



SHEBOYGAN COUNTY

Greg Schnell
Highway Commissioner

Date: February 19, 2009

To: The members of the Program and Prioritization Committee

From: Greg Schnell, Highway Commissioner

I am pleased to present the Sheboygan County Highway Department program evaluation worksheets for your review. As you are aware, the Highway Department program responsibilities touch all of the public from local citizens to the scores of tourists who travel Sheboygan County. This can entail commuting to and from work, traveling for leisure, and the timely delivery of goods and services. Well maintained roadways within the county serve an essential role and are catalyst to the economic vitality of our area.

As you review the various Sheboygan County Highway Department programs, note that Highway Department resources serve all of our county's various municipalities, numerous state agencies, and surrounding counties. Through a very diverse work force and with the ability to purchase cutting edge equipment we are able to provide a quality end result that will be functional for many years to come. We will continue to modernize as technology and resources change. We will seek the most cost effective ways to provide services without sacrificing the quality of the project.

All Sheboygan County Highway Department programs are delivered with the commitment of Sheboygan County's mission and vision statements as well as the Highway Department's mission statement of Creating Safe and Reliable Transportation – Today and Tomorrow.

SHEBOYGAN COUNTY PROGRAM WORKSHEET
January 28, 2009

Department: Highway

Date: March 2, 2009

Program	Description	Priority	Service Level Required	2008 Actual Expense	2009 Budgeted Expense	2009 Budgeted Grants/Fees Revenue	2009 Tax Levy
State and Interstate Roadway Maintenance	The Department of Transportation may, by arrangement with the highway department enter into a contract satisfactory to the department to have work done by county forces and equipment. In such contract the department may authorize the county to purchase, deliver and store materials and may fix the rental rates of small tools and equipment. WI Statute: 84.06(3) & 84.07	1	100%	2,560,843	1,956,999	1,956,999	0
Municipal Street and Highway Maintenance and Construction	This includes: maintenance and construction services to all of the counties 28 municipalities in varying degrees. These services are also provided to state agencies i.e. Department of Natural Resources and Department of Commerce	2	100%	3,601,883	3,629,285	3,629,285	0
Interdepartmental Services	This includes: maintenance and construction services to other county departments for routine and "capital" projects	3	100%	665,689	837,973	837,973	0

SHEBOYGAN COUNTY PROGRAM EVALUATION QUESTIONNAIRE
January 28, 2009

INSTRUCTIONS: For each program, list the Scheduled Review Date, the Department, the Department Mission Statement and the Program Title at the top of the page, and answer the following questions for each program. The overall response for each program must be no greater than two (2) pages in length and in Arial Font size 10.

SCHEDULED REVIEW DATE: March 2, 2009

DEPARTMENT: Highway

DEPARTMENT MISSION STATEMENT: Creating Safe and Reliable Transportation – Today and Tomorrow

PROGRAM: STATE AND INTERSTATE ROADWAY MAINTENANCE

1. Describe the program, its purpose and goals.

Per state statute 84.06(3) and 84.07 the State Department of Transportation may, by arrangement with the County Highway Committee enter into a contract satisfactory to the Department to have work done by county forces and equipment. In such contract the department may authorize the county to purchase, deliver and store materials and may fix the rental rates of small tools and equipment. The State of Wisconsin has this maintenance of the state and interstate roadways with each of the counties in the State of Wisconsin. Wisconsin is unique in the nation with this arrangement.

2. Who is the program intended to serve? How many are served?

This program is intended to serve all the users of the state and interstate system of roadways in Sheboygan County, for example, 30,000 cars per day on I-43 and 20,000 cars per day on STH 23.

3. Are the program benefits long-lasting and essential to the service populations?

The benefits of adequately and consistently maintaining the state and interstate system of roadways with well-trained safety conscious county employees are long lasting and essential. Per Department of Transportation budget guidelines the proper and timely maintenance preserves the integrity of the roadways and other roadway structures and helps lengthen their useful life.

4. Is this program directly or indirectly related to or does it support any other program in this department or another department? If so, how?

The program is directly related to all of the other maintenance and construction programs offered by the highway department. The ability to provide similar services to multiple users increases the cost effectiveness of the program offered. Highway department resources are fully utilized thereby reducing unit costs. This lower unit cost benefits the county taxpayers not only for work on the state and interstate roadways, but also on the county and all other local roads.

5. How does this program make the department or county government more effective or efficient, including any intergovernmental relationship?

Proven cost savings in program delivery continue to allow the county highway department to have an effective and efficient working relationship with the Department of Transportation. The county highway department is the "contractor" for the Department of Transportation in the deliver of state and interstate road maintenance activities. As the deliverer of these services, our work is scrutinized and reviewed by the Department of Transportation, the traveling public, and the private sector contractors. If the county were not delivering a quality product, the Department of Transportation would certainly find another service provider.

6. How do you determine/measure if this program has been effectively provided and implemented?

The Department of Transportation closely monitors and directs the program delivery costs that the counties provide. Machinery rental rates are established by the Department of Transportation. With Sheboygan County acting as the "contractor" for the maintenance program delivery would provide immediate feedback if program costs and quality delivery was out of line. In addition, any negative feedback from the traveling public would certainly bring immediate reaction to any problem. The

Department of Transportation has one of their staff here once a week to monitor our delivery of services and to monitor that we are following proper procedures. We also provide the Department of Transportation with a weekly report of activities performed on state highways.

7. Could the county cost-effectively subcontract this program?

The counties of the state could choose to opt out of the provisions of this program. The decision to subcontract or privatize any of the work rests solely with the Department of Transportation.

8. State the numerical ranking of this program compared to all discretionary programs in your department and briefly explain.

The Sheboygan County Highway Department has ranked this program number 1 out of 3 department programs. This is not a mandated program to the county highway department, but nonetheless is critical to the cost effectiveness of other program delivery. The counties of the state have provided this service to the State of Wisconsin since the formation of the state highway system. The Department of Transportation has studied this relationship over and over and has determined over and over that this is the most cost effective way to provide routine maintenance to the state and interstate roadways. From what I understand our relationship with the Department of Transportation is being looked at by other states to see if this is a viable option for their state.

9. Are there current alternatives to this program available in the community? Can this program be provided through alternative arrangements with other providers?

Currently all counties in the State of Wisconsin provide routine maintenance services to the State Department of Transportation. The Department contracts some of the specialized maintenance activities. Private sector contractors through the bidding process perform major reconstruction and rehabilitation projects.

10. If this program were eliminated, what would be the ramifications for the County (i.e., added risk, liability or legal issues)?

If this program were eliminated there would be no risk, liability, or legal issues for the county.

11. What is the program impact and effectiveness related to the program cost? (Provide data if available.)

There is no cost to the Sheboygan County Highway Department in providing this program to the State of Wisconsin. All services are reimbursed on a time and material basis. All costs relating to the program delivery are borne by the Department of Transportation. If the Department of Transportation, after close review would deem this program delivery to be ineffective, the Department has the ability to contract services with any other private provider.

12. Is this program currently duplicated by another county department or provider in the community?

This program is not duplicated by any other county department. The Department of Transportation currently uses private sector contractors for major construction and rehabilitation projects on state and interstate system of roadways.

13. What adjustment or plan of action would you implement if funding is reduced?

We have a signed agreement with the State of Wisconsin for \$2,052,600 for maintenance services. They also contract with us for some discretionary projects throughout the year which we are reimbursed in full for all labor, equipment and materials used to complete the project.

SHEBOYGAN COUNTY PROGRAM EVALUATION QUESTIONNAIRE
January 28, 2009

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SCHEDULED REVIEW DATE: March 2, 2009

DEPARTMENT: Highway

DEPARTMENT MISSION STATEMENT: Creating Safe and Reliable Transportation – Today and Tomorrow

PROGRAM: MUNICIPAL STREET AND HIGHWAY MAINTENANCE AND CONSTRUCTION

1. Describe the program, its purpose and goals.

This program includes maintenance and construction services to all of the county's 28 municipalities in varying degrees. These services are the same as those performed on the county trunk highways. In addition to the local municipalities, the highway department is active in providing these services to the various state agencies such as the Department of Natural Resources, and the Department of Corrections. The highway department also works closely with our surrounding counties in the sale of blacktop and gravel.

2. Who is the program intended to serve? How many are served?

The program is intended to serve the constituents in each of the entities throughout Sheboygan County, as well as the people who visit Sheboygan County's wide variety of tourist attractions. This service serves the entire County.

3. Are the program benefits long-lasting and essential to the service populations?

The maintenance and construction activities, which the highway department performs for the various governmental entities, are long lasting and essential to the constituents whom are being served. Proper and timely maintenance preserves the integrity of the capital infrastructure and helps lengthen their useful life.

4. Is this program directly or indirectly related to or does it support any other program in this department or another department? If so, how?

The ability to provide maintenance and construction services to the various municipal entities is critical to the cost effectiveness of the highway department resources. The more blacktop and aggregate which is purchased by these municipal entities, the lower the unit cost of production. All taxpayers benefit. The highway departments work force and affiliated machinery resources are utilized to their maximum capacities. Providing services under this program also benefits the other county departments to which the highway department provides service. The unit costs of goods produced and delivered lower expenditures on county capital investments.

5. How does this program make the department or county government more effective or efficient, including any intergovernmental relationship?

This program is our marketing of service to our local and surrounding municipal entities. We have excellent intergovernmental working relationships. In some way, shape, or form we provide goods and services to all of the county's municipalities, various state agencies, and other counties. Proven cost savings in program delivery continues to enhance our marketable services. In providing these services it curtails duplication of services, not every entity is buying trucks, grader, etc. Recouping on an hourly rate basis helps offset the initial cost of the equipment.

6. How do you determine/measure if this program has been effectively provided and implemented?

Although not mandated by statute, the various governmental entities ask for project estimates when working with the county. In many cases our estimates are compared to competitive bids and found to be lower than the private sector providers. This primarily occurs on summer blacktop and construction

related projects. Routine maintenance of the roadway for the municipalities is not frequently outsourced to the private sector. The highway department has sustained or increased its annual revenue from the municipal entities in spite of local cost constraints.

7. Could the county cost-effectively subcontract this program?

Under this program, the municipal entities utilize highway department resources to provide roadway related maintenance and construction. They have the option to outsource other service providers to perform these activities. At this time the county highway department provides very cost competitive services for the various municipal entities to utilize.

8. State the numerical ranking of this program compared to all discretionary programs in your department and briefly explain.

The Sheboygan County Highway Department has ranked this program number 2 of the 3 department programs. This is not a mandated program to the county highway department, but is nonetheless critical to the cost effectiveness of other program delivery.

9. Are there current alternatives to this program available in the community? Can this program be provided through alternative arrangements with other providers?

The cities and villages within Sheboygan County and three of the townships maintain street or highway related maintenance staff in some degree. There are private sector firms, which provide construction materials and services.

10. If this program were eliminated, what would be the ramifications for the County (i.e., added risk, liability or legal issues)?

If this program were eliminated, there would be increased risk to the local municipalities.

11. What is the program impact and effectiveness related to the program cost? (Provide data if available.)

There is no cost to Sheboygan County Highway Department in providing this program to local municipal agencies. All services are reimbursed in full on a time and material basis.

12. Is this program currently duplicated by another county department or provider in the community?

This program is not duplicated by any other county department. A number of local municipalities have a varying degree of public works staff. Private sector providers offer selected services but none offer the full comprehensive services of the Sheboygan County Highway Department.

13. What adjustment or plan of action would you implement if funding is reduced?

All services provided are reimbursed in full on a time and material basis. If this funding were to be reduced we would have to change our projections in our budget and search for an alternative revenue stream. If the revenue stream was unobtainable we may need to reduce staff.

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SCHEDULED REVIEW DATE: March 2, 2009

DEPARTMENT: Highway

DEPARTMENT MISSION STATEMENT: Creating Safe and Reliable Transportation – Today and Tomorrow

PROGRAM: INTERDEPARTMENTAL SERVICES

- 1. Describe the program, its purpose and goals.**
The programs purpose and goal is to provide maintenance and construction related services to other Sheboygan County departments for routine and “capital” projects. This program is a positive and cost effective program for all departments involved.
- 2. Who is the program intended to serve? How many are served?**
The program is intended to serve other Sheboygan County departments and their affected constituents. Fifteen county departments and facilities were served by highway department resources in 2008.
- 3. Are the program benefits long-lasting and essential to the service populations?**
There was a broad range of services provided by the highway department, ranging from doing title and survey work for the Planning Department and Non-Motorized Transportation Pilot Program to construction of the Meadowlark Road and site development for the industrial area at the airport. Highway department work touched many different segments of the service population.
- 4. Is this program directly or indirectly related to or does it support any other program in this department or another department? If so, how?**
This program supplements and complements all other maintenance and construction programs for the county and other public entities. This work is performed on a time and material basis. Work for our sister departments is scheduled along with work performed on our county trunk roads, and the other local municipalities and state agencies.
- 5. How does this program make the department or county government more effective or efficient, including any intergovernmental relationship?**
It is the constant goal of the highway department to implement efficiencies into our program and service delivery costs. Work performed for other county departments helps in marketing our services to other public entities. In addition, work performed through this program allows the department the opportunity to maximize maintenance and construction manpower, equipment, and materials.
- 6. How do you determine/measure if this program has been effectively provided and implemented?**
All work performed for the Bureau of Aviation at the airport is approved and scrutinized through a “cost effectiveness finding” by which unit prices for all elements of a project must be less when compared to those which would be expected to be obtained through the competitive bidding process. These contracts are closely monitored. The highway department has remained successful in procuring this work. This is the best gauge for cost benefit analysis. In addition, public response to highway department efforts has been excellent.
- 7. Could the county cost-effectively subcontract this program?**
This is a broad based program in which the highway department is able to provide a wide array of services, from surveying to shop fabrication to earth moving and blacktop. Other county departments could locate other vendors for selected services.

- 8. State the numerical ranking of this program compared to all discretionary programs in your department and briefly explain.**
The Sheboygan County Highway Department has ranked this program number 3 of the 3 department programs. This is not a mandated program to the county highway department but is critical to the cost effectiveness of other program delivery.
- 9. Are there current alternatives to this program available in the community? Can this program be provided through alternative arrangements with other providers?**
The broad array of services offered to other county departments is not available from any other one vendor. Other service providers are available to provide individual selected services as needed.
- 10. If this program were eliminated, what would be the ramifications for the County (i.e., added risk, liability or legal issues)?**
Maintenance and capital expenditures by county departments will carry associated risk, liability and legal issues regardless of who is providing the delivery. Risk exposure to the highway department itself would be less if not involved in program delivery.
- 11. What is the program impact and effectiveness related to the program cost? (Provide data if available.)**
There is no cost to the highway department in providing this program to other county departments. All services are provided on a time and material basis. The process is expedited through using our wide range of services since there is no need to request quotes. Historically, our fellow county department customers have been very pleased with the services which we have rendered.
- 12. Is this program currently duplicated by another county department or provider in the community?**
This type of broad maintenance and construction program is not offered by any other county department. Private sector provider's offer selected services but none offer the full comprehensive services of the Sheboygan County Highway Department.
- 13. What adjustment or plan of action would you implement if funding is reduced?**
The Highway Department does not use county tax levy dollars to sustain this program. However, if funding is reduced for the department requesting the service from us, and the service is still necessary, they could be negatively impacted. If the service is still required and is performed by a "for profit" purveyor the cost of the service could conceivably be more than we would charge, we are reimbursed for time and material only.