

Spending on Roads During a Recession

By Douglas Rooks

Recessional pressures have cut deeply into both state and municipal budgets, but a few Maine towns are going ahead with major road projects. In the view of their town managers, they are choosing to invest in the future despite an unfavorable financial climate, knowing that the needs aren't going away.

In some cases, towns are simply trying to get a handle on road budgets that haven't kept up in recent years. In other cases, municipalities are taking into their own hands reconstruction of smaller state-owned roads where the state and towns have traditionally shared maintenance responsibilities.

In Mexico, inadequate funding for road projects led selectmen to propose a \$2.9 million bond issue that went on the ballot last November. By a surprising margin, voters approved the measure, 605-485, with 57 percent saying "yes."

While the amount of spending may seem large, Town Manager John Madigan said borrowing will likely take place over five years. Each year, the town will borrow only enough to fund the current year's projects, combined with money from annual appropriations and capital reserve.

Engineering for the first two projects has already been completed, Madigan said. In all, the bond will permit the paving or reconstruction of 10 local roads and streets, allowing Mexico to make up for past neglect.

The longer-term focus has allowed a more deliberate approach to planning as well, he said. "We sat down

with the water district board and the sewer district to find out what they planned to do," said Madigan.

Of the five road projects now on tap, the water and sewer districts were planning line replacements on four of the five roads, with both water and sewer line work slated on two of them. Only the most rural of the roads, the descriptively named Back Kingdom Road, wasn't due for other improvements. As a result of the joint planning and communication, the town will be able to dig up pavement just once, rather than multiple times.

TARGETING THE WORK

While paving can still be done for \$100,000 a mile, Madigan said the town is targeting certain areas for more intensive work.

"A lot of these roads were never built properly. They really need to be reconstructed, so we can get them on a 20-25 year cycle for paving," he said. "We've never had the money to do that before." The town is hoping to defray costs with Community Development Block Grants and other state support.

When voters approved the bond, Madigan surveyed other municipalities to discover how they financed road projects. He found that smaller towns tend to budget only through current appropriations, which are often reduced during the budget process. Larger communities, by contrast, tend to have capital budgets that they fund through a combination of borrowing and reserve appropriations. That latter is the approach he'd like Mexico to take in the future. "That way you have some wiggle room when times are hard," he said.

REBUILDING ROUTE 88

A long-anticipated project in Cumberland to rebuild Route 88 (Foreside Road), one of the town's major thoroughfares, became a political issue when opponents succeeding in gathering signatures for a referendum after the town council in December had unanimously approved a \$4.5 million plan to rebuild 2.9 miles.

On March 2, voters approved the bond issue by a 941-915 margin. Town Manager Bill Shane called the turnout "unprecedented" for a municipal special election, with one-third of the electorate casting ballots. He credited opponents, organized as the Cumberland Taxpayers Association, with stirring widespread interest. But Shane also faulted them for what he said were exaggerated estimates of the effect on taxes. The opposition campaign featured not only the traditional signs and leaflets, but "robocalls" to every number in the 829 Cumberland exchange, he said.

The project also had vocal supporters, including those who had been meeting for more than two years as the Route 88 Pedestrian Access Advisory Committee. The committee chair, Mike Lebel, was particularly vocal on the need for improvements; his wife had once been hit by a car while riding her bicycle along a narrow section of Route 88.

Shane said a lot more was involved in the Foreside Road project than just vehicle traffic. "The clam flats along that part of the coast have been closed for two years now," he said. "We're hoping that controlling the runoff will allow them to reopen." Included in the project are 120 catch basins and storm drains. Pedestrian and

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bicycle safety will be improved, with five-foot paved shoulders throughout the 2.9-mile length.

The only section of road in Cumberland that won't be rebuilt is the northern end. Shane hopes the town can do the last 1,500 feet in a joint project with Yarmouth, which wants to rebuild an adjacent half-mile section. Falmouth, where the rest of Route 88 lies, is paving a section this year but is not planning to reconstruct.

"A lot of this is about connectivity and a safe place for a lot of different users," Shane said. The section of Interstate 295 that runs parallel to Route 88 (and Route 1) effectively isolates part of town, with only one bridge connecting to the west. A total of 458 homes are located along the 2.9-mile section.

Shane said the project, which had been talked about for a decade, was necessitated by the realization that the state, which owns the road, was many years away from rebuilding the old, concrete-based highway.

Route 88 is among 2,200 miles of "minor collectors" the state owns and for which it shares maintenance with municipalities. Under URIP (Urban-Rural Initiative Program), the state provides two-thirds funding for reconstruction, with towns picking up the rest. But progress on rebuilding these largely "unbuilt" roads has been slow. There's no longer even a target date for bringing them up to standard.

A further incentive came when the PACTS board (Portland Area Comprehensive Transportation System), which includes Cumberland, voted to concentrate funding on 80 miles of the 200 miles of state-aid roads in the region. Route 88 is not on that list.

Some supporters of the road project felt the state should chip in, but Shane said the state and regional decisions made it clear that, if anything were to get done, the town would have to do it.

He thinks the results will be worth it. "We originally estimated that the work would cost \$5.5 to \$6 million," he said. The low bid came in at \$4.3 million from a local firm, Storey Brothers.

SCARCE STATE RESOURCES

At the Maine Department of Transportation, Pete Coughlan, director of the Local Roads Center, said

he sympathizes with those who would like to have the state do more, but the money isn't there.

At least road assistance isn't suffering the precipitous cuts municipalities are enduring with revenue sharing and General Purpose Aid to education. Under the supplemental budget approved by the Legislature, road assistance will see a slight uptick in funding next year, Fiscal 2011 – though the amount is still below what was distributed in Fiscal 2008. It remains about 8 percent of Highway Fund revenue. (See chart on next page).

The state's priority is to focus funding on arterials and major collector highways which carry the most traffic, Coughlan said. Many of those roads carry more than 10,000 vehicles a day, some as much as 40,000. By contrast, the section of Route 88 in Cumberland carries 2,400 vehicles a day, though the road's northern end, in Yarmouth, carries 7,000.

Spreading the money around to include minor collectors in the state funding stream isn't an efficient use

of limited dollars, from Maine DOT's perspective.

Coughlan said DOT encourages towns to take the lead on minor collector roads when they can. They can often do the work more cheaply and the state is willing to be flexible on design standards as long as safety is maintained.

For the longer term, DOT is now meeting with municipal representatives on a potential plan for minor collectors. What the state has on the table is a swap, where it would fix up minor collectors and then turn them over to municipalities, while assuming winter maintenance responsibilities on rural major collector roads, which are now carried out by municipal crews.

EXPERIENCE IN HERMON

One of the members of the state-municipal study group is Hermon Town Manager Clint Deschene, who has personal experience with the minor collector issue.

Last year, the town voted to borrow up to \$1 million to fix Billings

The Skowhegan Experience

For Greg Dore, Skowhegan's veteran public works director, maintaining spending for paving and reconstruction has not been easy – a common situation for many towns and cities this year.

The Fiscal 2011 town budget is not complete but Dore is trying to fend off a proposal to cut the \$500,000 road budget by \$100,000. He doesn't know yet what selectmen will propose for the June town meeting but he's made his case and hopes level spending can be preserved.

"When you're looking for places to cut, maintenance is easy for towns to do," he said.

Still, he said, Skowhegan's budget may be better off than most. "I heard from one Public Works director that he'd been given a choice of laying off two of his crew or cutting \$100,000 from paving." There wasn't another option.

Dore said cutting back is particularly unfortunate this year in that towns could get great deals, because contractors need the work. "The bids that are coming in are really low. We haven't seen prices like this in 20 years." Yet few towns seem to be taking advantage. "Nobody wants to spend," he said.

Skowhegan tries to maintain five miles of road a year, paving four miles and reconstructing one mile. With a 100-mile town road system, that's a 20-year cycle, but Dore said the budget hasn't always kept up. "There were two years when we did less than two miles and we lost ground."

Skowhegan used to have a 15-employee road crew and now has 10. Still, the town is able to do most of the road work. "We don't do ditching or line painting anymore," he said. "Those we contract out."

Dore is confident that, if his regular appropriation makes it through the budget process, voters will support it at town meeting. "The majority of people understand what it is we have to do," he said.

State Revenue and Municipal Road Aid

Fiscal Year	Highway Fund Revenue	Municipal Allocations	% of Revenue
2008	\$328.2 million	\$27.3 million	8.3
2009	\$324.2	\$26.2	8.0
2010	\$312.7*	\$23.6	7.5
2011	\$308.7*	\$24.7	8.0

*Projected

Source: Legislature's Office of Fiscal and Program Review

Road, one of the town's busiest, after Interstate 95, Route 2 and Union Road. Nearly 10 years ago, the state rebuilt 1.5 miles of Billings Road, which serves the school, town office and many businesses. "We were getting tired of waiting for them to do the rest," Deschene said. "Our town roads are in a lot better shape now than this one. It really stood out."

The project, which will be com-

pleted this year, will rebuild another 1.5 miles at a cost of \$1.2 million, of which \$900,000 will be borrowed. The only section of Billings Road not included is the approach to the Route 2 intersection.

"That's a state arterial and we're not looking to get involved with that," Deschene said. Prospects are better for state action on that section than it was for the rest of the road, he said.

Unlike the situation in Cumberland, the town council's vote to pursue local funding was not controversial. "Given its importance to the town, people decided it was too important not to fix it up," Deschene said.

He doesn't expect the pressure on the town budget to ease, or for the council to undertake any other major road projects soon. But on this one, "the time for patience had run out." **mt**

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