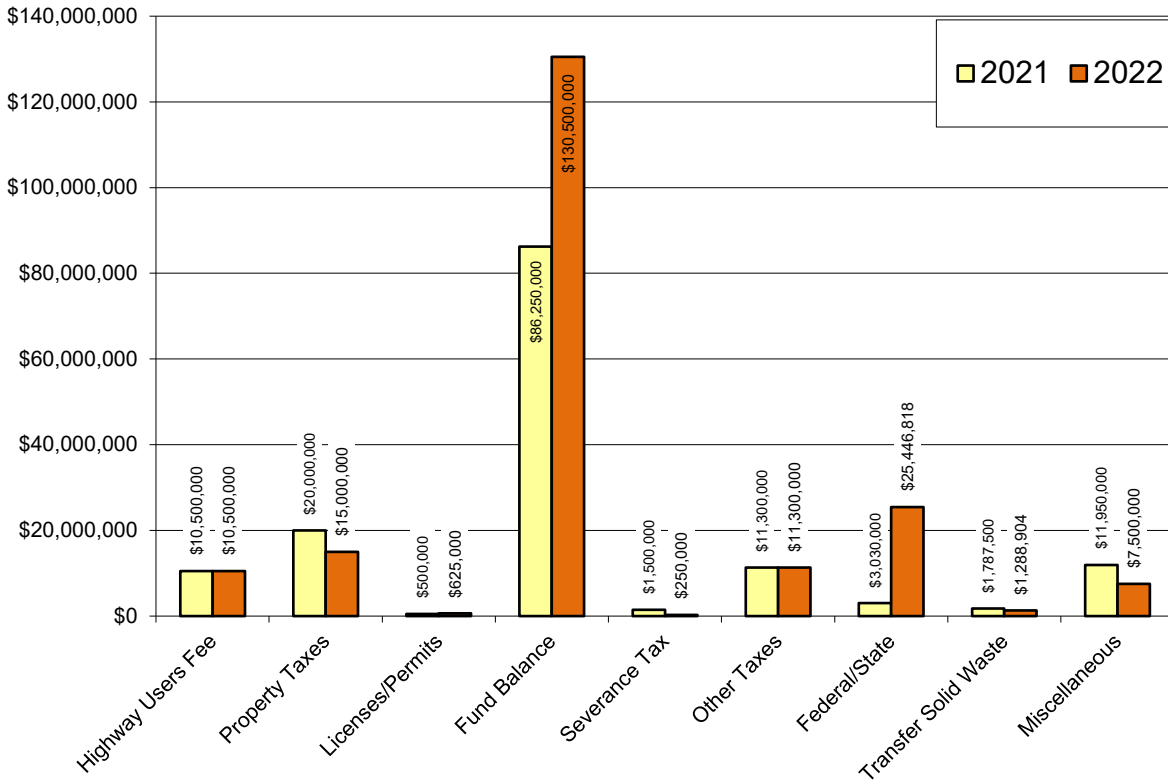
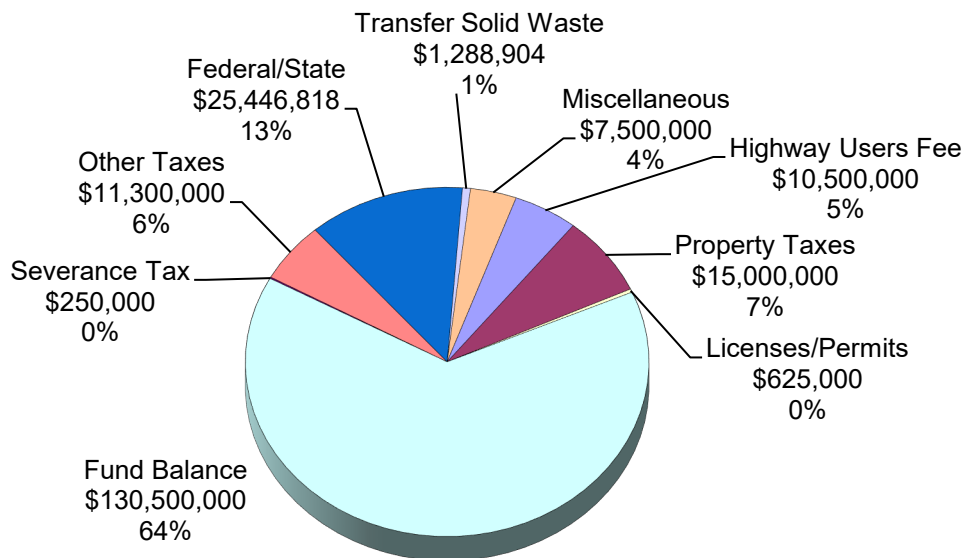


PUBLIC WORKS

Revenue Changes

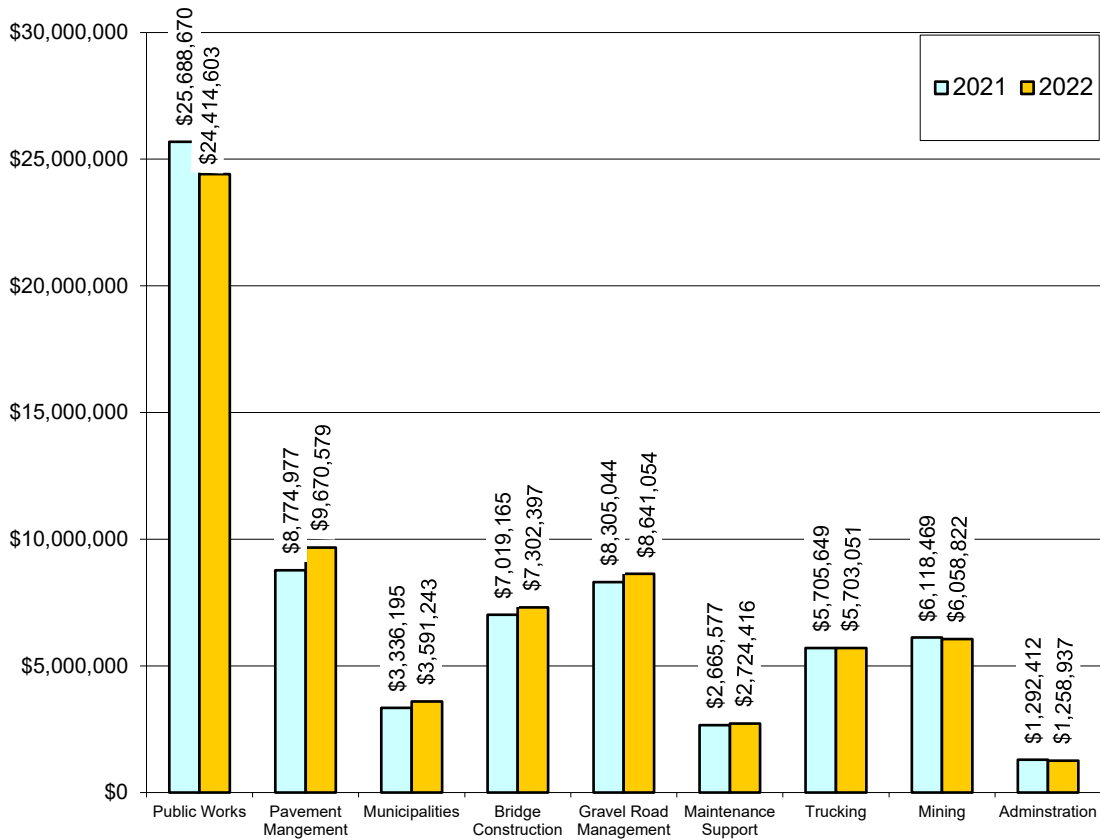
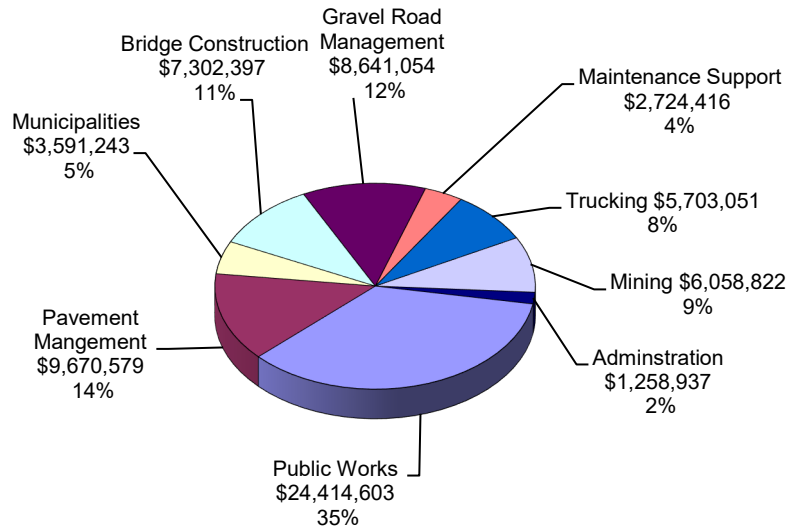


2022 Revenue Total \$202,410,722 (2021 \$146,817,500)



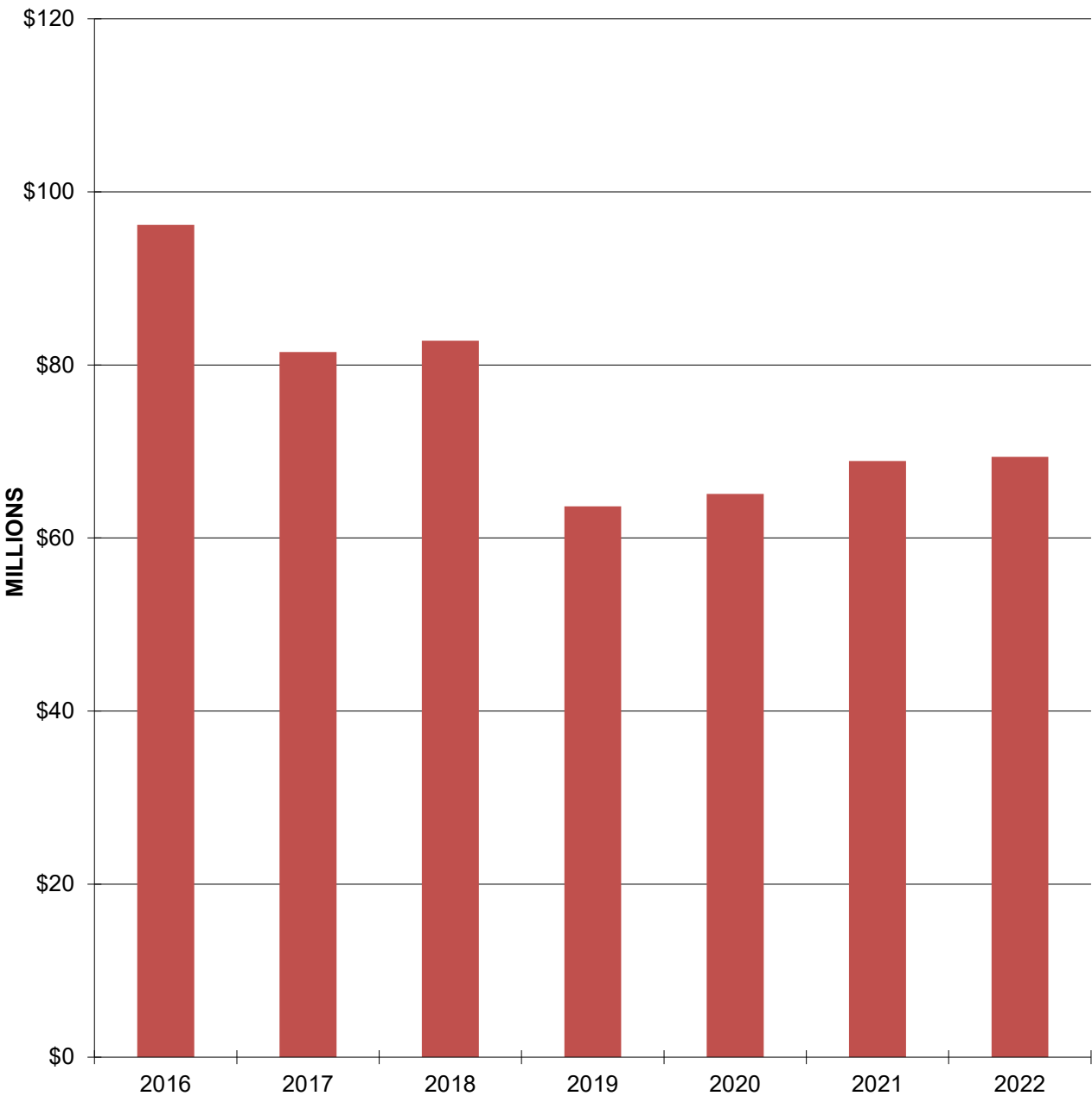
PUBLIC WORKS 2022 EXPENDITURES

Total \$69,365,102 (2021 \$68,906,158)



SEVEN YEAR TREND

Public Works



PUBLIC WORKS FUND SUMMARY

The Public Works Fund records all costs related to Weld County road and bridge construction and maintenance. This fund is also utilized for allocation of monies to cities and towns for use in their road and street activities. The resources for 2022 total \$202,410,722 which includes a fund balance of \$130,500,000, in addition to the revenue shown in the budget. Property tax is set at \$15,000,000, down \$5,000,000 from 2021. Specific Ownership tax is estimated to be the same at \$11,300,000. Total HUTF will be \$10,500,000 the same as 2021. Permit revenues are budgeted at \$625,000, up \$125,000. Motor vehicle registration fees are \$375,000, up \$25,000 from 2021, and grazing fees are \$300,000 the same as the prior year. Oil and gas revenues are \$6,650,000, the same as 2021 due to the reduction in drilling from the regulatory climate in Colorado. There is \$1,288,904 from Solid Waste Fund, for the County's proportional share of the 18th St/Market Street paving project.

Federal mineral lease revenues are \$850,000 due to the creation of the Weld County Federal Mineral Lease District. The federal mineral lease revenue will flow through the district and then Public Works will apply to the district for funding of projects. In 2022, the district is funding \$850,000 in oil and gas haul route projects. PILT is budgeted at \$80,000 with no change from last year.

Revenue from the Energy Impact Assistance grants total \$1,200,000. There is a State grant for Bridge 19/46.5A for \$500,000 and \$1,091,818 in NFRMPO funds for the roundabout at CR74/33. There is \$21.9 million budgeted from American Rescue Act funding due to revenue loss. Severance tax is \$250,000, and in accordance with policy adopted by the Board of County Commissioners in 2010, the severance tax revenue is budgeted at a five-year leveling average due to the fluctuations of the revenue created by the price and production levels of oil and gas commodities.

The budgeted appropriations for Public Works in 2022 total \$69,365,102 and are up \$458,944 primarily due to inflationary trends 2022. Municipal share back is funded at \$3,591,243. \$723,767 is funded for step increases due employees in 2022, and a 4.0 percent salary cost of living amount included in this budget. The budget reflects no increase in health insurance costs. There are no other benefit changes.

The Other Public Works budget unit is budgeted at \$24,414,603 based on the Capital Improvement Plan (CIP). This is a total decrease of \$1,274,067 from 2021. Personnel Services were reduced \$238,454 by moving from 45 seasonal employees to 38. Full-time positions replaced the seasonal workers, adding five (5) Service Worker III's in Pavement Management. There is \$41,431 included for a 3% cost of living for seasonal employees. Purchased Services decreased a total of \$4,235,613. Utilities were up slightly for electric billings for 11 weather stations and the CR 54/17 roundabout. Contract Payments was reduced \$6,880,687 primarily due to the US 85 railroad crossing closures construction schedule. Infrastructure Projects increased \$2,342,346 to fund the 66/41 intersection project (\$2,519,750), the 35th Avenue and O Street roundabout project (\$6,151,765), the County's proportional share of the 18th St and Market St construction (\$1,289,000), and the 72 and 76 detour project (\$1,080,000). County Highway was up \$300,000 for anticipated repairs. Fixed Charges increased \$3,200,000 for the construction of Bridge 19/46.5A (\$3,800,000). The Haul Route Program (HARP) is budgeted at \$3,000,000, and \$200,000 for the maintenance of the County Highway.

The other significant changes for 2022 in the Public Works Fund include increases in Pavement Management. Road construction supplies increased \$222,444 due to a 9% cost increase for asphalt and chips for chip seal operations. Pavement fabric was also added. Other operating

supplies increased \$30,000 for replacement teeth for the milling machine with the addition of more full depth reclamation projects. Contract Payments increased \$50,000 for railroad crossing improvements, and other professional services increased \$90,000 for pavement data collection fees on half of the county's paved roads. Supplies for the Gravel Road Maintenance increased \$128,210 for dust palliative chemical, experimental dust palliative chemicals, and anticipated costs for grader blades and stinger blades due to rising steel costs. Bridge Construction's supply budget increased \$105,000 due to rising steel prices for culverts, steel piling and decking material.

While the growth in the County's assessed value and economic stimulus of the energy industry in Weld County has been positive in recent years, the downside is the County has had to add significant resources to the Public Works budget to accommodate heavy hauling traffic, address safety issues, and improve roads impacted by the oil and gas industry's heavy hauling on county roads due to new exploration and population growth. A five-year Public Works Capital Improvement Plan will continue to be updated annually and will ensure a fair and reasonable determination of project priorities in accordance with the County's overall transportation needs, especially in dealing with the impact of energy development and population growth in the County. As oil and gas prices and production stabilizes, looking forward to 2022 and beyond, the amount spent on capital projects should also be stable.

The 2022 Public Works Capital Improvements Plan is available on the County web site at <https://www.weldgov.com/Government/Departments/Public-Works>.

CONCERNING LOCAL ACCOUNTABILITY FOR MONEY USED FOR HIGHWAY PURPOSES

In accordance with Section 29-1-110, C.R.S., 1973, at a public hearing on the budget, Weld County must discuss the proposed use of its allocation of highway users tax fund monies and the County Public Works Fund and provide an opportunity for any elector to be heard on the expenditure of such monies for the current year and for the fiscal year governed by the proposed budget.

The proposed use of the 2022 allocation of highway user tax fund monies and county road and bridge fund are as follows:

Gravel Road Management	\$ 8,641,054
Maintenance Support	<u>1,858,946</u>
TOTAL	<u>\$ 10,500,000</u>

CONSTRUCTION BIDDING FOR STATE-FUNDED LOCAL PROJECTS

In accordance with Sections 29-1-701 through 707, C.R.S., as amended, cities or counties of 30,000 persons or more are required to bid projects over \$150,000. Local governments are required to bid competitively among private contractors for projects using Highway Users Tax Fund money (state funded projects) and are prohibited from dividing projects into two or more projects to evade provisions of the act.

"State-funded public project" means any construction, alteration, repair, demolition, or improvement by any agency of local government of any land, structure, facility, road, highway, bridge, or other public improvement suitable for and intended for use in the promotion of the public health, welfare, or safety and any defined maintenance project which is funded in whole, or in part, from the highway users tax fund and which may be reasonably expected to exceed \$150,000 in the aggregate for any fiscal year.

"Defined maintenance project" means any project that involves a significant reconstruction, alteration, or improvement of any existing road, highway, bridge, structure, facility, or other public improvement, including, but not limited to, repairing or seal coating of roads or highways or major internal or external reconstruction or alteration of existing structures. "Defined maintenance project" does not include routine maintenance activities such as snow removal, minor surface repair of roads or highways, cleaning of ditches, regrading of unsurfaced roads, repainting, replacement of floor coverings, or minor reconstruction or alteration of existing structures.

Based upon the above definitions, Weld County's Public Works 2022 budget would be allocated as follows by the above categories:

	<u>TOTAL</u>	<u>HUTF STATE</u>	<u>LOCAL/OTHER</u>
Road and Bridge Construction	\$ 7,302,397	\$ 0	\$ 7,302,397
Gravel Road Management	8,641,054	8,641,054	0
Maintenance Support	2,724,416	1,858,946	865,470
Trucking	5,703,051	0	5,703,051
Mining	6,058,822	0	6,058,822
Administration	1,258,937	0	1,258,937
Pavement Management	9,670,579	0	9,670,579
Municipalities	3,591,243	0	3,591,243
Public Works:			
Haul Route Program (HARP)	3,000,000	0	3,000,000
Part-time	1,656,739	0	1,656,739
Contract	19,757,864	0	19,757,864
TOTAL	<u><u>\$69,365,102</u></u>	<u><u>\$10,500,000</u></u>	<u><u>\$58,865,102</u></u>

Based upon the above allocation, Weld County is not required to competitively bid any service. However, it is anticipated that Weld County will bid out \$3,379,000 in asphalt purchases and contracts for overlays and reconstruction, chip and seal of \$2,090,000, and \$2,899,000 in surface gravel for a total of \$8,368,000 in bid projects for 2022. A major portion of the \$19,757,864 may also be contracted, which raises the potential bid project amount to \$28,125,864. Maintenance of effort requirement was eliminated by the 1994 State Legislature, effective with the 1995 budget; therefore, it is not demonstrated in this budget document.