

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 2019 total \$108,790,797, which includes a fund balance of \$45,000,000, in addition to the revenue shown in the budget. Property tax is set at \$19,000,000 up \$2,500,000 from 2018. Specific ownership tax is estimated to be \$11,200,000. Total HUTF will be \$10,700,000, up \$50,000 from 2018. Permit revenues are budgeted at \$550,000. Motor vehicle registration fees are \$365,000, and grazing fees are \$500,000 due to energy development in the Pawnee Grasslands. Oil and gas revenues are \$9,500,000. The lease/purchase payment from the Hoekstra Pit is \$215,797. There is \$200,000 from Solid Waste for paving CR 28, and \$100,000 reimbursement from the Town of Mead for CR 13 paving.

Federal mineral lease revenues are \$1,100,000 due to the creation of the Weld County Federal Mineral Lease District. The federal mineral lease revenue will flow through the new district and then Public Works will apply to the district for the funding of projects. In 2019, the district is funding \$1,000,000 in oil and gas haul route projects. PILT is budgeted at \$40,000 with the Federal Mineral Leasing District funding change.

Other revenues from grant project reimbursements total \$8,920,000. There are Energy Impact Assistance grants of \$3,600,000 with \$3,000,000 for the Tier 2 projects and \$600,000 for three Tier 1 projects. There are two state grants to finish Bridge 44/33A for \$100,000 and Bridge 68/59A for \$50,000. There is one flood project grant for Bridge 53/58A \$3,770,000. There is NFRMPO funding of \$1,000,000, and UFRMPO funding of \$400,000. Severance tax is budgeted at \$1,400,000. In accordance with the 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 2019 total \$63,100,278 down \$19,708,648 primarily due the completion of the construction of the Weld Parkway (WCR47 and 49) in 2018. Municipal share back is funded at \$3,103,353. 2019 salary increases are for step increases due to employees, and a 3.0 percent cost of living salary adjustment in this budget for a total of \$654,542.

Other Public Works budget unit is budgeted at \$21,584,431 based on the Capital Improvement Plan (CIP). Personnel Services are up a total of \$254,357 for five additional seasonal workers (\$205,222) and \$49,135 for cost of living for 52 seasonal employees. Purchased Services decreased \$25,350,461 primarily due to the completion of the construction of the Weld Parkway (WCR 47 and 49) in 2018. There is \$4,700,000 for the CR34/CR13 project, and \$1,506,654 for the joint project for CR 37/SH 52. \$4,000,000 for CR 29 from SH 15 to CR90. \$3,000,000 is budgeted for the Haul Route Program (HARP). For flood related projects there is \$2,600,000 (FHWA) for Bridge 53/58A. Other contract payments are for seeding (\$50,000), low volume roads (\$2,000,000), BMP projects (\$100,000), \$200,000 for the design of the CR 52 connector, \$90,000 for the Poudre Trail, \$250,000 for the Master Pollution Prevention Plan, \$200,000 for Weld Parkway maintenance, and bridge rehabilitation (\$275,000). Fixed Charges total \$920,000 for rights-of-way funded at \$50,000, and \$870,000 for a CDOT project for Bridge 44/33A.

Trucking is up \$350,000 to increase the number of weeks the contract trucks will be required to haul. Mining operations increased \$2,497,973 for the purchase of surface gravel, and crushing at the Hokestra Pit, and the North Pierce Diversion Channel. Gravel Road Management operations are up \$996,508 primarily due to dust palliative material costs, the addition of four positions and vehicles to increase road maintenance due to growth and energy traffic. Bridge Construction is up \$388,394 primarily due to increased tonnage and material costs. Pavement Management is

down \$196,188 due to reduced material costs offset by increases for four positions and equipment to create a concrete crew to maintain the Weld Parkway. Other operating budgets for road and bridge maintenance are funded at near the 2018 funding level. With some operational economies to offset some of the inflationary costs, the current service level should be able to be maintained with the funding recommended.

While the growth in the County's assessed value and economic stimulus of the energy industry in Weld County has been positive, the downside is the County has had to add significant resources to the Public Works budget over the last few years 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. 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 in the County. As oil and gas prices and production stabilize, looking forward to 2019 and beyond, the amount spent on capital projects should also be stable.

The 2019 Public Works Capital Improvements Plan is available on the County web site at http://www.co.weld.co.us/departments/public_works/index.html.