

STAFF REPORT

AGENDA ITEM #: 19-49
COUNCIL MTG OF: May 7, 2019
FROM: David Caron, Town Administrator
OFFERED BY: Michael A. Fowler, P. E., Public Works Director
PREPARED BY: Michael A. Fowler, P. E., Public Works Director
SUBJECT: Budget Transfer – Bridge Improvement Fund

PURPOSE

The purpose of this document is to request approval by the Town Council to transfer funds from the Drew Road Bridge Project fund balance to the Bridge Improvement Fund to cover expenses for future bridge projects.

TOWN ADMINISTRATOR COMMENTS

The Town Council is encouraged to authorize this transfer which will allow the Town to continue to implement its bridge maintenance and replacement program in a systematic and financially sound manner.

BACKGROUND

The Drew Road culvert was reconstructed in 2011 in response to deficiencies discovered 2010 flooding. NHDOT approved the culvert replacement for 80% reimbursement under their Municipal Bridge Aid program. NHDOT also permitted advanced construction to address the substandard condition of the existing culvert, with the understanding that the Town would not receive reimbursement until FY 2019. The Town has recently received a reimbursement check from NHDOT in the amount of \$180,153.89.

DISCUSSION

The resolution will designate \$180,153.89 from the Drew Road Project fund balance to the Bridge Improvement Fund, which was created to fund future bridge and culvert repairs using Bridge Aid reimbursements to cover the up-front expenditures. There is currently a balance of \$718,543.10 in the Bridge Improvement Fund. This transfer will bring available funds to \$898,696.99

The North Shore Road – Beaver Lake culvert (80% Bridge Aid reimbursable) replacement is scheduled for construction in Fall 2019 and the North Shore Road – Island Pond culvert (not reimbursable - \$600k estimate) is currently under design for Summer 2020 construction. These projects will reduce available funds down to the \$100k - \$200k range after all reimbursements are received. The designation of the Drew Road reimbursement will secure this fund for future projects including Sunset Avenue, programmed for FY 22.

FISCAL IMPACT

No tax impact, funds to complete the next three culvert/bridge projects are envisioned to come from the Bridge Improvement Fund, per the intent of the fund.

RECOMMENDED ACTION BY COUNCIL

It is recommended that Town Council approve a \$180,153.89 budget transfer from the Drew Road Bridge Project fund balance to the Bridge Improvement Fund.

It is further recommended that the Town Council close the Drew Road Bridge Fund upon approval of the above budget transfer.

RECOMMENDED MOTION

See Resolution #2019-022