

Machinery Management Committee Meeting

Date: Thursday, August 4, 2022

Time: 9:30 AM – 11:30 AM

Location: WisDOT NC Region Office, Wisconsin Rapids
(Some members attended virtually.)

AGENDA

Item 1. Call to Order – Chair Kern called meeting to order at 9:40 am.

Item 2. Roll Call

Members Present:

Yes	Matt Erickson	Ashland County
Yes	Bob Platteter	Buffalo County
Yes	Brian Glaeser	Calumet County
Yes	Mike Swartz	Iron County
Yes	Bill Kern, Chair	Jefferson County
Yes	Keith Back	La Crosse County
Yes	Heather Marheine	Lincoln County
Yes	Michelle Uitenbroek	Outagamie County

Yes	Josh Elder	Richland County
Yes	Todd Rehnelt	St. Croix County
Yes	Bob Rauchle	Waukesha County
No	Kris Carlin	Waupaca County
Yes	Brian Freimark	Waushara County
No	Anna Wisner	WisDOT
Yes	Chris Ohm	WisDOT

Guests Present:

	Cassey Lynch	WisDOT
	Doug Meek	WisDOT
	Kassandra Walbrun	WisDOT
	John Wilson	WisDOT

Item 3. Approval of Draft April 7, 2022 Minutes.
Motion to approve as written by Brian Glaeser, seconded by Matt Erickson. Approved.

Item 4. Approval of Agenda

Motion to approve agenda by Todd Rehnelt, seconded by Brian Freimark. Approved.

Chair indicated items 5b. and c. will be discussed together.

Item 5. Committee Action

- a. Update on Subcommittee related to establishing class categories for winter equipment such as spreaders for brine tanks and spray bars.

Chair Kern introduced issues; data so far collected. Group discussed brine liquid classes and whether an additional class or classes should be added. Group discussed concerns about current rates. Committee discussed possible consideration of tank size in composite rate and improved definitions. WisDOT to survey counties to identify what equipment is being used by counties.

- b. Discuss equipment and parts cost increases for 2022 and how this may affect 2023 equipment rates

Items b. and c. discussed as one item.

- c. Discuss the cost of replacing equipment - increases over last year.

Chris Ohm introduced item. Cassey Lynch provided overview of rate survey and identified a general increase of 3.68%. Group discussed the 2022-23 rates and equipment cost increases that are happening currently. The look-back process of rate setting is not adequately considering inflation experienced in the present year. Bob Rauchle suggested considering using existing inflation index to accommodate more timely increases. Other suggestion to examine increases, is to model how fuel is adjusted – such as survey of typical repair parts costs (e.g., batteries, tires, brake pads, snow sensors, curb shoes.) Additional county surveys will require more responses. WisDOT will examine this issue and consider approaches such as quarterly or reviews for mid-year adjustments.

- d. Discuss the rate on a hydraulic shoulder reclaimer. (Manitowoc County/Chris Ohm)

The class 450 does not match up with a hydraulic reclaimer. Can a new class be created or nonstandard be established? County advised to first go through the typical process of contacting WisDOT, Rae Hamilton to discuss.

- e. Discuss the rates on the underbody plows. (Calumet County/Chris Ohm)

County discussed issue with current rate setting for underbody plows as not covering the full extent of the equipment. WisDOT will examine rates.

Item 6. WisDOT Action

- a. Update of HMM Sections (Chris Ohm)

Chris discussed generally process for updating HMM policies and briefly reviewed recent updates. Many policy updates are process updates to eliminate what the department no longer does or has already established as a practice. Counties are reminded to update contact information and email addresses for the list serv that provides manual updates. Website: [Wisconsin Department of Transportation Sign up for Highway maintenance manual updates \(wisconsindot.gov\)](https://www.wisconsin.gov/transportation/sign-up-for-highway-maintenance-manual-updates).

- b. New class for a non-standard piece of equipment ([HMM 02-25-55](#)) (John Wilson)
 - Class 9438 Fork Attachment; Estimated Life, 10 years; set rate locally

John Wilson introduced the equipment and request. Motion to set rate locally for class 9438 Fork Attachment by Bob Rauchle, seconded by Bob Platteter. Motion carries, approved.

c. Update on Sawyer County Actual Cost Agreement (WisDOT)

Chris Ohm provided a brief overview and fielded questions from members.

d. Discussion of an update to the definition of Capital Improvement of Equipment – revision to the Cost Accounting Manual (Chris Ohm/Doug Meeks)

Chris Ohm, Doug Meeks introduced the issue with the current definition found in the Cost Accounting Manual. WisDOT is considering changes to the definition. Cassey Lynch reviewed that the capitalizing of a repair must answer affirmatively to two questions, 1) Does the repair extend the life of the equipment (asset) and 2) All repair costs greater than or equal to 25% of the current value of the asset, must be considered capitalized costs. The issue is the use of the 25% has been problematic. In the long run it is better to include those costs into the depreciation column. WisDOT will be looking at potentially lowering the percentage to be 10% or using a sliding scale approach based on value. WisDOT to bring back to MMC draft changes. Changes to the manual must be approved by the counties.

e. 2023 Administrative Rate (Cassey Lynch)

Based on survey of counties, Cassey Lynch reported that for schedule J2, the administrative rate will 4.39%. Keith Back raised an issue regarding increased costs for use of MPM state system for invoicing that are not being covered in this rate. WisDOT will investigate the issue.

f. 2nd Quarter Fuel Report Results (Cassey Lynch) – emailed results

Cassey Lynch reviewed survey results, as emailed to members. Adjustment was made for \$4.00 per gallon.

g. Review of Barron County Request for Equipment Class Code 9201 – ATV/UTV or UTV New Code (Rae Hamilton)

John Wilson presented request for equipment class code 9201 related to splitting into a new class code. WisDOT does not recommend a new code, rather changing language to include both ATV and UTV equipment.

Motion by Brian Glaeser to combine UTV and ATV into one equipment class. Todd Rehnelt seconded motion. Motion carries, approved.

Item 7. Adjournment moved by Bob Platteter, seconded by Matt Rauchle. Motion carries. Adjournment at 11:50 am.