

Highway Department

Personnel Costs

Salaries – The Highway Department is comprised of four (4) FTEs, one (1) Foreman and three (3) Maintainers, and two (2) PT summer helpers. The Union Contract, which covers the three (3) Maintainers, runs out end of this fiscal year (2014), and will need to be renegotiated prior to July 1, 2014. Will budget for 2% increase along with FICA; but ultimately will depend upon contract. Although the FY2015 budget does not include monies for an additional employee, the town will need to start seriously considering the Highway Department’s future personnel needs, as the town continues to grow.

FICA – This will increase due to the 2% salary increases.

Employee Benefits – health, dental, vision, LT/ST disability, retirement – had budgeted for new hire to be on family plan (worst case scenario) so the benefits line will actually decrease.

Administrative Costs

Supplies – shop supplies – welding supplies/equipment, oxygen, acetylene, and miscellaneous office supplies (pens, paper, etc.). This line-item shows a \$500 increase for the proposed purchase of one (1) tablet computer. During budget discussions, the Highway Foreman requested four (4) tablets, one (1) for each employee, at a total cost of \$2,000. This amount was reduced to \$500 by the Town Administrator as a PILOT program in the highway department. The iPads would enable Mike to be able to send work lists out electronically and pictures could be taken by crew members and sent to Mike rather than Mike having to go around to each location and take pictures. VT Local Roads provides a program for tablets.

Tools & Equipment - Increase of \$1,000 includes money needed to replace cordless drills that are 20 years old and for the purchase of other cordless tools.

Ads/Notices – This line item is used for the purpose of advertising road closures, etc.

Postage – No longer contained in individual department budgets as it has now moved to the Technology budget.

Dues – The \$300 is used to pay for classes any highway employee takes relevant to their work. The Vermont Local Roads provides an incentive for employees who take part in classes – currently not effectively utilized by employees.

CDL Licenses – The Town pays for the license renewals (renewals can be made up to 4 years at a time).

CDL Testing – The Town of Hinesburg is part of a VLCT contract with ParaMed Plus for its drug and alcohol testing. Starting on January 1, 2014, the contract with ParaMed Plus will end and VLCT will start a relationship with Occupational Drug Testing.

Professional Services – This line item includes engineering work currently performed by Mike Weisel. Last year this line-item was reduced from \$5,000 down to \$1,000; the \$1,000 was basically serving as a placeholder for miscellaneous engineering work. The Town Administrator added \$9,000 to this budget for Town Highway Garage planning in conjunction with CSWD.

Uniforms – Uniforms are part of the union contract – winter jacket, sweatshirts, and t-shirts.. Highway Department has a uniform service that washes long pants. We are bound by the contract until January or February of 2015. Keep \$7,000 in budget for now.

Summer Highway

Highway Culverts – This line-item is now part of the capital budget.

Crushing – This line-item is now Gravel Roads in the capital budget.

Supplies/Equipment – This line item is being increased by \$500 for additional hay used in summer for seeding purposes.

Dust Control – This line item includes the cost of liquid chloride to be sprayed on every gravel road in town 2 times/year with more as needed when issues arise. The highway department owns the old fire department tanker for this purpose. There are 32 miles of gravel roads in town.

Blacktop – This line item reflects an increase of \$5,000 for the purpose of applying cold patch during culvert repair/replacement for paved driveways.

Striping – The new initiative to stripe 8 miles of paved roads/year, equivalent to 1/3 of our paved road network each year, was started in FY2014 as a safety measure. FY2014 striping will take place this spring after Richmond Road paving project is completed. The striping tends to last 3 years, at best. In FY2015, the budget reflects the continuation of this objective.

Guardrails – The Highway Foreman doesn't allocate funds for this line item as the only time they typically need replacement is if they are hit by a vehicle. The Highway Foreman stated that damages are paid for by the party that hits the guardrail at the time.

Brush Cutting – This line item includes money set aside for brush cutting and tree removal in Town right-of-ways.

Rent (change to Rental Equipment) – This line item is used for renting message boards like one used during the North Road paving project, street sweeper. etc.

Excavation Work – Money spent under this line item has reduced due to the purchase of the Town excavator in 2012. However, it was discussed that \$5,000 should remain in as a placeholder in case there is a need to hire a contractor for additional help. There was discussion if this figure should remain in the budget in FY2015. For now, it is part of the budget.

Signs

Sign Supplies – This line item includes posts, nuts & bolts, etc. for the installation of signs.

Sign New – This line item includes the cost of replacing the E-9-1-1 road signs – per Federal regulations, as well as damaged/stolen signs. This also includes the cost of signs for road work zones & stands. This line-item was increased by \$2,000 in the proposed FY2015 budget. The allocation includes the costs of purchasing the stop signs, speed limit signs, road name signs, etc. to meet the new standards.

Winter Highway

Supplies – This line item includes the costs for the sander, spray with undercoating, etc.

Salt – The cost of salt went down but we can't purchase in large bulk as we have no storage available. We currently are ordering by the load. This line item is also used for making salt brine. The Highway Department has been making their own salt brine using a tank built from materials that were at the Town Garage. The price to purchase similar equipment for that purpose would have been nearly \$45,000. Mike's ingenuity has proven to be a benefit for the highway department and a considerable savings to the Town. The Highway Department currently uses approximately 800 tons of salt per year. They store 200 tons at a time in the salt shed with an additional backup supply of 120 tons in a bay of the storage shed for emergency purposes. The Highway Department uses approximately 10-12 tons per sweep throughout the town depending on conditions. They have gone from using 600 lbs. /mile to 450 lbs. /mile since using the chloride. They have discovered that by spraying the chloride first, before sanding, helps make the sand adhere better to the roads.

Sand - Some of the cost for salt is included in the sand budget since the sand comes from the Town gravel pit. Out of the \$18,500, \$13,500 of that is for sand and the remainder is salt.

Building

Building Supplies – This line item includes the cost of items such as light bulbs.

Building Repair & Maintenance – The Town Garage due to its age and poor construction is falling apart. The Highway Foreman has worked to control costs as much as possible with regard to the repair and maintenance of the building. The highway crew performs much of the necessary repair work themselves to keep the building functional.

Building Utilities – This line item includes the cost of electricity and oil to power and heat the Town Garage. The furnace uses a lot of electricity to heat the building due to lack of proper insulation and the amount of times the bays open for the trucks to come in and out. The electric bill runs approximately \$400/mo. In the winter and \$200/mo. In the summer.

Building Phone – This line item is for the cost of the telephone for the Town Garage.

Vehicles

Vehicle Blades – This line item includes the cost of the plow blades for the Town Highway trucks. Blades are replaced approximately 2x/year; sometimes we can get away with 1x/year. The Highway Department goes through approximately 8 blades per year. The old blades are taken to the scrap yard for money that is used to purchase items for the Highway Department.

Vehicle Supplies – This line item includes the cost of the oil & filters for the equipment, etc.

Vehicle Repair & Maintenance – This line item is used for the cost of any repairs & maintenance of the vehicles throughout the year. Significant differences in cost have been noted when comparing old and new vehicles. Years 7-10 are the most expensive for the repair/maintenance on the trucks. The resale value also substantially decreases beyond year 7. We might want to consider a 7-year replacement schedule for the dump trucks but as of now we are operating with a 10-yr replacement cycle.

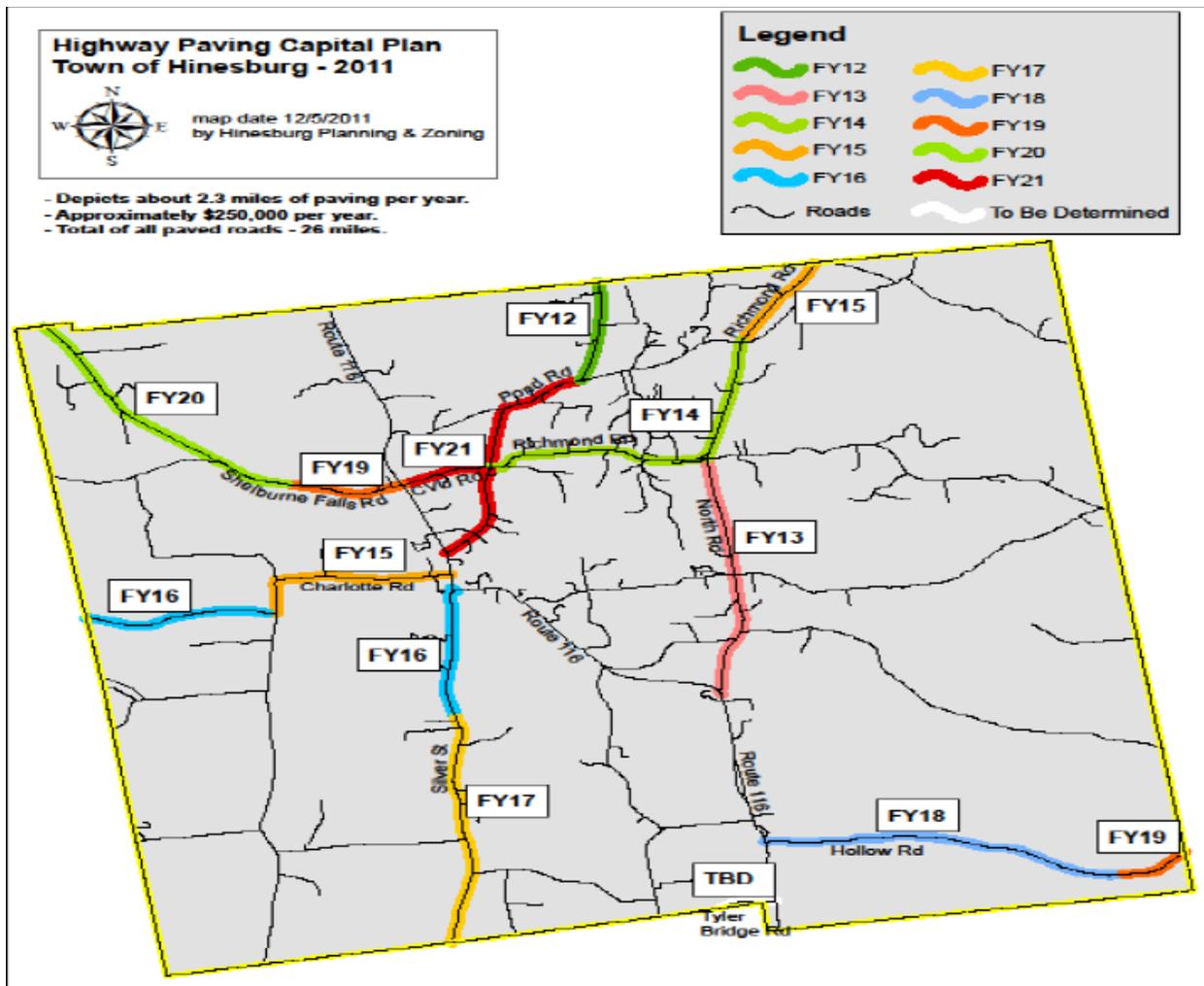
Vehicle Fuel – Cost of vehicle fuel has come down; weather, cost of fuel have impacts on this line item. The Town Administrator will do research on what fuel is expected to cost based on pricing forecasts and then apply that amount to the average usage for each department. This data can be used for each department to hopefully make more informed predictions that are consistent by price/gallon for each department.

Capital

Highway Roads & Bridges – Paving Schedule:

- *Richmond Road – Phase 1* – The actual amount will be \$271,000 which represents an additional \$21,000.
- *Richmond Road – Phase 2* – This is currently expected to take place in FY2015.
- *Charlotte Road – Phase 1* - This is currently expected to take place in FY2015.
- *Charlotte Road – Phase 2* – This is currently expected to take place in FY2016.
- *Silver Street – Phase 1* – This is currently planned for FY2016. However it is expected to cost over \$250,000.

Hinesburg's paved road capital plan hinges on the Town's continued willingness to budget \$175,000 each year to be transferred into the capital fund and receive a \$175,000 State highway paving grant every third year. If these two elements are met, the Town is in position to pave roughly 2.3 miles of roads each year.



Highway Gravel/Culverts

Culverts - This was increased for the purchase/installation of steel culverts. Plastic culverts are failing within 2-3 years. Steel culverts will last much longer. The cost of the plastic culverts have been rising to near the cost of steel culverts with a much shorter life span.

Highway Gravel - Mike feels \$30,000 is sufficient for the gravel necessary to maintain the gravel roads in town.

Highway Equipment

Note: Highway Equipment shows some figures in italics; these represent cash savings to the Town. The savings accounts are earmarked for specific projects but can be used for other purposes in necessary.

The Highway Foreman suggested looking for a used screener for making sand or a street sweeper. There is \$10,000 set aside for the purchase of something that could benefit the Town and increase efficiency for Buildings & Facilities & Highway Departments.

Dump 1 (2006) – International 7600 Tandem. FY2014 represents the Town’s final payment on this piece of equipment. It will most likely need to be replaced in FY2016.



Dump 2 (2013) – International 7500 4x4. This was purchased with a 7-yr lease. Payments owed through FY2020 of \$37,027.



Dump 3 (2014) – Mack Granite Tandem. Mike Anthony made a switch from International to Mack with this purchase. 1st lease payment starts in FY2015. Town Administrator recommends using proceeds from the old Dump 3 to cover 100% of the first year cost.



Dump 4 (2010) - International 7500.



One-Ton (2009) – Ford F350. \$5,000 per year is being saved to purchase a new One-Ton. This is the Highway Foreman’s main utility vehicle.



Loader (2006) – Volvo L70E. Town should plan to replace in FY2017 or 18 with a lease financing plan.



Case Tractor (2000) – The capital budget shows a savings account for this item with \$10,000 per year set-aside. Replacement date unknown.



Excavator (2013) – The Town chose to purchase this excavator in FY2014 and pay for the 7-yr lease with the money saved from the annual rental line-item.



Grader (2008) – John Deere. 10yr payments finish in FY2019. Very important piece of equipment used to maintain gravel/dirt roads.



Mowing Attachment (2011) – Diamond Boom Mowing Attachment. Purchased at the same time and with the same lease agreement as the Fire Department's Med 100.



Chipper (2002) –Morbark Tornado. The Selectboard authorized the purchase of this used chipper in 2011. The town is setting aside \$2,000 annually to replace at some point in the future.



Radios – We received all new radios through a grant so therefore the \$4,500 is not necessary.

Electronic Speed Sign – Last year, during FY2014 budget deliberations, the Selectboard considered purchasing a new solar powered flashing speed limit sign for Shelburne Falls Road, similar to the one currently used on Silver Street. This item was cut and is not part of the FY2015 budget proposal.