490 and \$14,400 for the removal of asbestos material according to the report (from IEA). Both companies received the same report and it appears that Asbestrol out of Austin, MN, is the low bid which includes disposal. Something to consider whether you approved the renovation of the building, is to consider removing the asbestos out of the building anyway.

Higgins continued we asked four architectural firms to give us a quote on the space study. It ranges anywhere from \$11,000 to \$17,500. Originally they quoted as part of the study looking at the condition of the buildings, which included HVAC systems, structure, etc. We were just looking for office space study only including square footage and how we could use existing space more efficiently. So it appears ISG is low bid at \$11,000. The Building Committee discussed this matter and was more looking at a square footage study only, because we feel the condition of our building is in pretty good shape.

Mahoney inquired have you seen one of these studies Scott?

Higgins noted I have not.

Belgard noted it seems like a lot of money for something that we could figure out ourselves; but maybe we can't. We have a lot of issues coming up at one time. We want to get the county attorney here, we want new phones, I mean there's a lot of stuff that is going to have us have to make this decision now.

Higgins noted well yeah you sure can and sometimes the neutrality of it helps when you have a consultant come in and do the work.

Belgard noted we've got a lot of issues coming to a head all at one time. We don't have enough space, we want to get the county attorney here, we want to put in new phones...I mean there's a lot of stuff that's going to have to have us make this decision now. We've been putting it off long enough.

Smith noted I think there are other things to think about before we shuck out the \$11,000; we have other decisions to make.

Schmidtke noted we've talked about this for years trying to rearrange office locations and we've never come to an agreement. You bring an outside party in and it takes a little bit of the heat off of us for getting it done. We're just trying to make everybody have room to do their jobs and serve the public.

Landsteiner noted something to think about...I don't remember what the exact footprint was of the space I'm in...but should I ever move out of there, there is some recouping because the rents for that building will go up and for whatever space Human Services gains which I hadn't thought about in this whole thing.

Belgard inquired is there anything else we need to talk about?

Mahoney inquired was there just the one bid on the phone system then from Frontier?

Higgins noted one bid because they are our current provider and they are the ones providing us a cost savings proposal. Steve (McDonald) did talk to two if not three individuals which they provided something last fall; but if that's something you wanted to look at I don't know. We initially looked at some of their monthly costs and Frontier was still a bit lower than they were.

Mahoney inquired so is Frontier the best one then, Steve (McDonald)?

McDonald noted ah, not necessarily.

Higgins inquired not necessarily with regard to what they were offering or...

McDonald noted well they can all offer us a phone system that's neither here nor there. It's how they hook it up and how they do it and all that. They all do it a little different...Frontier makes some money on circuits and things like that so I guess if that's an option that you want to look at I can get Scott them people and then you can set up some demos and make sure it's meeting your guys' requirements. There's different phone systems out there...there are other vendors out there that sell phone systems...they're not all Mitels. Marco out of Mankato they sell Mitels, Bevcomm sells a phone system...you don't necessarily have to go with the phone provider.

Belgard noted an interesting point though would be that when we replaced the phone system at Human Services it costs us money...how do we replace one here and it saves us money? It was over \$100,000.

McDonald noted Mitel was the same ones that did over there too. We looked at attempting to possibly share circuits and things like that in order to try to save us money in overall. So if we could tie the two systems together and use their circuits going out, then we don't have to put in phone circuits. But it would have boiled down to one of them would have had to manage everybody's phone system, which they didn't really want to take on. Overall when we looked at it, it really wouldn't have saved either one of us much money. Plus one of them would have had to manage everybody's phone system. There are other companies that sell phone systems too...you don't necessarily have to go with the phone provider.

Mahoney inquired how much of a price break would you get on winter cabling when the people aren't quite as busy...ten, fifteen percent?

McDonald noted it's hard to say. When I wired this in 1998 I got three quotes and they were all \$4,000 apart. One was for \$8,000; one was for \$12,000; and one was for \$16,000; so it all depends on what they've got going on. In order to make sure to keep things on an even keel, I'd have to spec out even the molding, the boxes, and things like that, because some will undercut it and they'll put in plastic instead of metal...things like that. So when you spec it out you've got to make sure it's spelled out what they need to do.

Schmidtke: noted well the cabling thing will have to be done before anything...

McDonald noted some of it will be on hold because you're doing some rearranging and if we rearrange odds are we'll have to re-cable the layout.

Higgins noted his concern of the potential savings that we lose each month if we do not go to the new monthly service being proposed.

Flohrs noted you're not going to get this done. You're going to have to get this study done, you're going to have to move these people and find out where you're going...then you're going to have to have Steve (McDonald) make up this plan where all the drops are going to be...we're way out there. This is a winter project for sure. This is going to take a while.

Mahoney inquired is the phone system broke?

Higgins noted, my phone works for me, but it's a potential estimated \$1,000 in savings per month for the county. Higgins further stated, Frontier is offering a new system because the existing Centrex system that we have, my understanding is that Frontier is only providing support until they can't support it anymore. That is another reason they are offering the new phone system, which provides us with a monthly projected savings of \$976.00 per month. Higgins noted that's why I thought it important to bring it to the Board.

Belgard noted well yeah we can save it but we can't get it done...all these things we have to do we can't get done in June.

McDonald noted to be honest that \$8,000 (rebate) it may go away, but I can't see it. That \$8,000 was there a half a year ago too.

Motion by Commissioner Flohrs, seconded by Commissioner Schmidtke, to move into Closed Session at 4:35 p.m. to discuss the purchase of real property per Statute 13D.05 subd 3 (c).

Motion by Commissioner Flohrs, seconded by Commissioner Smith, to move back into Open Session at 5:02 p.m. No action taken.

With no further business to wit, Board Chair adjourned the meeting at 5:04 p.m.

BOARD OF COMMISSIONERS
MARTIN COUNTY, MN

Elliot Belgard, Board Chair

ATTEST: _____
Scott Higgins, County Coordinator