

PROCEEDINGS OF THE BROWN COUNTY
EXECUTIVE COMMITTEE

Pursuant to Section 19.84 Wis. Stats., a regular meeting of the Brown County Executive Committee was held on Monday, April 8, 2019 in Room 200 of the Northern Building, 305 E. Walnut Street, Green Bay, Wisconsin.

Present: Chair Lund, Vice Chair Moynihan, Supervisor Erickson, Supervisor Hoyer, Supervisor Sieber, Supervisor Van Dyck
Excused: Supervisor Buckley
Also Present: Director of Administration Chad Weinger, Corporation Counsel David Hemery, Internal Auditor Dan Process; Assistant Park Director Matt Kriese, Supervisor Landwehr and other interested parties

I. **Call meeting to order.**

The meeting was called to order by Chair Tom Lund at 5:30 pm.

II. **Approve/modify agenda.**

Motion made by Supervisor Moynihan, seconded by Supervisor Sieber to take Item 6 after *Comments by the Public*. Vote taken. **MOTION CARRIED UNANIMOUSLY**

Motion made by Supervisor Moynihan, seconded by Supervisor Sieber to approve as amended. Vote taken. **MOTION CARRIED UNANIMOUSLY**

III. **Approve/modify Minutes of March 11, 2019 and Special Joint meeting of March 11, 2019.**

Motion made by Supervisor Hoyer, seconded by Supervisor Moynihan to approve. Vote taken. **MOTION CARRIED UNANIMOUSLY**

Comments from the Public. None.

Although shown in the proper format here, Item 6 was taken at this time.

1. **Review Minutes of:** None.

Legal Bills

2. **Review and Possible Action on Legal Bills to be paid.**

Motion made by Supervisor Erickson, seconded by Supervisor Moynihan to pay the legal bills. Vote taken. **MOTION CARRIED UNANIMOUSLY**

Communications – None.

Internal Auditor

3. **Status Update: March 1 - 31, 2019.**

Motion made by Supervisor Moynihan, seconded by Supervisor Sieber to receive and place on file. Vote taken. **MOTION CARRIED UNANIMOUSLY**

Corporation Counsel

4. **Oral Report.**

Corporation Counsel David Hemery informed oral arguments on the tax lawsuit will be heard on April 26 and he will keep the Committee advised of the status of the case. The arguments will be made on a motion for summary judgment which means no facts are in dispute; only the law is in dispute. The Judge will hear the

arguments of both sides and will then make a decision which Hemery feels will likely be done by the end of May.

Hemery concluded by reporting he has been busy working on the lease and management agreements as outlined by Weininger in Item 6.

Motion made by Supervisor Moynihan, seconded by Supervisor Hoyer to receive and place on file. Vote taken. MOTION CARRIED UNANIMOUSLY

Resolutions, Ordinances

5. Resolution Regarding the Sale of Four Parcels of Land ~ Brown County Golf Course. *Referred from March County Board.*

Hemery provided a handout, a copy of which is attached, which consists of the Resolution as amended at the March 11, 2019 Executive Committee meeting as well as a proposed Resolution that contains additional language suggested by Supervisor Van Dyck. At this time the Committee can approve either of these versions or make further changes.

Motion made by Supervisor Van Dyck, seconded by Supervisor Sieber to approve the Resolution as Amended at Executive Committee on 04-08-2019. Vote taken. MOTION CARRIED UNANIMOUSLY

6. Resolution Authorizing and Approving the Contribution of Property to the Ashwaubenon CDA and Authorizing and Approving a New Lease with the Ashwaubenon CDA Regarding the Brown County Expo Center and Resch Center.

John Mehan of Baird and the County's finance advisor Brian Della addressed the Committee. A financing term/assumptions sheet was distributed, a copy of which is attached.

Mehan recalled this is something that has been in the works for a number of years. The project is now at the point of presenting ideas and concepts and moving forward with the financing plan. He has worked with the County and Della and they are utilizing the CDA as a debt issue. This debt issue is very similar and in line with the Resch Center financing in 1999 as well as the Green Bay Convention Center financing in 1999. Both of those issues were structured to be supported with debt service payments by room tax collections. They both also included a quiet enjoyment lease and the lease structure is set up with the CDA which gets us to the tax exempt marketplace. The CDA is the conduit issuer who will enter into a lease with the County who will be the obligor of the debt. Although we are looking at the room tax to make the payments, the County would be obligated to pay if there is any shortfall.

Mehan continued that the bonds will be both federal and state tax exempt, similar to what was done in 1999. He recalled that since 1999 the Resch Center bonds had to be converted to taxable because of evolving tax laws. The pendulum has now swung the other way and based on work that is being done with the County and PMI as far as the management contract, these bonds will be able to be issued as federal exempt and because the CDA is the debt issuer, they will also be state exempt. This makes this a very attractive investment instrument. The debt itself is still in the structuring stage, but it will be a combination of capital appreciation bonds and current interest bonds. The repayment structure will be 35 years and it will be necessary to also work around the other outstanding debt for the Resch Center and Convention Center bonds. The last payment on those bonds is in 2029 and at that time, larger payments can be made on this issue. There will be bond payments in early years.

There has been a room tax study performed by an independent firm, HVS, who has worked on previous studies in the area. This study will be provided to investors to look at independently. Bond counsel is Foley & Lardner who was also on the 1999 issue, underwriter counsel is Reinhart Boerner who was also on the 1999 issue and Quarles & Brady is serving as issuer counsel for the CDA.

Mehan also mentioned there will be a fully funded debt service reserve fund in place. There is currently a room tax stabilization fund which the County has access to for the 1999 issues for shortfalls in the amount of \$5 million dollars and this will stay in place.

Della informed he was involved in the money saving refinancing in 2012 and 2016 of the 1999 issues. What we are talking about tonight is new money for the expo center and the reason it is going for 35 years is to work around existing debt service.

Supervisor Moynihan thanked Della, Mehan, Weininger and Village of Ashwaubenon staff for the all the hard work and time that has been put into this project.

With regard to the independent room tax study, Supervisor Sieber asked if it came back favorably. Mehan responded that the study is currently in draft format and will be finalized soon. Information was provided by those involved in the project as opposed to drafting information. Sieber also mentioned the room tax stabilization fund of \$5 million dollars and asked where those funds came from. Mehan responded that in 1999 some came with the initial pot of funding and over time it grew and what was not used for debt service payments was used to fund it up to \$5 million dollars. Of the \$5 million dollars, \$2.8 refers to the Resch Center Bonds and \$2.2 refers to the Green Bay 1999 bonds. In 2013 the City did an expansion and that bond structure, which is also supported by the room tax flow, has its own reserve fund. Sieber said everyone seems to be aware that Brown County is on the hook for any shortfall in the room tax and he wanted to clarify that the reserve fund is basically a cushion before the County has to start dipping into its own money. This debt issue will have its own debt service reserve fund as well that will be funded out of bond proceeds.

Mehan continued that there are additional steps that need to be finalized such as the management contract, but they are on dual tracks with the bond documentation and Corporation Counsel has been involved in the entire process and the the lease, trust, and resolution are all in draft form at this time.

Supervisor Van Dyck asked about the current debt service reserve fund and Mehan indicated it is currently at about \$7 million dollars and because this is a tax exempt issue, there is a requirement to fund it at a level of a three prong test. The feds say it must be sized at a certain level which is a little over \$7 million dollars. Della added that they will not know the exact amount until the day of the pricing, but they have a good estimate. It is just like you never know what the interest rate will be until you price. The amount of bonds we are going out for is approximately \$93 million dollars, which includes \$7 million for the reserve. There are other funding sources, but within any sizing, depending on the coupon rate versus the yield, there is also additional production which goes into the pot. The pot consists of bond proceeds, any premiums that comes with the interest rates, the money from the Green Bay/Brown County sales tax, room tax dollars, stadium tax and naming rights.

With regard to interest, Van Dyck asked what the advantage is with regard to the interest rate being tax exempt for both the state and federal; in other words, if we did not have those exemptions, how much more would the County expect to pay, percentage wise. Mehan said that having this all taxable would add 1% to the interest rate, so it is very meaningful.

Sieber asked Weininger what else needs to be done before all of this is finalized. Weininger responded that we have to renegotiate the lease with PMI as well as negotiate a management contract with PMI for the expo center. We will also have to enter into an agreement with the CVB for the excess sales tax. The naming rights also need to be finalized and the veterans' designation aspect of the project also has to be approved by the Ed and Rec Committee. The project is expected to take about a year.

Van Dyck asked if Weininger is comfortable with the parameters of the room tax study. Weininger deferred to Della who indicated the study was created without the knowledge of what the debt service requirements of the expo center were; it only looked at the existing debt service. In addition, Della said the study exceeded his expectations with regard to the amount of granularity it provided. The first study said 3.5% for the next 30 years, but this recent study took into account some new hotels coming online and also looked at some historical occupancy rates and made a year or bigger projection for the first 8 – 10 years and then it projected at 2.5% after that. It is a little over 3% for a number of years and then 2.5% after that. Van Dyck said the impact of the Packers post-season needs to be taken into account as well.

Lund asked if the fact that there will be a new expo center which will likely draw more people to the area was taken into account. Mehan said arguments could be made that they did not give enough credence to that. Lund said the expo center is going to be a major player and if we can draw people to Green Bay for things other than Packer games, it will obviously be beneficial.

As a point of clarification, Weininger wanted to be sure everyone knows the County is on the hook to make payments in the event the room tax is short. He also said under the agreement the County will have to make the payment, but then it becomes a loan payable to the County so in future years when there is surplus on the room tax, the County would get paid back the money that was fronted. Lund asked what happens to the reserve at the end of the loan. Mehan indicated there will be call provisions in the debt, but if there is a not a mandatory call of the bonds, it can be applied to the debt at the end. The reserve account will not be lost.

Weininger concluded that they will look at creating an enterprise fund for the veterans' complex so there is more oversight and less issues with maintenance and things like that. Weininger also indicated that the PMI lease and management agreement will come before the Board for approval but this does not necessarily need to be done prior to the issuance. Lund asked if there are any Supervisors on the negotiating team and Weininger indicated at this time there is not.

Motion made by Supervisor Moynihan, seconded by Supervisor Sieber to approve. Vote taken. MOTION CARRIED UNANIMOUSLY

7. **Resolution Authorizing Grant Application to the WI DNR in Order to Acquire Approximately 4.54 Acres of Land on Nicolet Drive for a Public Safe Harbor Boat Landing.**

Lund noted there have been a number of concerns of neighbors of this property. Assistant Park Director Matt Kriese explained this Resolution would authorize the County to apply for a DNR grant to acquire the property. Future phases would then include determining design and working with neighborhood associations and stakeholder groups with the primary goal of the property being a public safe harbor boat landing. Van Dyck emphasized all this Resolution would do is allow Parks to apply for the grant. If the County does get the grant, we will still be \$1 million dollars or more short of what it is going to take to buy and improve the property. This is just the first step in the process.

Motion made by Supervisor Erickson, seconded by Supervisor Van Dyck to approve. Vote taken. MOTION CARRIED UNANIMOUSLY

8. **Resolution Regarding Table of Organization Change Health and Human Services Department Community Services Addition of One CLTS Social Worker/Case Manager.**

Motion made by Supervisor Hoyer, seconded by Supervisor Sieber to approve. Vote taken. MOTION CARRIED UNANIMOUSLY

9. **An Ordinance to Amend Section 3.11 of Chapter 3 of the Brown County Code of Ordinances (Out Of County Travel Expense Reimbursement).**

Hemery said this Resolution would require a Supervisor to reimburse the County for costs or fees advanced if they do not attend an event they asked to be registered for. Moynihan added that in the past there have been Board members who signed up for the WCA Convention and funds are expended, but then the Supervisors do not show up. It was noted that there could be exceptions to this for serious issues if necessary.

Motion made by Supervisor Sieber, seconded by Supervisor Moynihan to approve. Vote taken. MOTION CARRIED UNANIMOUSLY

Department of Administration & Human Resources

10. **Director of Administration Report.**

Weininger indicated he had some fact sheets available that cover things like outstanding debt history, where tax dollars go, county growth and a few other items for any Supervisors who put out newsletters in their districts. Anyone who would like a copy of these can contact Weininger.

Weininger also talked briefly about the bumper sticker ordinance brought forward by Supervisor Landwehr several years ago. He said they will be putting red and white stickers on the back of County vehicles that say

“for official use only” as opposed to “Brown County official use only” due to the size of the stickers. The Brown County seal is on the doors of County vehicles as well.

Motion made by Supervisor Moynihan, seconded by Supervisor Sieber to receive and place on file. Vote taken. MOTION CARRIED UNANIMOUSLY

11. Human Resources Report.

Weininger informed the recruiting process for an HR Manager is ongoing. He did note that the way the system is currently functioning is going really well and there is a good group of people working in HR. They have reviewed a number of policies and rewrote some of them and have also done some additional training and overall things are going very well.

With regard to the class and comp, Weininger informed they continue to work on the Clerk of Courts department as well as with the Judges and he anticipates resolution of that relatively soon. They will then move on to several other departments so they can complete the six department review as outlined in the original plan.

Lund asked about health insurance for next year. Weininger said the County has a new health benefit advisor who will be looking at the overall insurance plan to find the best options and the best bang for the buck.

Motion made by Supervisor Moynihan, seconded by Supervisor Sieber to receive and place on file. Vote taken. MOTION CARRIED UNANIMOUSLY

County Executive – No Report.

Other

12. Such other matters as authorized by law.

Lund said the Human Services Board is in need of members as several have left for various reasons and there are not enough to form a quorum. He asked if anyone is interested in becoming a member of the Human Services Board to let him know.

Motion made by Supervisor Moynihan, seconded by Supervisor Sieber to receive and place on file. Vote taken. MOTION CARRIED UNANIMOUSLY

13. Adjourn.

Motion made by Supervisor Moynihan, seconded by Supervisor Sieber to adjourn at 6:15 pm. Vote taken. MOTION CARRIED UNANIMOUSLY

Respectfully submitted,

Therese Giannunzio
Administrative Specialist

March 20, 2019 April 17, 2019

AS AMENDED AT EXECUTIVE COMMITTEE ON 03-11-2019

TO THE HONORABLE CHAIRMAN AND MEMBERS
OF THE BROWN COUNTY BOARD OF SUPERVISORS

Ladies and Gentlemen:

RESOLUTION REGARDING THE SALE OF FOUR PARCELS OF LAND
- BROWN COUNTY GOLF COURSE -

WHEREAS, Brown County currently owns the Brown County Golf Course (Golf Course), which is made up of various parcels of land; and

WHEREAS, four of the various parcels of land that currently make up the Golf Course are not currently being utilized; and

WHEREAS, Brown County desires to sell, as a package, four such parcels of under-utilized Golf Course land, identified by the following parcel numbers: 1) HB-1421; 2) HB-774; 3) HB-777; and 4) HB-778-1 (collectively, the Four Parcels); and

WHEREAS, Brown County desires to entertain *Offers to Purchase* the Four Parcels, and is willing to hold off on putting the Four Parcels on the market for sale for a period of 6 months in order to provide entities and individuals with the time necessary to prepare *Offers to Purchase* the Four Parcels for submission to Brown County.

NOW, THEREFORE, BE IT RESOLVED that the Brown County Board of Supervisors hereby resolves ~~not~~ to sell Parcel Numbers HB-1421, HB-774, HB-777 and HB-778-1 ~~until~~ on or after September 20, 2019.

Fiscal Note: This resolution does not require an appropriation from the General Fund.

Respectfully submitted,
EXECUTIVE COMMITTEE

Approved By:

TROY STRECKENBACH
COUNTY EXECUTIVE

Date Signed: _____

19-026R

Authored by Corporation Counsel at the Direction of the Executive Committee

Approved by Corporation Counsel Office

BOARD OF SUPERVISORS ROLL CALL # _____

Motion made by Supervisor _____

Seconded by Supervisor _____

SUPERVISORS	DIST. #	AYES	NAYS	ABSTAIN	EXCUSED
SIEBER	1				
DE WANE	2				
NICHOLSON	3				
HOYER	4				
GRUSZYNSKI	5				
LEFEBVRE	6				
ERICKSON	7				
BORCHARDT	8				
EVANS	9				
VANDER LEEST	10				
BUCKLEY	11				
LANDWEHR	12				
DANTINNE, JR	13				

SUPERVISORS	DIST. #	AYES	NAYS	ABSTAIN	EXCUSED
BRUSKY	14				
BALLARD	15				
KASTER	16				
VAN DYCK	17				
LINSSEN	18				
KNEISZEL	19				
DESLAURIERS	20				
TRAN	21				
MOYNIHAN, JR.	22				
SUENNEN	23				
SCHADEWALD	24				
LUND	25				
DENEYS	26				

Total Votes Cast _____

Motion: Adopted _____ Defeated _____ Tabled _____

March 20, 2019 April 17, 2019

AS AMENDED AT EXECUTIVE COMMITTEE ON 04-08-2019

TO THE HONORABLE CHAIRMAN AND MEMBERS
OF THE BROWN COUNTY BOARD OF SUPERVISORS

Ladies and Gentlemen:

RESOLUTION REGARDING THE SALE OF FOUR PARCELS OF LAND
- BROWN COUNTY GOLF COURSE -

WHEREAS, Brown County currently owns the Brown County Golf Course (Golf Course), which is made up of various parcels of land; and

WHEREAS, four of the various parcels of land that currently make up the Golf Course are not currently being utilized; and

WHEREAS, Brown County desires to sell, as a package, four such parcels of under-utilized Golf Course land, identified by the following parcel numbers: 1) HB-1421; 2) HB-774; 3) HB-777; and 4) HB-778-1 (collectively, the Four Parcels); and

WHEREAS, Brown County desires to entertain *Offers to Purchase* the Four Parcels, and is willing to hold off on putting the Four Parcels on the market for sale for a period of 6 months in order to provide entities and individuals with the time necessary to prepare *Offers to Purchase* the Four Parcels for submission to Brown County.

NOW, THEREFORE, BE IT RESOLVED that the Brown County Board of Supervisors hereby resolves ~~not to sell~~ market for sale and sell Parcel Numbers HB-1421, HB-774, HB-777 and HB-778-1 ~~until~~ on or after ~~September 20, 2019~~ October 17, 2019, and hereby authorizes County Administration, Officers and staff to take any and all actions necessary to market for sale, and to sell, the Four Parcels as described above in this Resolution.

Fiscal Note: This resolution does not require an appropriation from the General Fund.

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Respectfully submitted,
EXECUTIVE COMMITTEE

Approved By:

TROY STRECKENBACH
COUNTY EXECUTIVE

Date Signed: _____

19-026R

Authored by Corporation Counsel at the Direction of the Executive Committee
Approved by Corporation Counsel Office

BOARD OF SUPERVISORS ROLL CALL # _____

Motion made by Supervisor _____

Seconded by Supervisor _____

SUPERVISORS	DIST. #	AYES	NAYS	ABSTAIN	EXCUSED
SIEBER	1				
DE WANE	2				
NICHOLSON	3				
HOYER	4				
GRUSZYNSKI	5				
LEFEBVRE	6				
ERICKSON	7				
BORCHARDT	8				
EVANS	9				
VANDER LEEST	10				
BUCKLEY	11				
LANDWEHR	12				
DANTINNE, JR	13				

SUPERVISORS	DIST. #	AYES	NAYS	ABSTAIN	EXCUSED
BRUSKY	14				
BALLARD	15				
KASTER	16				
VAN DYCK	17				
LINSSEN	18				
KNEISZEL	19				
DESLAURIERS	20				
TRAN	21				
MOYNIHAN, JR.	22				
SUENNEN	23				
SCHADEWALD	24				
LUND	25				
DENEYS	26				

Total Votes Cast _____

Motion: Adopted _____ Defeated _____ Tabled _____

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Brown County – Expo Center
Ashwaubenon CDA
LEASE REVENUE BONDS
FINANCING TERM/ASSUMPTIONS SHEET



Bond Structure & Assumptions:

Issuer:	Village of Ashwaubenon Community Development Authority (CDA)
Description:	Lease Revenue Bonds
Lessor:	CDA
Lessee:	Brown County
Obligor:	Brown County
Municipal Advisor:	PMA
Underwriter:	Baird
Bond Counsel:	Foley & Lardner, LLP
Issuer Counsel:	Quarles & Brady LLP
Underwriter Counsel:	Reinhart Boerner s.c.
Trustee:	Associated Trust
Rating Agency:	TBD
Preliminary Amount of Bonds:	\$TBD (\$93,000,000 deposit to Project Fund)
Costs of Issuance:	Paid from bond proceeds
Dated Date:	June 5, 2019
Final Stated Maturity:	June 1, 2054
Est. Interest Rate (AIC):	4.19% - Estimated <u>fixed rate</u> (as of March 12, 2019)
Interest Payments:	Semi-annually, commencing December 1, 2019
Principal Payments:	Current Interest Bonds (2021-2044) Capital Appreciation Bonds (2045-2054)
Prepayment Options:	TBD
Mandatory Redemption:	The Bonds are subject to mandatory Redemption, semiannually on any interest payment date, from excess construction proceeds as of 35 days prior to such interest payment date, <u>without penalty</u> and <u>without premium</u> , in inverse order of maturity.
Flow of Funds:	Room Taxes are recorded by the Trustee on a monthly basis. The Trustee will test the bond fund balance to ensure funds are available for the next principal and interest or interest only amount which is due.
Tax Status:	Federal and State tax-exempt
Rating:	TBD

Brown County – Expo Center

Ashwaubenon CDA

LEASE REVENUE BONDS

FINANCING TERM/ASSUMPTIONS SHEET

Security:	Pledge of a portion of the Hotel/Motel Room taxes. Quiet Enjoyment Lease between CDA and Brown County
Debt Service Coverage:	TBD
Debt Service Reserve Fund ("DSRF"):	The DSRF is funded (upon closing) at the lesser of: 10% of par; 100% of maximum annual net debt service; or 125% average annual net debt service.
Room Tax Stabilization Fund ("RTSF"):	The RTSF is funded (upon closing) in the amount of TBD