

Public Works Budget Overview

February 21, 2017

Introductions: Director – Michael Zarba, P.E., Administrative Assistant – Laurene Beattie,
Town Engineer – Daniel Stanton P.E., Highway Superintendent – Bob Rzasa, Facilities
Maintenance Manager – Alan Russo

Departments Covered (operating budget):

- Tree Warden (10425000) page 72
- Public Works (10430100) page 73
 - Highways, Engineering, Vehicle Maintenance & Administration
- Recycling (10430102) page 82
- Building Maintenance (10430200) page 84

GENERAL

The Public Works Department is responsible for the maintenance, repair and plowing of approximately 212 miles of town-maintained roads, 60 Bridges (37 over 20 feet), maintenance and replacement of over 100 pieces of rolling stock, the cleaning and repairing of storm sewers, cleaning and upkeep of all town buildings, and recycling and transfer station operations.

I want to make it perfectly clear that my budget request is based solely on need to protect the safety of our infrastructure and citizens. This year's budget request (mostly operating capital) is carrying the needs for two fiscal years as a result of being severely cut last FY with the intention of bonding money for those expenses (as planned) - over Two Million dollars (\$2,047,000) worth of capital needs for FY 2016-17. To date nothing has been done with that plan or those needs and we are again talking about removing money from this year's budget in hopes that a bond package might be passed to fund capital expenses. All of last year's capital budget reductions (\$2,047,000) are INCLUDED in this year's request because they were not funded through a bond package, per our discussions. Therefore, my capital budget request represents TWO fiscal years of need for items such as dump trucks, road reconstruction, bridge repair, stormwater repair, etc. Not funding them last year (at all) simply defers the costs as the assets do not disappear, go away or somehow fix themselves. These assets are in dire need of replacement and need to be addressed. In summary, my capital request was for \$4,130,376 which again included all \$2,047,000 unfunded from last year, and the requested \$2,083,376. Last year's actual approved capital budget was \$896,391, with an anticipated \$2,047,000 to be funded via bonds (total = \$2,943,391). Therefore, this year's request is actually a reduction of \$860,015, or -29.2%, from the commitments made.

When maintenance funding is cut in assumption that capital bonds (or some other source) will cover the needed repairs the money never actually seems to appear. Nonetheless, we are required to safely maintain our entire infrastructure inventory even when capital funds are not made available, therefore my budget request is based on these needs. Let's fund the entire "PLAN" (operating and capital) at the same time.

I will note that the approved Public Works budget for FY 2016-17 was a 10.54% REDUCTION from previous FY. This unfortunately has burdened our department in trying to "keep pace" with safety repairs and fixes for which we do not have the proper resources. This "domino effect" will continue until such time that the Public Works budget is funded based on community needs and not used to offset other budget increases. It also "artificially" increases

the perceived percent increase to this year's budget request – i.e. when you decrease a \$100,000 line by 25% it goes to \$75,000 when you increase that \$75,000 line by the same \$25,000 it is a 33% increase. Percentages are relative to interpretation, \$\$\$'s are not.

I will also note and remind everyone that \$447,500 was restored to the Town budget of which \$435,000 was intended to be put back into several DPW accounts. Had that been done this years supposed 19% increase would actually be \$400,624 (not \$835,624) or 9.1%. Additionally, and with your approval, \$78,000 was transferred out of the Engineering line in order to hire the Town Planner, further reducing the current year adjusted budget. This \$78,000 represents another 1.8% of our budget. In summary, the actual increase in my budget request, based on the budget approved by the taxpayers at referendum, is 8.9%, half (\$200,000) of which is for extra road maintenance due to lack of capital funding.

A best practice for our infrastructure would be a consistent level of funding, over a multi-year span, which would allow this department to PLAN the correct improvement rather than react to the unknown (how much \$\$ is designated this year, what roads, bridges, bldgs. will fail, will there be enough maintenance \$\$ to fix non-maintenance issues, etc.) Without a consistent Capital plan and funding mechanism the Operating Budget lines will always be very volatile and have to increase in order to offset the lack of capital investments. I will again suggest that we fund the entire "PLAN" (operating and capital) at the same time so as to help minimize this issue.

I also feel the need to document and remind everyone that a massive 75,000± Sq. Ft. structure (JPCC) has been added to our ever growing list of infrastructure to manage, plan and maintain. The costs to do so have been included in my budget request and should NOT in any way be used to compare to last FY's budget as they are in no way comparable. All costs, both operating and capital, to operate and maintain that facility have been clearly identified and should be removed from any comparison, as the requested funds are simply a direct and straight line increase based on the asset assigned.

The Engineering and Administrative staff recognizes and understand the limited availability of Capital funding and continues to seek available grants to replace and supplement the budgetary monies. We apply for and receive grants from many different state and federal agencies. Table 1 below shows some of the more prominent grant agencies and programs which we work with and have applied for funds and/or have current contracts with.

TABLE 1 – Listing of Federal/State/Local Agencies Providing Grant Opportunities

DECD - Urban Action (UA)	CT OPM – Energy Management Unit	DECD - Program Income Reuse	FEMA – Disaster Relief (Storm Related)
CT DOT – Federal and State Local Bridge Programs (LBP)	CT OPM – Small Town Economic Assistance Program (STEAP)	CT DOT - Local Accident Reduction Program	FHWA – Emergency Relief (Storm Related)
DEEP - Trustee Sub Council for Connecticut Housatonic River Basin Natural Resources Restoration Project	DECD - Small Cities Community Development Block Grant (CDBG)	WestCOG – Transportation Enhancement Program and LOTCIP	WRDA – submission thru our U.S. Senate and U.S. Congressional delegation