

The Board of Estimate and Appropriations Meeting

Agenda

Date: January 10, 2019

Time: 4:30 PM

Mayor's Office

1. Clarification of the Middletown Traffic Operation project and additional steps needed to start paying bills.

In January 2018 the Common Council approved the Middletown Traffic Operation (PI#8757.07) and (8760.98) project in the amount of \$1,567,652.53. The anticipated project cost of Phase I & II is \$2.7 mil and \$4.5 mil. respectively.

80% Federal funding (reimbursement) is available but the remaining 20% could be covered with state grants but the plan is to be conservative and for now assume \$486,000.00 will be the City's responsibility.

The resolution did not anticipate the total project, time of completion, and the inclusion of engineering and construction.

At this point the only money in the capital line is an initial exploratory transfer from the general fund of \$100,000 less \$65,000 spent or net of \$35,000 dating back to the inception of the project in Oct 2014. There are \$202,000 in bills due and payable as of 1/4/19 dating back to June 2018.

I have reviewed the concept of funding the project with the grant reimbursement payments with bond counsel. Although it has not been Middletown's procedure it can be and makes sense when projects run many years and reduces cost by not borrowing the money too early.

I am requesting a temporary borrowing of \$1.0 from the General Fund that will include the \$486,000 to fund payments ahead of reimbursements. Jacob is estimating the reimbursed expenses will have a 30 day turn-a-round and the \$1.0 million will be a sufficient buffer. Once the project is completed we will make a decision on what to do with any unfunded portion i.e. let the fund balance pay or issue BANS.

By a copy of this letter via e-mail I am asking Tom Meyers to prepare a borrowing resolution.

From	Amount	To
General Find	\$1,000,000	Capital Project Traffic Operations

2. Don Paris is requesting the approval of the Cherry Road contract for 2019 and authorize the Mayor to sign the agreement. Terms and conditions are the same as last year.

3. Jacob Tawil wants to discuss the process auctioning surplus City vehicles as an alternate to the current sealed bid system.
4. Jacob Tawil is requesting approval of a contract with Residuals Management Services, LLC dba EarthCare for the cleaning of secondary digesters at the WWTP with an estimated price of \$210,000. Further requested is authorizing the Mayor to sign the agreement. This is not budgeted and will require the following budget transfer.

From	Amount	To
Sewer Fund Balance	\$210,000	G.8130.400 WWTP Contractual