



STAFF REPORT

AGENDA ITEM #: 23-132
COUNCIL MTG OF: December 19, 2023
FROM: Dave Caron, Town Administrator
OFFERED BY: Michael A. Fowler, P. E., Public Works Director
PREPARED BY: Michael A. Fowler, P. E., Public Works Director
SUBJECT: FY2024 Unanticipated Revenues – HB 2 & Bridge Aid

PURPOSE

The purpose of this document is to request approval by the Town Council to accept and spend additional funds provided to the Town of Derry through the NHDOT Bridge Grant program, made available after the adoption of the FY 2024 Town budget.

TOWN ADMINISTRATOR COMMENTS

The State Legislature in the FY24 State Budget has provided bridge and highway aid above what has been historically appropriated; these funds will be used to supplement the Town's Bridge Fund.

BACKGROUND

A pool of funds from fuel taxes is traditionally apportioned to communities via formulas set forth in the Highway Block Grant program. A separate pool of \$10 million was created for the purpose of Bridge maintenance or construction. The Town anticipated receipt of \$152,720 from this funding distribution, which was accepted by the Council under Resolution #2023-045. NHDOT has completed its allocation process, resulting in the Town receiving an additional \$2,257.42, bringing the grand total of unanticipated revenue for this purpose to \$154,977.42. It is the additional amount of \$2,257.42 which the Council is being requested to accept.

DISCUSSION

Based on previous guidance received from NH Department of Revenue Administration, these funds are deemed to be unanticipated revenues and a public hearing must be set to accept and spend these funds pursuant to RSA 31:95 b II. Further, these funds must be spent on bridge construction, reconstruction, or maintenance.

An additional \$154,977.42 for municipal bridge funding would be used to supplement/secure construction of three culvert projects. Two culverts on Sunset Avenue are scheduled for bid shortly and construction to follow in summer 2024. A third culvert on Franklin Street is scheduled for bid in July 2023 and construction in 2024. Town Council has already approved a bond authorization for \$1.6 million for these projects. The additional funds would be utilized as a buffer should inflation drive bid prices higher in the next year.

FISCAL IMPACT

No impact to the tax rate. The new revenue and expenditure figures will offset.

RECOMMENDED ACTION BY COUNCIL

It is recommended that the Town Council, vote to accept these unanticipated funds for use to improve the Town's bridges and culverts.

RECOMMENDED MOTION

See Resolution #2023-084.



RESOLUTION

Number 2023-084

To Accept and Expend Bridge Funds from the State of New Hampshire

WHEREAS, Section 9.15 of the Town Charter authorizes the Town Council to accept grant funding; and

WHEREAS, the State Legislature appropriated additional funds for bridges in the FY24 budget; and

WHEREAS, The Town Council previously enacted Resolution #2023-045 which authorized acceptance of a portion of these funds; and

WHEREAS, the New Hampshire Department of Transportation completed its allocation formula for these funds.

NOW, THEREFORE, BE IT RESOLVED IN COUNCIL, pursuant to RSA 31:95-b, that the Town Administrator is hereby authorized to accept the balance of Special One Time Bridge Payment from the State of New Hampshire in the amount of \$2,257.42 and deposit into the Bridge Fund.

This Resolution shall take effect immediately upon its passage.

Adopted: December 19, 2023

Attest:

X _____
Charles Foote, Council Chair
Date: _____

X _____
Cristina Guilford, Town Clerk
Date: _____

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