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Herkimer County Highway Shared Services/ Consolidation Study - *Options for Increasing Efficiency*

April 2011

Prepared for:
Herkimer County Highway Shared Services Advisory Committee

Prepared by:
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HERKIMER COUNTY HIGHWAY SHARED SERVICES/CONSOLIDATION STUDY - *OPTIONS FOR INCREASING EFFICIENCY*

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EXECUTIVE SUMMARY

Study Background

In 2008, Herkimer County applied for and received a Local Government Efficiency (LGE) grant from the New York State Department of State to conduct a study to evaluate ways that the County government and the local governments within the County might be able to maintain roads and bridges within the County more efficiently. The County Legislature appointed a Herkimer County Highway Shared Services Advisory Committee to oversee the project and approve the report. The Committee included four Town Supervisors, four Village Mayors, four County Legislators, and the County Administrator and County Highway Superintendent. Two Town Highway Superintendents and a Village Director of D.P.W. also participated in the Committee meetings.

The County engaged the Center for Governmental Research (CGR) to be the consultant to the Committee and conduct the study that resulted in this report. The study was initiated in the fall of 2009, information was collected and baseline operational data was presented in a report (Overview of Current Operations) dated January, 2010. During the rest of 2010, various operational models were developed and reviewed. The study findings and options were presented to meetings of the County highway superintendents and Town supervisors in January 2011. This report synthesizes the results of a tremendous amount of work into a summary of the findings and recommended options that have been developed as a result of this process.

Context for the Recommendations

New York State and many local governments are experiencing severe fiscal constraints in their annual budgets, and are likely to do so for the foreseeable future. In addition, three other cost pressures facing Herkimer

local governments are the number of bridges that are going to require multi-million dollar repairs or replacements in the next five to ten years, the ongoing need to reconstruct and rehabilitate deficient and obsolete roads, and the ongoing need to upgrade road signs to meet Federal standards. For these reasons, local governments need to identify as many options as possible to reduce costs. Therefore, the County, and CGR as the consultant, conceived of this project as a planning study that would help identify a broader strategic plan for fundamentally improving operational efficiencies for managing the highway system within the County for the long term as well as identifying practical ways to achieve operational efficiencies in the shorter term.

The first phase of the project was designed to develop a comprehensive understanding of how the 31 local governments (19 Towns, 10 Villages, 1 City and the County) are currently delivering highway services, and the cost of delivering those services. In FY 2009, the 31 local governments budgeted $31.5 million to maintain the road and bridge network within the County, which consists of 1,292 centerline miles of local government roads and 118 bridges. Total centerline road mileage within the County is 1,541 miles when including the state highways, the New York State Thruway, and other agency roads. Eight local governments receive revenue from the New York State Department of Transportation (NYSDOT) for winter road maintenance of selected state roads.

With this background information, CGR then posed a hypothetical planning question: Given the geographic size, location of the communities and existing road network, what would theoretically be the most efficient way to deliver services to and manage the road and bridge network in the County? In other words, if one were to start with a clean slate, and not be limited by the fact that there are already existing Town, Village, City and County highway operations, would delivery of highway services be organized differently?

By using geographic information systems (GIS) software to map the current road and bridge network, and using travel and response time parameters that reflect actual practice in the Towns in the County, CGR developed a series of maps to identify the optimal locations to efficiently deliver highway services within the County. The primary focus was on efficient delivery of service for County and Town operations (since together they represent 87% of the total costs for highway services).

After reviewing the various map options under different scenarios, CGR concluded that the most efficient service delivery model for serving the Towns would be to have 8 central garages serving 8 zones in the County. This compares to the 19 Town and one County garage currently being used.

Fiscal Impact of the Model

The theoretical model was developed to identify a long term strategic direction for the County. If fully implemented, CGR estimates that this model would result in efficiency savings that would reduce total costs across the system by approximately $875,000 per year, which is equivalent to saving 2.7% of the $31.5 million current costs. These would be true cost reductions, because current levels of revenues would not be affected by the model (for example, current state and County reimbursements would not be affected by the recommended operational changes).

While the theoretical model offers a Long Term Plan, there are many practical barriers to getting to the ideal model. These are summarized in the section below that presents operational challenges. In order to move forward to begin to achieve some of the benefits of the optimal model, there are a series of interim steps that the County and Towns could take to move toward the long term model. These interim steps are based on transitioning services currently provided by the County to the Towns, using the model like the current very successful model where the Towns provide winter road maintenance on County roads under contract to the County.

CGR estimates that if the Interim Plan were to be fully implemented, efficiency savings across the entire system would be approximately $516,000 per year. Again, real world implementation barriers make it likely that moving forward with the Interim Plan will have to be taken in small steps, on a pilot basis with a few Towns. This will limit the overall efficiency savings until more and more Towns participate.

These savings can be realized as a result of identifiable cost reductions as outlined in this report. However, additional non-quantifiable savings will also clearly result from the recommended changes. For one example – think of an employee who currently lives in a Town who drives to the County operations center in Herkimer, only to pick up a County vehicle to drive back to do work in the Town that he live in. The employee would benefit by saving both the travel time and mileage costs. The report does not try to put a dollar value on these types of savings, but they are real efficiency gains that would also be achieved by moving toward the plan.

Operational Challenges

Changes of the magnitude described in this report will run into significant barriers because this will require changing the way things are presently being done.

The local governments in Herkimer County could implement the changes identified in this report if they chose to. Every recommendation in this

report, or something close to it, is presently being done somewhere else in New York State. In other words, the building blocks for this model already exist. Where this report is groundbreaking is that it describes a comprehensive Long Term Plan for creating a unified model for efficiently delivering highway services that integrates County and Town operations.

Another factor in favor of local governments in Herkimer County being able to move forward with these recommendations is that the Towns and the County already have a strong historical basis for working together through the winter road maintenance contracts. The County and Towns have already implemented the most efficient model for winter road maintenance by having the Towns provide these services with their crews and equipment, thereby eliminating the duplication that would occur if the County also had its own winter crews and equipment. The recommendations described in this report are logical extensions of the winter road maintenance contract model.

Still, the report offers suggestions to address what are acknowledged to be challenges to putting these recommendations into effect. The report recognizes the following key challenges:

- Towns and Villages have built their current operations (staff, equipment and facilities) based upon current needs, and are thus cautious about taking on additional work without additional resources,
- The 19 Town highway superintendents are elected,
- There has to be a compromise in developing the zone sites in order to take into account the location, condition and size of current Town barns,
- Not all Towns and Villages have a strong track record of inter-municipal cooperation,
- There is the question of who benefits from the efficiency savings achieved.

These and other practical issues at both the County and Town/Village level will need to be worked through by County, Town, Village and City leaders in order to move forward with these recommendations.

Potential Efficiencies

As noted above, there is the potential to achieve net cost reductions of up to $516,000 per year if all local governments participated in the Interim Plan recommendations, and up to $875,000 per year if the Long Term Plan

is fully implemented (based upon 2009 costs). These figures do not include additional non-quantifiable efficiency gains discussed in the report.

A fundamental question had to be addressed in developing these recommendations, which was – "is it more efficient to centralize delivery of highway services (i.e. have them delivered by the County), or to decentralize delivery of highway services (i.e. have them delivered by the Towns and Villages.)"

In recent years, there has been an increasing amount of literature that suggests that decentralized delivery of routine highway services (e.g. at the local rather than the County level) is more cost effective. This is consistent with CGR's experience regarding operational costs. Towns are typically more cost effective, based on an apples-to-apples comparison, in several ways: a) Town employees are generalists, which means Towns have more flexibility in deploying staff as needed; b) Towns have minimum supervisory layers and lower supervisory costs; c) Towns are more flexible in response to local service needs.

On the other hand, centralized (e.g. County) operations are more efficient in delivering specialized services that are needed on a regional basis, such as engineering and planning services and services that require specialized training and/or equipment such as tree work, major road reconstruction and code work.

Thus, the model developed for this study recommends taking advantages of both types of efficiencies by contracting for delivery of routine highway services with the Towns while leaving a strong central planning and engineering core at the County level, along with certain specialized pieces of equipment and crews.

The major savings identified in the report can be achieved because:

- The current system of having both County and Town employees provide summer road maintenance results in staffing and equipment inefficiencies,
- It will be more efficient to have County and Town roads serviced by staff and equipment centralized in 8 zone barns,
- Having Towns run the zone barns rather than the County will reduce staff costs and benefit from the Town superintendents' ability to be more flexible in responding to local conditions and needs.

Overall, then, CGR concludes that, from the perspective of County government, it will be more efficient to do routine ongoing maintenance of County roads year-round by contracting with the Towns to provide that service. From the perspective of Towns, they benefit by having the County highway department provide planning and engineering services, specializing in bridges and signs, and by providing specialized heavy equipment and operators needed for road maintenance/construction work, and a tree crew. County staff would continue to manage the contracts for all major reconstruction projects of County roads, and would provide the planning, coordination and administration of routine annual road maintenance work delivered to the County by the Towns.

Moving Forward

This report provides a framework for making delivery of highway services more efficient for local governments in Herkimer County. The findings and recommendations recognize that the vision of the Long Term Plan, however, will most likely be achieved by a series of smaller steps that are described in the Interim Plan. None of these steps are revolutionary – they build on the current County/Town winter maintenance contracts and ongoing working relationships that already exist among the City, Towns, Villages and the County, as well as using ideas already in place in other Towns and counties in the state.

While many elected leaders may agree with the concepts in this report, it remains to be seen whether or not any of the recommended changes will in fact be implemented. During the review of these concepts with Town highway superintendents and Town supervisors, a number of these leaders suggested that there are three keys to successfully moving forward. These are:

- Identify a few Towns where the leaders are willing to try some of the recommendations on a pilot basis and see if the changes do in fact produce the types of efficiencies projected,
- Identify a workable number of services that the County can contract with the pilot Towns to provide to make the impact of these new service contracts manageable and practical,
- Negotiate a fair and equitable funding arrangement that benefits all parties, and commit to inter-municipal agreements that provide for a long enough period to provide a fair test of the impact of the changes.

A few examples have been suggested that could be initiated as the first steps to get the process off the ground, such as:

- The County could start to coordinate equipment and employees at one or more of the zone sites and ,

- The County and Towns could contract for the Towns to provide mowing or other operations on County roads.

By starting in this way, initial efficiency gains will likely be small. It may also be possible to experiment with more substantive changes of having one or more pilot Towns start to provide road maintenance under contract to the County. These may appear to be just small steps. However, starting down this path will build the momentum needed to reach the long term objectives identified in the Interim and Long Term Plans.

ACKNOWLEDGEMENTS

Many Town, Village and County staff took substantial amounts of their time to meet with CGR to help ensure that this study provided a useful roadmap for improving the delivery of highway services within Herkimer County. Those who contributed the most time to the success of this project, however, were the members of the Herkimer County Highway Shared Services Advisory Committee: County legislators Vincent Bono, Dennis Korce, Bernard Peplinski and Raymond Smith; County Administrator Jim Wallace, County Highway Superintendent Jay Ewanyk; Town Supervisors Kenneth Dodge (Schuyler), Dominick Frank (Herkimer), Michael McEvoy (Newport) and John Mowers (Salisbury); Village mayors Mark Ainsworth (Herkimer), Clifton Bennett (Poland), Bruce Lyon (Dolgeville) and John Stephens (Illion); and Town Highway Superintendents John Richard (Herkimer) and Donald Sroka (Schuyler).

CGR STAFF TEAM

This project was directed by Charles Zettek Jr., Vice President and Director of Government Management Services. Erika Rosenberg, Senior Associate, conducted many of the field visits and interviews and was the principal researcher. Additional staff research work was provided by Eric Morris and Hannah Griese. GIS mapping and modeling was developed by Kate Bell. Outside consulting services to CGR were provided by the firm of Wendel Duchscherer, Architects and Engineers, and by Thomas Low, former director of the Monroe County Department of Public Works and Town Highway Superintendent for the Town of Greece and the Town of Brighton.

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SECTION 1 - BACKGROUND

Herkimer County is a geographically expansive County with more than 1,500 miles of roadways maintained by 31 municipalities and the state of New York. Together, the County, Towns, Villages and the City of Little Falls spent more $31.5 million in 2009 to maintain this road network, which includes cleaning, repairing and rebuilding roads and bridges and road rights-of-way, and snow and ice control during the winter months.

The County's Highway Shared Services Advisory Committee contracted with CGR for assistance in developing an understanding of baseline operations and analyzing possible options for improved efficiency and service. The first step in the study was interviewing over 50 local officials to gather data, information about current practices, and impressions and opinions. Those interviewed included Town highway superintendents and supervisors, Village mayors and DPW directors, City officials, and County legislators and officials. CGR collected documents including budgets, personnel listings, equipment inventories, capital plans and collective bargaining agreements. Countywide data files were also obtained for this report, including the state Department of Transportation highway inventory, and mapping files from the County Highway Department.

The basic factual information about the road and bridge system County-wide was compiled into a baseline operations report that was shared with the committee and the participating local governments in early 2010. This baseline report (attached as Appendix A) became the framework for developing options for improved efficiency and service.

The three tables below provide a good summary of the size and scope of the roads and highways found in Herkimer County, and the cost of maintaining the transportation network in the County. TABLE 1 shows the roadway infrastructure owned by the local governments in the County, for which they are responsible.

TABLE 1
Roadway Municipal Infrastructure
Herkimer Local Government Ownership

	Centerline Miles	% of Total	Bridges	% of Total
County	578	46%	66	56%
Town	566	45%	42	36%
Village	93	7%	8	7%
City	25	2%	2	2%
TOTAL	1262		118	

Sources - NYState Dept of Transportation, Herkimer County

TABLE 2 provides more detail for the Towns, showing the breakdown of roads and bridges in Towns by owner (County vs. Towns). TABLE 2 is important because it shows that although the amount of County owned roads is spread fairly evenly across all the Towns (at the low end, 4.2% of all County roads are in Salisbury compared to the high of 7.9% of in Frankfort), County roads make up a varying share of total roads in the Towns. County roads only make up 26.5% of Town and County roads in Webb (the lowest ratio), but County roads are 86.9% of the total in Newport.

TABLE 2

Roads and Bridges in Towns, by Owner

	County Miles	% of All County Miles	Town Miles	County Miles as Share of County + Town	County Owned Bridges	Town Owned Bridges
TOWN						
Columbia	34.9	6.5%	33.9	50.7%	1	1
Danube	33.5	6.2%	16.2	67.4%	6	1
Fairfield	37.7	7.0%	15.2	71.3%	1	1
Frankfort	42.8	7.9%	38.7	52.5%	7	3
German Flatts	22.9	4.3%	25	47.8%	2	5
Herkimer	24.8	4.6%	22	53.0%	1	2
Litchfield	33.8	6.3%	26.5	56.1%	0	
Little Falls	17.9	3.3%	15	54.4%	0	1
Manheim	30.9	5.7%	14.5	68.1%	6	
Newport	41.8	7.8%	6.3	86.9%	7	1
Norway	23.6	4.4%	21.9	51.9%	5	
Ohio	23.7	4.4%	64.9	26.7%	6	9
Russia	33.8	6.3%	60	36.0%	6	2
Salisbury	22.6	4.2%	58.1	28.0%	6	7
Schuyler	38.0	7.1%	17.9	68.0%	6	
Stark	28.4	5.3%	19.5	59.3%	0	1
Warren	30.0	5.6%	28.1	51.6%	0	
Webb	24.8	4.6%	68.9	26.5%	2	5
Winfield	27.3	5.1%	14	66.1%	3	3

Sources: County and NYSDOT tables.

Note - All miles are centerline miles.

TABLE 3 shows the total spent on highway operations by local governments in the County based upon 2009 budgets. Of that amount, the County spent $15.4 million, or 49% of the total, and the Towns spent $11.9 million, or 38%. Thus, the County and Towns accounted for 87% of the total. This explains why the major recommendations of this report

focus on identifying efficiencies between County and Town operations, since they account for such a large portion of the total expenditures.

TABLE 3 Highway Operations Costs 2009 Budgets			
	$ In Budget		% of Total
County	$ 15,429,277		49%
Towns	$ 11,986,455		38%
Villages	$ 3,048,532		10%
City	$ 1,079,950		3%
TOTAL	$ 31,544,214		

Source: Municipal operating budgets

The baseline operations report found that every local official we interviewed was already working with other local governments in various ways to share equipment and staff, especially during the summer road maintenance season, to reduce their costs and create efficiencies. As CGR went around to the various operations, we were impressed with how managers at each level of government have tried to squeeze as much as they can out of their limited budgets to run their operations as efficiently as possible. What this means is that, when looked at from the point of one-to-one analysis of individual operations, with very few exceptions, there does not appear to be a significant amount of additional cost savings that can be obtained by taking existing operations and trying to make them more efficient.

Thus, CGR concluded, and the Committee agreed, that perhaps the way to proceed would be to step back from the existing model of service delivery, and take a broader perspective, to see if changes to the overall system of service delivery might suggest large scale efficiencies. Many officials we interviewed agreed that if it was possible to start over and re-design ownership and maintenance of the road system across the County, one would develop more cost-efficient ways to build and maintain the system. However, since the current patchwork system is the result of decades of incremental decisions within the underlying governance structure made up of the Towns, Villages, City and County, these same officials also commented that large-scale system changes will require give-and-take across the various municipalities in order to move toward a better system design.

The baseline report identified that local governments in Herkimer County already have a key building block for making changes for the future. This key building block is the inter-municipal agreement (IMA) between the County and every Town for the Town to provide snow and ice control on County roads. This means that the County government does not have to

hire County employees and own and operate County equipment to plow and sand/salt County roads. In short, a model already exists whereby the County has decentralized a major County operation to the Towns. It is important to understand that, across New York state counties, many counties still run their own snow and ice control operations in addition to towns. Thus, Herkimer has a distinct advantage in having already created the groundwork for contracting with the Towns to maintain County owned roads.

To conclude, many officials we interviewed pointed to the current cooperation around snowplowing for the County as a precedent for future efforts and the recommended summer road maintenance operations as the next logical area to pursue for increased cooperation and efficiencies. In light of the County's geographic and demographic diversity – ranging from denser, more urbanized development in the valley to large, sparsely populated Towns in the north, and primarily suburban and rural farming communities in the middle of the County – it was also clear that it would be important build any new service models based upon sub-regions that would take into account these geographic and demographic differences.

The options and recommendations that follow are built on the information in the baseline report, which uses operational and budget from 2009. The baseline report also provides much of the data summarized in the tables included in the sections that follow.

SECTION 2 – OPTIMAL SERVICE ZONES

Following completion of the baseline report, CGR recommended to the Committee that the study proceed to develop options for increased service-sharing and efficiency by assuming a clean slate and building a theoretical best case for delivering services to the existing highway system. As a first step, it was decided to model the theoretically optimal location of road and bridge maintenance operations without regard to existing municipal boundaries, in order to consider how one would theoretically design maintenance operations for the existing road and bridge network. In addition to the theoretical modeling exercise, CGR conducted additional data analysis and follow-up interviews with local officials to consider various ways of moving from the current system in the direction of the theoretical ideal.

Starting Point – The Theoretical Service Map

The starting point for identifying the most cost efficient way to deliver needed services to the existing highway system was to determine the optimal location and number of operations centers within the County.

Operations centers are the locations where equipment is stored and maintained, and staff report to work. These sites include garages (both warm and cold storage for equipment, salt and sand storage facilities, fueling facilities, office space and on-site storage for other operational needs (such as pipe, seasonal equipment, other building materials, etc.). Currently, there are 18 separate main Town garage sites, and a central County garage in the Village of Herkimer[1].

Based upon work done by CGR and other site location studies, it is possible to determine the optimal number of service centers for a given geographic area by identifying the response time desired to reach a certain destination. For this study, CGR used a conservative approach for setting response time – we used a 10-mile radius from a central point. This is the equivalent of driving for 20 minutes at thirty miles per hour. This is a reasonable average speed for snowplows, although it is recognized that road conditions and topography certainly will reduce this speed. The theoretical sites are intended to strike a balance between winter and summer work.

The 10-mile radius also represents the outermost service point for baseline service delivery. If properly sited, the theoretical service centers provide service to the bulk of the roads and residents in well under 20 minutes. To test the validity of the 10-mile radius as the outer limit, CGR noted that several of the larger Towns have their barns located more than 10 miles from some roads in the Towns. Thus, some Towns currently exceed the 10-mile radius boundary with their current operations. This is reasonable in the summer, but to provide better service in the winter, some Towns have satellite barns to provide snowplowing service to the edges of their Towns[2].

CGR used GIS software to identify the theoretical number of sites that can provide 20 minute coverage at 30 miles per hour (i.e. a 10-mile radius). The GIS software was used to create an outer border based upon traveling 10 miles from the central point along the existing road network. Using the existing road network creates a realistic border, rather than just drawing a circular radius around the central point. As a result of using the existing road network, the borders were irregular shaped polygons.

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[1] There are also 6 Village and 1 City DPW sites. A later section will present options for the Villages and the City to consider.

[2] The service model developed in this report allows for separate satellite barns for winter operations to ensure no loss of current levels of service.

The Theoretical Zone Map – Map #1

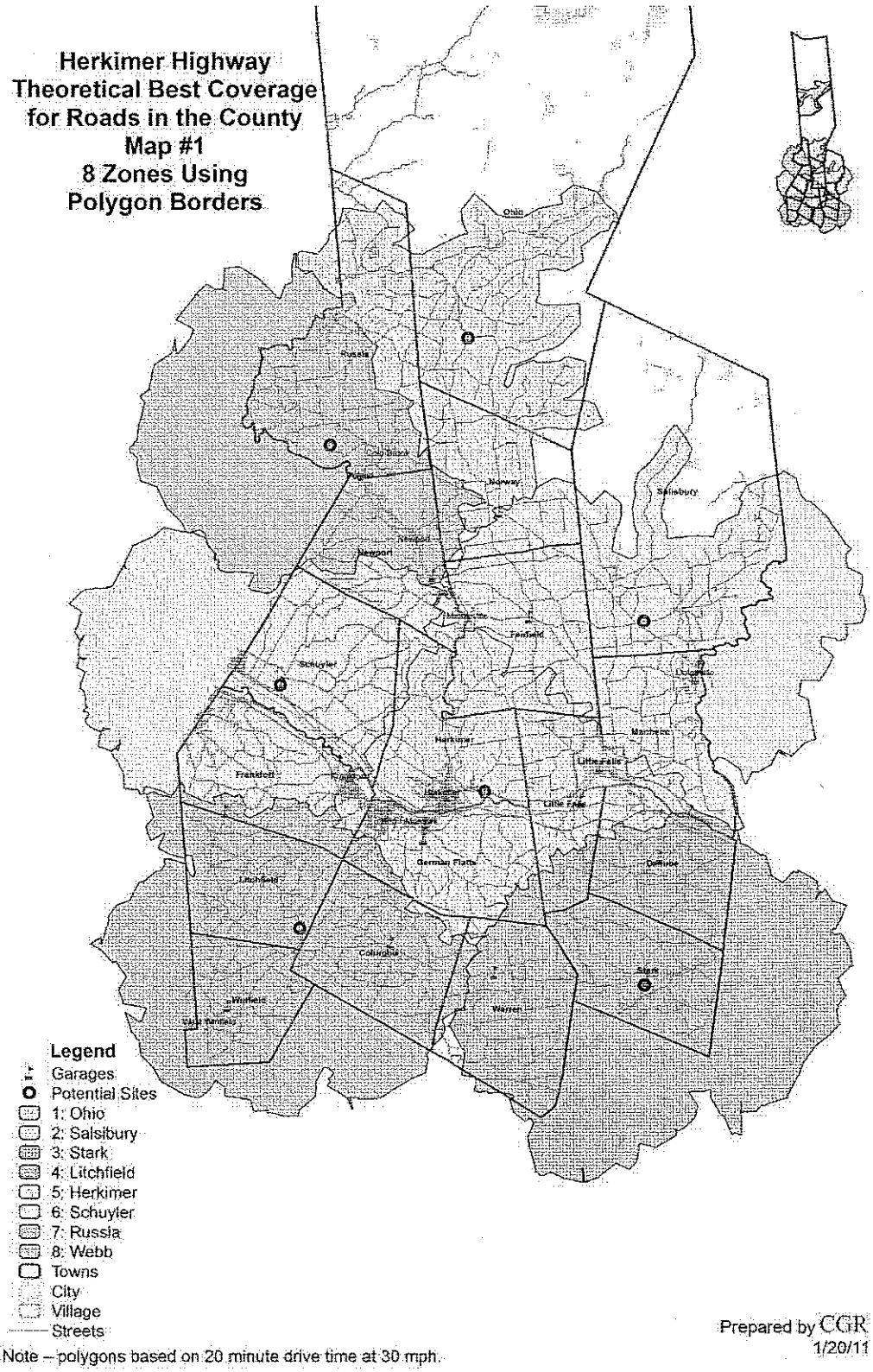
CGR went through a series of 13 iterations of maps to come up with the final maps shown below. In addition to the 10 mile polygon criterion, CGR also determined, with the approval of the Committee, that it made most sense to use, if at all possible, existing Town barn sites as the centers of each polygon. Earlier iterations of CGR maps identified theoretically optimal service center points, but these were not on existing plots of land owned by municipalities. In order to keep costs as low as possible, it was decided that the sites identified for this project should be existing Town sites, since the Towns already own the land, and all of the existing sites already have the buildings and other site improvements needed to support the service operations.

The resulting Map #1 shows the theoretical service polygons from the 7 Town barn sites that provide optimal coverage in all Towns except for Webb. Webb is so far from the other Towns that it would be its own site (site number 8). For some of the zone in Map 1, for areas within the County borders, the perimeter borders shown are actually less than 10 miles from the central zone sites in order to eliminate polygon overlaps where they occurred.

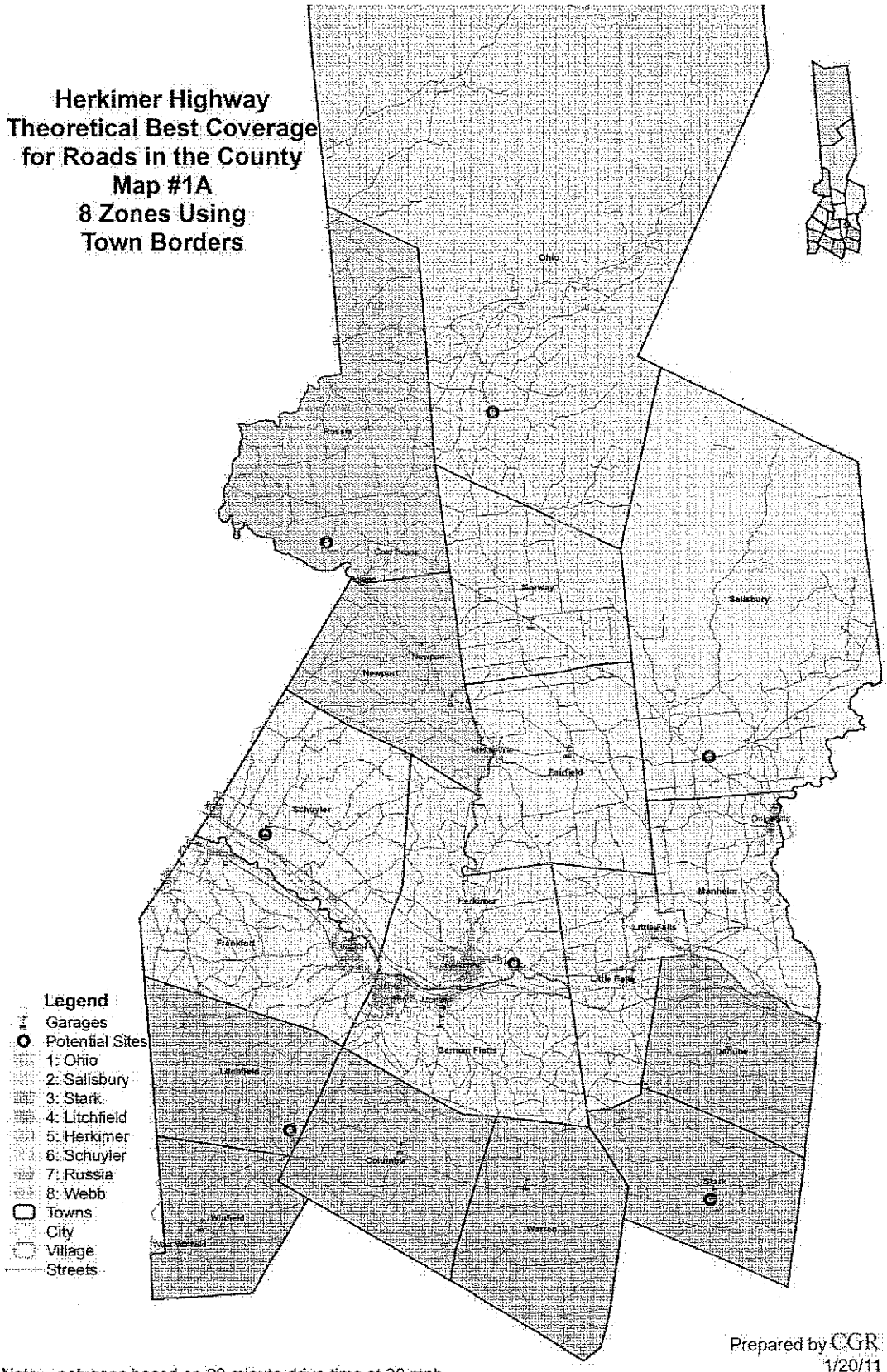
The Practical Zone Map – Map #1A

The problem with Map #1 is that the polygons as shown cut across Town borders in irregular ways. If the County and Towns were to implement the new model based upon the polygons in Map #1, it would require a radical re-structuring of routes, multiple cross-Town agreements and major re-training of staff to determine exactly where one service area ended and another began. Thus, CGR and the Committee made one final modification, and reduced the complexity of the polygons to instead mirror existing Town borders. By shifting small slivers of area around, it was possible to create clusters of 2 or 3 Towns that very closely approximated the theoretical polygons shown in Map 1.

Thus, Map 1A indicates the location of the 7 sites (not including Webb) that could provide the most efficient coverage to the seven clusters of Towns shown. These clusters will be referred to as Zones. The zones are shown by color code.


Herkimer Highway
Theoretical Best Coverage
for Roads in the County
Map #1
8 Zones Using
Polygon Borders
Ohio
Russia
Salisbury
Newport
Fairfield
Schuyler
Herkimer
Manheim
Little Falls
Frankfort
German Flatts
Litchfield
Columbia
Warren
Legend
Garages
Potential Sites
1: Ohio
2: Salsibury
3: Stark
4: Litchfield
5: Herkimer
6: Schuyler
7: Russia
8: Webb
Towns
City
Village
Streets
Note – polygons based on 20 minute drive time at 30 mph.
Prepared by CGR
1/20/11

Herkimer Highway Theoretical Best Coverage for Roads in the County Map #1A 8 Zones Using Town Borders



Prepared by CGR
1/20/11

Note – polygons based on 20 minute drive time at 30 mph.

Road mileage in each zone

TABLE 4 shows that after creating the zones using the GIS time/distance polygon methodology, the number of centerline miles in total and County centerline miles is reasonably evenly divided among the 7 multi-Town zones. This is an important consideration for allocating staffing and equipment to each zone in the future. Essentially, current Town operations (staff and equipment) would remain at current levels, with current County staff and equipment being allocated to the zones on a proportional basis when County operations get decentralized out to the zones, as described in the next section.

TABLE 4

County and Town Centerline Miles by Zone in Herkimer County

Zone	Town	County CL Miles	Town CL Miles	Total Miles	Zone Total Miles	*Zone as % of Total*
Zone 1	Norway	23.6	21.9	45.5	134.1	*12%*
	Ohio	23.7	64.9	88.6		
Zone 2	Fairfield	37.7	15.2	52.9	179.0	*16%*
	Manheim	30.9	14.5	45.4		
	Salisbury	22.6	58.1	80.7		
Zone 3	Danube	33.5	16.2	49.7	155.7	*14%*
	Stark	28.4	19.5	47.9		
	Warren	30.0	28.1	58.1		
Zone 4	Columbia	34.9	33.9	68.8	170.4	*15%*
	Litchfield	33.8	26.5	60.3		
	Winfield	27.3	14	41.3		
Zone 5	German Flatts	22.9	25	47.9	127.6	*11%*
	Herkimer	24.8	22	46.8		
	Little Falls	17.9	15	32.9		
Zone 6	Frankfort	42.8	38.7	81.5	137.4	*12%*
	Schuyler	38.0	17.9	55.9		
Zone 7	Newport	41.8	6.3	48.1	141.9	*12%*
	Russia	33.8	60	93.8		
Zone 8	Webb	24.8	68.9	93.7	93.7	*8%*
	TOTAL	**573.3**	**566.6**	**1139.9**	**1139.9**	*100%*

Sources: County and NYSDOT tables.

Note - C.L. = centerline miles

SECTION 3 – THEORETICAL VERSUS PRACTICAL

Section 2 described how the theoretically most efficient service location model was developed. The 8 service zones identified would be served from 8 central barns, using existing Town barn sites. TABLE 4 shows how the Towns would be grouped by zone and the road network to be serviced in each zone.

The theoretical 8 zone model raised many questions in the minds of Town and County officials when it was presented to them. These questions fall into two general categories:

- What are the financial benefits of moving toward that model?
- If there was the desire to move to the model, how can it possibly be implemented given the practical reality of what already exists?

In this section, CGR will provide a general response to these two questions, and the details of how to move forward will be addressed in subsequent sections.

Why the plan would produce efficiencies

As described in Section 1, CGR believes that the current model for winter road maintenance whereby the Towns provide service for the County is the most efficient model. There are three reasons for this:

- Given the expansive geography and different micro-climates within the County, it is far more efficient to provide snowplowing from decentralized operations (the Towns) than from a central site (the County). Towns can make localized decisions to respond as needed and keep overtime and other costs to a minimum,
- The County benefits by not having to keep, run and maintain snowplowing equipment and hiring staff,
- The Towns benefit because the County plowing contract revenues help offset the cost of Town staff that would be called in to plow Town roads, and help offset equipment overhead.

An additional benefit is hard to quantify but is very important in terms of the public's perception of efficiency. That is, Town plows plow all roads[3],

[3] Except in those cases where the State DOT plows state roads.

thus the public does not see examples where Town plows lift up their plows, skip over County roads, then drop their plows again on Town roads. Examples of trucks picking up their plows and skipping sections abound all across the state in other counties, and this fosters complaints about inefficiencies.

The plan provides the basis for achieving the same types of efficiencies for summer maintenance work. At this time, both the County and Towns run summer maintenance operations. As a result, CGR identified a number of inefficiencies:

- Running County operations out of the central barn in Herkimer results in a substantial amount of lost time for back-and-forth travel, in addition to wear and tear on vehicles and equipment and excess fuel costs,

- Some duplication of equipment between the County and the Towns. For example, Towns have their own mowing equipment and the County has its own mowers,

- Some Towns indicated possible inefficiencies in their staffing during the summer, as the Towns have to commit to a minimum number of full –time staff based upon the needs of winter operations (which include serving County roads) compared to summer operations (which do not include County roads),

- The largest costs for summer road maintenance work are for materials and to hire specialized contractors (e.g. Suit-Cote, pavement machine operators, etc.). While most Towns use County contract pricing, and the County tries to coordinate its work in quadrants with Towns, interviews indicated that that there could be additional efficiencies by coordinating both Town and County work in quadrants and engaging materials suppliers and specialized contractors at one time, to achieve volume efficiencies.

Moving to the zone model would improve efficiencies in each of these areas:

- Having current County equipment and staffing decentralized to the zone barns would significantly reduce travel time, equipment wear and tear, and fuel costs.

- Locating current County equipment at the zone sites would create the opportunity to identify underutilized equipment and sell excess equipment,

- Planning summer road maintenance by integrating operations between the Towns, including current County resources of equipment and staff would provide the opportunity to better identify the right amount of staff required to perform the work and will likely result in some staffing efficiencies,

- Planning summer road maintenance by zones, incorporating both Town and County road needs, would allow for more cost efficient purchasing of materials and contractors.

In addition, moving to the 8 zone model would, over time, reduce the capital requirements needed for facilities. Initially, additional capital investments will be needed to increase the size of the Town barn and/or make other site improvements to accommodate the additional equipment and employees at the zone site. However, these will be offset by cost reductions that can be achieved by no longer needing to make significant capital investments in all 18 current facilities, plus the County barn.

Last, moving to an 8 zone plan would provide the opportunity to streamline the management of highway operations. This is a controversial topic, given that there are currently 19 elected Town highway superintendents as well as the Village and City DPW superintendents, as well as County supervisory staff. However, longer term, the Towns and the County could take steps to reduce the number of management staff required to run operations under the zone model[4].

Practical Steps – an Interim Plan and a Long Term Plan

Recognizing that, even if they wanted to, local governments cannot simply move directly to the 8 zone concept, CGR has identified steps that the local governments could take that would be consistent with the Long Term Plan and could achieve some of the same efficiencies, although on a smaller scale.

The practical way to proceed is for the County to begin to contract with some or all Towns to provide specified services for County roads. One way to do this, as suggested by a number of Town highway

[4] In theory, and consistent with Town Law Section 20.1 (k), going to 8 zone supervisors could be achieved by having towns in the zones contract with the zone lead town for highway services through an IMA, and then re-structure the town highway superintendent's position to be consistent with the zone concept, where one person is contracted with and designated as the lead for the zone.

superintendents, would be for the County to start with contracting mowing services to all Towns. The annual centerline mile fee would be negotiated in the same manner as the snow and ice contract. As described in Section 4, the County has very good historical records breaking down the costs per Town of various County services. Towns need not be limited to mowing – some Towns may choose to deliver additional services on a fee-for-services basis.

The way to achieve the highest projected efficiency gains would be for the County to contract with the Towns for the complete delivery of summer maintenance services. The model for this already exists. For more than 20 years, Monroe County has had what is referred to as an All Seasons County/Town Work Agreement[5]. Under this agreement, the Towns provide essentially all work on County roads on a fee-for-service basis. The County currently only runs a skeleton crew of County staff and equipment, but also provides the required quality control and project management oversight to ensure that the County road network is maintained according to County standards.

Based upon a survey sent to all counties in the state, 6 counties indicated that Towns perform some contract work on County roads, which include mowing, ditching and sweeping. Although the Monroe County model appears to be by far the most comprehensive sharing agreement between a County and its Towns, clearly, Towns and counties in other parts of the state have worked out mutually beneficial arrangements for shifting County operations to the Towns. So, the conceptual model does work.

Based on these findings, CGR has developed what we refer to as an Interim Plan. The Interim Plan could be achieved without going all the way to the zone model described in the Long Term Plan. The Interim Plan would keep the current Town structures of independent highway superintendents, but assumes that the Towns shift to providing all-seasons road maintenance similar to the Monroe County. As part of the shift to having the Towns picking up responsibility for County summer road maintenance (for a negotiated fee), a certain amount of County equipment would be relocated to the 8 proposed zones as well as County staffing hours, as measured in full-time equivalent (FTE) hours. The decisions about hiring to gear up for this shift of responsibilities will have to be worked out in detail with the Towns (to be discussed in more detail in Section 5 – Implementation). However, the key point for moving forward is that there would be a resource shift from the County to the Towns, as the Towns incrementally pick up former County work and the County

[5] Complete sample master agreement is provided in Appendix B.

gradually gets out of the direct service business. The projected cost savings from the resulting efficiencies are described in Section 4.

SECTION 4 – PROJECTED COST SAVINGS AND OTHER BENEFITS

In order to identify potential efficiency savings and other potential benefits of moving forward with the plans described in this report, CGR spent over 800 hours evaluating budget data provided by the Towns, Villages, City and County and building databases that incorporated financial and operational data including data about personnel, equipment and facilities provided by the governments and collected by CGR through site interviews and visits. Key components of this data are summarized in the baseline report attached as Appendix A, however, significant additional data was identified and incorporated after the baseline report was presented to the Committee. The information and data was then used to develop staffing, equipment and facilities models for various model options, until the final models were developed as presented in this report as the Long Range Plan and the Interim Plan.

In this section, CGR will present a summary of the key variables that were used to identify and calculate potential cost savings that can reasonably be projected by implementing the two plans. While CGR had as background information detailed staffing information, as well as detailed equipment listings, we did not, for purposes of this report, undertake to do a detailed analysis of specifically what people, positions and equipment would be directly affected by either plan. This report is designed to provide higher level policy options. Until local government leaders in fact decide to move forward to implement some or all elements of the plans, it is not possible to build a savings projection based upon specific positions and pieces of equipment.

That said, CGR believes the savings identified are realistic and achievable over time. We have been careful to not overstate potential savings, in order to not create unrealistic expectations. Further, the savings estimates are based on full implementation of each plan. Savings for partial implementation of either the interim or long range plan are not possible to calculate without knowing the financial arrangements that would be included in IMAs between the County and Towns trying one or more changes on a pilot basis. It is possible, in fact, that overall costs might not change for small scale pilot programs, until the number of Towns participating reaches the point where scale efficiencies can be achieved. However, it is important to begin to try these changes, even on a small

scale, to begin to move toward implementing the interim or long range plans.

Key concept #1 – the County will pay for service

CGR's cost savings projections for both two plans – interim and long term, are based on a very basic principle. This is, that although the County will gradually shift responsibility of its routine maintenance operations to the Towns, the County will pay the Towns a fair negotiated price to pick up those responsibilities. The efficiency savings will result because CGR believes that it will cost the Towns less to provide maintenance operations for all roads in the County than it currently costs the Towns to maintain Town roads and the County to maintain County roads with separate operations. Both the interim and Long Term Plans assume that the Towns will have to increase the size of their operations in order to absorb the additional County work. However, CGR projects that the overall size of the work force and the fleet of equipment can be reduced as Towns pick up what used to be former County operations. In addition, reduced travel and wear and tear will produce additional cost savings and more efficient use of manpower.

This is an important point, because CGR heard from several Town superintendents that they thought that the County was just planning to get out of the business and simply push the cost down to the Towns. This is not the concept. What CGR has done is to identify the total County costs for these operations, strip out some costs based upon projected efficiency gains, and then allocate what used to be County costs to the Towns as a payment from the County to the Towns. Again, the County payments would be a revenue stream to the Towns, similar to the snowplowing payments.

Key concept #2 – how the Towns benefit

The Towns will benefit from the interim and Long Term Plans in three key ways.

First, the Towns will receive payment for the maintenance operations provided to County roads. The amount of these payments will be the subject of negotiations if the Towns and County accept the recommendations in this report. In a later section, CGR will provide our estimates of what these payments will likely be based upon current County costs, less efficiency gains, as described above. For some basic services, such as mowing, sweeping and minor ditching, these may be flat rate per mile fees. For other services such as road repair and resurfacing, Towns would be paid on a per-job basis, using Town fully loaded labor rates and State blue book equipment rental rates. For the basic rate contracts, Towns will gain a predicted and steady source of revenue. For the

contracted work, Towns may receive substantial additional income depending on the work involved.

Second, any work that the County pays for that can be done by existing Town staff, using existing Town equipment, is incremental revenue to the Town, thus, it helps reduce the Town's cost of doing business. Similarly, County per hour equipment rental payments based upon New York blue book rates help cover the fixed overhead costs of the equipment that would not otherwise be covered. Again, this represents a net reduction in unit costs that Town taxpayers have to pay, so it is a benefit to Town taxpayers.

Third, information provided from interviews indicates that, in at least some Towns, the Towns can likely perform at least some of the County work with existing Town crews and equipment. This would be an example where Towns could get more productivity out of existing crews. Again, the Towns would benefit from this arrangement.

It should be noted, however, that the proposed shift would create additional work for the Town highway superintendents in terms of planning and management responsibilities, and will require more storage space, higher maintenance costs, higher equipment replacement costs and potentially more personnel costs. As noted above, the estimated flat rate and hourly payment rates shown below represent fair market rates that will compensate the Towns for these additional costs. However, payments to the Towns will not be able to overcome the fact that this will place additional responsibilities on the highway superintendents. Since the basic Town operations would not be affected by the Interim Plan, which assumes continuation of 18 individual Town operations, the Interim Plan has not built into it additional costs for the increased responsibilities, although that could certainly be a component of the negotiated rates. For the Long Term Plan, CGR did build in compensation increases for the superintendents in charge of the 8 zone barns.

A key data source – County operations records

A very important source of data used by CGR to develop the cost projections and model contract rates is the operational data available in the project accounting system kept by the County Highway Superintendent's office. This database breaks down the the type of maintenance work done on County roads (for example, mowing, tree removal, ditching, sweeping, oiling, patching, etc), and the actual labor hours and material costs, as well as assigned equipment cost, for each Town, per year. In order to obtain a fair average cost over time, CGR built a master database taking the County data for four years (2006 through 2009). This gave CGR the ability to develop actual costs for each of the major services tracked by the

County, in each of the Towns, and to derive measures such as labor hours per mile, costs per mile, etc.

An example of the data for each Town is included in Appendix C, which is a copy of the print-out for the Town of Litchfield for 2008. To continue with the example for the Town of Litchfield for mowing costs, CGR took the labor, materials and equipment costs for Litchfield for each year 2006 to 2009 and calculated the average cost by each type of expense. The average number of hours spent mowing County roads in the Town was 217 hours per year and the average labor total cost was $3,125 per year. Adding in assigned equipment costs, the total assigned average cost for mowing roads in Litchfield was $4,172. Based upon the number of centerline miles of County roads in Litchfield, this equated to an average cost of $122 per mile per year – just above the overall County average of $120 per mile per year.

CGR built comparison tables for each of the operations tracked by the County, and used the results to develop cost per mile projections. That data, along with the detailed County budget data which identifies personnel, equipment and materials costs by function (i.e. street maintenance, bridges, engineering, administration, etc.) was used to develop cost reduction projections based upon efficiency estimates. The efficiency estimates were developed by CGR and the County Highway Superintendent based upon his knowledge of County operations and projections about what County operations would remain if the normal road maintenance operations were contracted out to the Towns.

Efficiency opportunities

Some efficiency opportunities can be quantified, from which measurable cost savings can be estimated. CGR's cost reduction estimates are based on what we believe will result in direct cost savings that would be reflected in future budgets. For example, we project a true budget savings due to a reduction in personnel costs, because of 6 FTE[6] positions, which equates to a quantifiable cost reduction based upon average salaries identified, plus benefits. Less easy to identify are cost savings that would result by being able to use existing personnel and equipment more efficiently, i.e. saving travel time that would otherwise be non-productive. In these cases, it is reasonable to apply a percentage estimate against known costs to calculate potential cost savings.

Peripheral savings or other benefits that cannot be readily accounted for are not included in CGR's savings estimate. As one example, the benefit

[6] An FTE is a full-time equivalent, which for general purposes equates to 2080 hours per year.

to an employee of not having to drive so far to work (which would be one outcome by decentralizing County operations into the 8 zones) is not counted. As another example, having a larger pool of employees reporting to a zone provides the opportunity to manage deployment of staff and equipment differently and more efficiently. These are potential benefits that will not be known until the recommended changes are made, but CGR was told in many interviews that these would be real benefits of consolidating operations as envisioned in the two plans.

TABLE 5 summarizes the cost savings projected by CGR. The savings were calculated using costs for the various expenditure lines as shown in the County highway budget. That is based on the concept that current County operations would be shifted out to the Towns, with the County paying the Towns for those services. Thus, we assumed that current Town operations and costs would remain the same, i.e. the Towns would continue to budget as they always have for their current operations. Town budgets would increase by the amount of County costs for personnel, supplies and equipment that shifted to the Towns (the last column in TABLE 7).

The savings in TABLE 5 are derived from the following elements:

- Current Allocated County Costs (Column 1), which total $6,020,550, is the current baseline for determining cost savings. Allocated costs are those costs that would shift based upon the interim and Long Term Plans. These lines reflect current County budget costs less the County staff and equipment that would be retained in the much smaller County operations to provide specialized services (such as a tree crew with the County owned aerial bucket truck, large equipment retained by the County for use throughout the County, etc.).

- Projected Savings (Column 2) total $516,605 for the Interim Plan, and an additional net $359,000 for the Long Term Plan, for a total potential savings of $875,605 per year.

- Costs picked up by the Towns paid for by the County under contract (Column 3) total $2,549,585.

- Remaining County Budget Items (Column 4) total $2,595,360. This assumes that the County will remain fully responsible for purchasing the materials and supplies, and contracting for services, for the annual summer road work, including paving, chip sealing, and oil and stone work, and also includes additional expenses recommended to implement the Long Term Plan.

To summarize, currently budgeted costs of $6.02 million are projected to be reduced by $516,000 if the Interim Plan is fully implemented. This equates to an 8.5% efficiency savings for the Interim Plan. An additional net savings of $359,000 is projected if the Long Term Plan to centralize road maintenance operations into 8 zones is implemented. In total, this could result in net savings of $875,000 per year, or 14% efficiency savings. Another way to state this is it would equate to a savings of $1,525 per centerline mile of County roads. This annual savings can be projected for five years, not including inflation.

TABLE 5

Projected Annual Savings, Interim and Long Term Plans, by Cost Component

	Current Allocated County Costs	Projected Savings	Funding Shift to Towns	Remaining County Budget Items
Interim Plan Components				
Mowing, Animals ,Refuse, Ditching personal	$ 350,000	$ 65,000	$ 285,000	
Maintenance personal service less $350,000	$ 884,494	$ 185,000	$ 699,494	
Subtotal all maintenance personal services	*$ 1,234,494*			
Maintenance supplies/materials	$ 2,355,000			$ 2,355,000
Maintenance contracted services	$ 588,800	$ 29,440		$ 559,360
Maintenance fees for service	$ 36,200	$ 28,960	$ 7,240	
Maintenance misc	$ 9,600	$ 8,600	$ 1,000	
Maintenance benefits	$ 504,165	$ 27,750	$ 476,415	
Machinery personal service	$ 436,667	$ 42,000	$ 394,667	
Machinery contracted services	$ 12,850	$ 1,928	$ 10,923	
Machinery gas, oil, auto	$ 512,850	$ 76,928	$ 435,923	
Machinery benefits	$ 129,924	$ 21,000	$ 108,924	
Equipment replacement program	$ 200,000	$ 30,000	$ 170,000	
Additional Long Term Plan Components				
Additional Personnel efficiencies		$ 339,000		$ (339,000)
Equipment savings or sales revenue		$ 170,000		$ (170,000)
County Barn O&M costs		$ 10,000		$ (10,000)
Town Barns O& M costs		$ 40,000	$ (40,000)	
Increase pay of 8 Zone superintendents		$ (40,000)		$ 40,000
8 Zone Barns facilities improvements		$ (160,000)		$ 160,000
Total	**$ 6,020,550**	**$ 875,605**	**$ 2,549,585**	**$ 2,595,360**
Savings from Interim Plan	**$ 516,605**			
Additional Savings from Long Term Plan	**$ 359,000**			
Total Savings per Year for 5 Year Projection	**$ 875,605**			
Savings per county centerline mile	**$ 1,525**			

The efficiency estimates shown in TABLE 5 are summarized as follows:

- Personnel efficiencies for the Interim Plan include a 20% efficiency for Town management of County mowing, animal pick-up, refuse and ditching personnel costs, reduction of the equivalent of 5 FTEs from other road maintenance operations moved to the Towns, the savings of 1 FTE mechanic as the fleet begins to shrink, and associated reductions in benefits costs. Additional personnel efficiencies in the Long Term Plan will include the reduction of 4 district foreman and 1 additional mechanic positions through attrition as operations shift to the 8 zone concept (salaries plus benefits), partially offset by an increase in pay to the 8 zone superintendents.

- Equipment efficiencies for the Interim Plan include reductions in equipment maintenance, fuel and replacement program costs as equipment is relocated to the Towns and better utilized. In addition, the Long Term Plan annual savings includes a net savings to the County (through disposition or transfer of surplus equipment) of $170,000 per year for the first 5 years, until the entire fleet is right-sized. Of the current County fleet, 91 pieces were included in the Long Term Plan projections, ranging from tractor mowers to dump trucks to graders. The estimated current market value of the 91 pieces of equipment is $1.7 million. The Long Term Plan assumes that one-half of these vehicles would be allocated to the zones, with the remaining one-half being removed from the operations as redundant.

- Facilities efficiencies were not identified for the Interim Plan, as personnel and equipment are likely to be shifted to the Towns piecemeal over time, and up to some point Town facilities can be expected to absorb the shifts. However, once the Long Term Plan starts to be implemented, facilities costs will start to be significant. Current Town barns, and the County barn, will be able to reduce operating and maintenance (O&M) costs as they become less fully utilized. However, a corresponding shift in costs will occur to the 8 central zone barns. CGR allocated $160,000 per year for facilities improvements, capital costs and/or O&M costs, to be allocated to the central zone barns.

Additional benefits

Based on interviews and additional research by CGR, there are additional benefits that could result from the interim and Long Term Plans.

One major benefit of beginning to centralize equipment and personnel at central zone facilities is the opportunity of receiving state LGE

implementation grants by consolidating operations in an innovative way such as envisioned in the Long Term Plan. Governor Cuomo's 2011-12 budget included $40 million for a new category called "Local Government Performance and Efficiency" grants. These grants will be offered *after* changes have been fully implemented as an after-the-fact reward and incentive program. Awards can be up to $25 per capita for participating communities, up to a cap of $5 million, if the communities can demonstrate "quantifiable recurring financial savings, efficiencies and permanent improvements to municipal services." CGR believes that if Herkimer governments implemented the Long Term Plan concepts presented in this report, even within 1 zone, this would put the Towns participating in the zone(s) into an excellent position to apply for this grant.

An excellent local example of the potential for state funding assistance to help implement the 8 zone concept is the SMSI grant awarded to the Town of Russia and the Villages of Cold Brook and Poland. These three governments received a $644,000 state grant and a $53,800 U.S. Rural Development grant toward the new $1.4 million consolidated Town/Village highway barn and salt storage shed which was completed in 2009. This joint facility is identified as one of the central zone barn sites.

Up to this point, there has been little discussion about bridges in the County. This will be addressed in a subsequent section. However, in this section, it should be noted that the Herkimer County Highway Department has professional engineers on staff with the knowledge and experience to manage the bridge system in the County. However, as noted, 52 out of the 118 bridges (44%) owned by local governments in the County are the responsibility of governments other than the County. In other words, the County is responsible for only just over half, or 56% of local bridges. Although it is not possible to put a dollar value on the efficiencies of transferring responsibility of bridges from the Towns to the County, CGR heard in many interviews that the County is better equipped, from a technical perspective, to be responsible for bridges. Many other counties in the state have assumed responsibility for almost all bridges within their counties. For example, only 11% of the bridges in St. Lawrence County are owned by towns and villages – the county is responsible for 89%. In Schoharie County, the county is responsible for 91% of the local bridges and in Monroe County, the county is responsible for 75% of all local bridges. CGR believes that transferring responsibility of most if not all bridges to the County, as part of the Long Term Plan, would result in efficiency gains as a result of consistent management by skilled professionals available at the scale of the County and not available on a routine basis to Town operations.

SECTION 5 – IMPLEMENTATION

The efficiencies and cost savings described in Section 4 will require the Towns and the County to actually implement changes. This section outlines the changes envisioned for both the Interim and Long Range plans, and provides examples of how these changes could be made, building on examples from Herkimer or from elsewhere around the state.

Based upon feedback received by CGR from the presentations on the models to Town highway superintendents and Town supervisors, it appears safe to say that the Towns and the County will want to move towards the Interim and Long Term Plan models in steps. The speed with which the Towns and County will take these steps will likely be driven by several factors, such as: the severity of the pressures to reduce costs through efficiencies; opportunities for change as a result of normal turnover of staff and elected officials; outside funding through grants that provide incentives to accelerate consolidation efforts.

A reasonable and achievable way for the Towns and County to move forward in incremental steps is to progress towards the Long Term Plan in stages. What follows is an outline of the major steps that would build first toward achieving the Interim Plan model (County distributing most of its road maintenance operations and consolidating them with the Towns, and then moving to the Long Term Plan (consolidating management and delivery of road maintenance operations into zones).

Step 1 - Identify several Towns willing to participate in a pilot program for shifting some County services out to the Towns. The best case would be to identify at least one set of Towns who grouped into a proposed zone. This would provide an opportunity to pilot the zone concept at a later step.

Step 2 – Identify current County operations that the Towns will pick up, and negotiate the IMA for these services. The IMA would describe the service(s) and the contract price that the County will pay. The IMA's should be for at least 2 years, to allow sufficient time to work through any transition issues.

Step 3 - Expand the types of services covered and/or the number of Towns participating in the expanded services contracts. Eventually, the working relationship between the County and participating Towns will have evolved to the point where effectively the Towns will be providing the full range of services equivalent to the Monroe County All Seasons Agreement. When the County and Towns have reached the point where Towns are providing full year-round contract service to the County, this will be the indicator that the Interim Plan has been achieved.

Step 4 – Once the County and Towns have become comfortable with the Towns providing full service contract work, adjacent Towns can begin to centralize operations into the zone barns. This will lead to the additional personnel, equipment and facilities efficiencies and facility upgrades shown in the Long Range Plan.

The four steps listed above provide the conceptual framework for how to proceed. However, many specific implementation questions were raised in interviews about key details and barriers that need to be addressed. What follows in a Question and Answer format are responses to the more frequently raised questions and comments.

It is important to recognize that the answers provided are general in nature because this is intended to be a conceptual planning exercise. Specific detail will need to be worked out through the specific IMA's that are developed during each step, among the participating municipalities. However, the answers are intended to provide the framework of what could be done, if some or all of the Towns and the County do determine to move forward with the models described.

Step 1 – Identifying Pilot Towns

To begin to implement the shift toward Towns providing additional highway services to the County for County roads, the County could contact individual Towns to solicit an interest. One way to ensure that all Towns have the same opportunity to respond would be for the County to send every Town a formal Request for Expression of Interest (REI). This could be a simple letter asking if the Towns would be interested in participating in a process to negotiate a contract with the County for an expanded delivery of services to the County. This would not obligate the Towns in any way, but it would indicate a willingness to perform one or more services from a selected sample for an agreed contract amount.

Step 2 – Developing Service IMA's

Q. What services would be contracted with the Towns?

A. A good first step would be for the County to contract with Towns to provide some of the more routine services that Towns are already performing on Town roads. As noted previously, in a survey sent to all counties across the state, 6 counties indicated that Towns perform some summer contract work on County roads – primarily mowing, ditching, sweeping, refuse and animal pick-up.

A suggested starting point for Herkimer County and the Towns would be to choose from the list of 10 commonly provided services by the County on County roads listed in TABLE 6 shown below. This list was pulled from the master database of County services developed by CGR from the

County Highway Department's project accounting records for 2006 through 2009, which was described in Section 4. The list offers a range of options to consider, from very low cost items that the Towns could probably do for little to no incremental cost on their part (e.g. dead animal and trash pick-up) to more substantive services.

At a Town highway superintendents' meeting, it was suggested that the County consider starting with mowing as a service that could be contracted out to the Towns. In Monroe County, mowing is bundled with refuse and animal pick-up as a flat fee per mile service. Perhaps a similar grouping would make sense in Herkimer if there was the desire to expand beyond just mowing as a starting point.

TABLE 6 shows how actual County cost records could be used as the basis for developing an IMA with the Towns. The IMA would define the service to be provided in sufficient detail to describe the type, quantity and quality of service provided, and the payment terms. TABLE 6 also provides a basis for setting the payment terms, as will be discussed next.

TABLE 6

County Average Costs for 4 Years Across all Towns - For Selected Sample of Services

Service Description	4-Year Average Total Spent by County	4-Year Average Spent Per County Mile	4- Year Average Spent per County Mile for **Materials**	4-Year Average Spent Per County Mile For **Equipment**	4-Year Average Spent Per County Mile for **Labor**	4-Year Average Spent Per County Mile **LABOR & EQUIP** Only	Labor & Equip. Only with 5% Efficiency
PICKING UP DEAD ANIMALS	$2,669	$4.65		$1.30	$3.35	$4.65	$4.42
GARBAGE & TRASH PICK UP	$9,858	$17.18		$4.81	$12.37	$17.18	$16.32
POT HOLES	$19,268	$33.57	$3.36	$8.39	$21.82	$30.21	$28.70
SWEEPING[1]	$32,934	$57.39		$15.94	$41.45	$57.39	$54.52
BRUSH	$46,074	$80.28		$22.30	$57.98	$80.28	$76.27
GUIDE POST & RAILING	$47,801	$83.29	$4.16	$21.98	$57.15	$79.13	$75.17
MOWING	$68,978	$120.19		$33.39	$86.81	$120.20	$114.19
PATCHING[2]	$86,868	$151.36	$105.95	$12.61	$32.80	$45.41	$43.14
CULVERTS	$97,888	$170.57	$17.06	$42.64	$110.87	$153.51	$145.83
DITCHES & SHOULDERS	$499,406	$870.20	$261.06	$169.21	$439.93	$609.14	$578.68

Source: County Highway project accounting system 2006 - 2009 data. Components estimated by CGR from sample data.

1. Routine clean-up, does not include oiling and patching sweeping

2. Cold patch - does not include patching for oiling and chip sealing

Q. What resources would shift to the Towns?

A. The answer to this question is easy in terms of concept, but the specific answer will have to be worked out on a case-by-case basis. The short answer is – over time, on an as-needed basis, current County equipment would be transferred to the participating Towns as part of the shift in responsibilities. If Towns need additional personnel to carry out the

County work, the Towns would make their own decisions on a case-by-case basis as to whether or not they wished to hire part-time or seasonal or full-time employees.

Regarding equipment, there are several factors that will have to be considered, again – case-by-case. In general, County equipment that could be used by the Towns that the Towns are interested in obtaining could be transferred by the County to the Towns under the IMA. Alternatively, the County and/or the Towns could sell surplus equipment and convert that into funds to be used to purchase additional needed equipment. Cost efficiencies can be expected from a combination of the combination of the Towns using their existing equipment to do the additional work, the County spinning off equipment to the Towns to supplement the Town equipment as needed, and selling surplus duplicate equipment that is not needed once the Towns pick up a service.

Regarding personnel - hiring would be based on the needs of each Town on an individual basis. As the work load shifted from the County to the Towns, the County would begin to downsize its work force. The County has the flexibility to reduce its work force by reducing part-time positions as needed or reducing full-time positions through attrition. Cost efficiencies can be expected from the combination of Towns making hiring decisions based upon the needs of their work force, and the County downsizing its work force. If managed carefully, these two effects will produce the labor efficiencies identified in the two plans.

One work force issue that has been raised is the question of the financial impact on Towns regarding increased use of part-time employees year-round rather than just in the winter. CGR's interviews with Town highway superintendents suggest that different Towns are going to manage this question differently. In some cases, Towns may be able to handle a certain amount of additional work in the summer with their current work force. Some may decide to hire additional full-time staff that would increase their baseline work force, which might reduce the need to hire as much part-time staff in the winter. Others may choose to hire additional part-time/seasonal staff as needed. The rates negotiated with the County are intended to pay for staff and equipment costs (as discussed later), so Towns will have the funds to hire additional staff if they choose to use the funding that way. Again, this will be handled on a case-by-case basis.

How would this be worked out in practice? Assume a Town is willing to consider mowing County roads, at two cuts per year, to be done consistent with when the Town is mowing Town roads. One scenario is that existing Town equipment and manpower could absorb this additional work. Another scenario might be that the Town could re-direct existing manpower, but that the Town doesn't have the right equipment to do the

County work. In that case, the County could transfer one of its mowers to the Town, for use by the Town or other Towns as designated by the County and agreed between the Towns. A third scenario might be that the Town would need to hire additional staff to do the County work, in which case the Town would decide whether or not to hire part-time staff, pay overtime, etc. Any combination of these and other options will be worked out on a Town-by-Town basis. In conjunction with this arrangement, the most efficient use of the County equipment would be to locate various County equipment that would be used by the Towns at a zone barn.

Q. What would the County pay for the service?

A. Following the examples from the current County Snow and Ice contract and contracts in other counties and towns, there are two models being used – the Flat Fee per lane mile method and the Fee for Service method. In some examples, both methods are combined.

For more routine, predictable and lower cost services, a flat fee per centerline mile seems to be preferable. Using TABLE 6 rates, for example, the overall efficiencies projected in this study could be achieved if Towns agreed to mow County road rights-of-way for something in the range of $115 per mile per year. For comparison purposes, the Monroe County flat rate for mowing twice per year is $85.25 per mile per year.

This example shows the flexibility that Herkimer County and the Towns have in negotiating any service contract. If the County contributes County equipment, then the Town's cost could be reduced. If the Towns want some combination of flat fee and per hour rate to cover additional personnel costs, this could be worked out. As long as the combination of costs to the County does not exceed approximately $115 per centerline mile per year for mowing County roads, efficiencies will have been achieved as envisioned. The same logic applies for every other service shown in TABLE 6 and for the more comprehensive range of services currently provided by the County for County roads.

Two important concepts need to be noted in closing out this discussion.

First, the costs shown in TABLE 6 do NOT include materials and/or contractor costs. The Interim Plan is based on the premise that negotiated Town contract costs would only be for labor and equipment. The County would continue to either directly purchase materials and contractor costs, and have them delivered to the Towns, or the Towns would purchase the materials and contractors, with the prior approval of the County, and the County would direct pay for the materials and contractors. This reduces the cost risk to the Towns, and it also keeps materials and contractors costs for County roads under management of the County.

Second, the County and Towns can have the flexibility to adjust individual service costs to perhaps better reflect market conditions. The only underlying principle is that, overall, total County centerline costs for all services should be lower than the total current costs, in order to achieve the efficiencies that have been identified in this report. For example, it may prove more desirable to agree to a flat rate of $120/mile/year for mowing. That could potentially be offset by the Towns agreeing to pick up dead animals at no charge to the County. This example is just offered to make a point. Given the large number of services that can eventually be transferred to the Towns, there is plenty of flexibility to adjust individual rates as long as the overall cost structure is reduced.

Examples from other counties

CGR spoke with Highway Superintendents from several different counties who contract some or all summer maintenance work with the Towns. Here are a few brief highlights from three counties.

In Oneida County, years of effort to create work-sharing arrangements with the Towns have resulted in agreements for 15 of 26 Towns to mow County roads, 20 Towns to ditch County roads, and two Towns to sweep County roads in exchange for striping from the County. The mowing agreement specifies that Towns may be asked to mow County roadsides as many as three times a year, at the discretion of the County Public Works Commissioner. Towns provide ditching up to 40 hours during the season (note – the mowing flat rate is $350/mile/year – much higher than the current Herkimer cost per mile, but the ditching flat rate is $225 - $275/mile/year depending on the equipment and personnel used – much lower than the current Herkimer costs.) Developing the IMAs for these contracts took time, but they have proven to result in efficiencies for the taxpayer.

In Ontario County, most Towns participate in an IMA to mow County roads. The County pays a set hourly rate for equipment that varies depending upon what type of mower is used, ($22.75 - $33.75) and reimburses Towns their actual costs for labor, including fringe benefits. This shared service with the County has been in place for more than 20 years.

In Monroe County, as noted previously, all Towns in the County have signed a master IMA agreement whereby the Towns agree to provide all road maintenance work for the County. The Monroe IMA has a few services provided for a flat per mile fee (mowing, animal and refuse pickup), with other work provided on a fee for service basis, i.e. time (paid at the Town labor rate plus fringe) and equipment (paid at the New York blue book price). Monroe County itself has effectively outsourced all County road maintenance to the Towns, and the County has only a small

fleet of equipment and a small number of maintenance personnel on staff. This shared services arrangement has been in existence for over 25 years.

Step 3 – Expand to a full All Seasons contract

Q. What would a complete transition to something like the Monroe All Seasons contract mean?

A. Getting to a comprehensive all seasons contract between the County and the Towns is a logical extension of the individual service contracts developed in Step 2. The efficiencies identified in the Interim Plan are based on the County and Towns agreeing on a comprehensive all seasons contract.

The basic elements of the all seasons contract would be as follows. The County would contract with each Town for summertime maintenance and repair of County roads, using Monroe County's All-Seasons contract with its Towns as a model. The County would contract with participating Towns in three ways:

- Some services would be paid to the Towns on a flat fee basis (depending how IMA's were structured during Step 2),
- For non-contracted emergency work, the Towns would be paid on per hour rate for personnel (at Town rates) plus equipment (New York State Blue Book rates),
- For summer maintenance program work the Towns would contract with the County on a job-by-job basis. The Town where the work is done would be designated as the Lead Town. The Lead Town would coordinate County work in the Town with surrounding Towns. The County would pay for personnel at the Town labor rates (salary plus benefits) and Town equipment at State blue book rates. All materials and contractor costs would be direct paid by the County.

Q. How would the County's role change?

A. The Interim Plan would take the County out of providing direct highway services to a large degree. The County would divest itself of most maintenance equipment and employees as Towns take over providing these services. However, the County would maintain ownership and responsibility for its roads and therefore its planning and oversight role for County road projects. The County would continue to direct pay for materials and contractors. The County would also prepare the specifications, bid for and manage all major County road and bridge capital projects.

Q. How would the roles of the Towns change?

A. As noted previously, the Interim Plan would signal the completion of the transition, started in Step 2, where the Towns provide field level management, labor and equipment to carry out full maintenance operations to County roads year-round. Under the Interim Plan, Towns would be responsible for the lion's share of road work, including staffing and equipment (except some pieces of large and/or specialized County equipment).

The one new concept not discussed in Step 2 is the concept of the Lead Town. Based upon the Monroe County model, the Lead Town is the Town within which a County road project takes place. The Town Highway Superintendent becomes the lead manager for that project. It is managed as if it were a Town project, i.e. the Lead Town Highway Superintendent determines how much of the lead Town's labor and equipment is required to do the job, and supplements that by lining up labor and equipment from other Towns. This is exactly the process followed between Towns now for large Town projects, where Towns help one another on a per-job basis. Under the County IMA, however, the Lead Town would bill the County for the cost of the job, and the participating Towns would also be paid for the work they did. Thus, County jobs would result in payments to each Town who participated, rather than the no-pay mutual aid arrangements Towns currently have with each other for Town work.

Again, a logical extension of the gradual shift from County to Town operations that occurred in Step 2 of the process is that some, if not all Town operations may have to increase in size and complexity. Since the Town operations would become responsible for approximately double the amount of paved roads for summer maintenance, Towns will have to increase the size of their work force and size of the fleet. This will put additional supervisory responsibility on each Town Highway Superintendent. However, the Highway Superintendents may be able to receive additional compensation to the extent their additional hours are incorporated into the work done for the County under the IMA's. Storage of the additional equipment during the spring, summer and fall months should not be a problem, as this equipment can be stored outside at Town sites. During the winter, until the zone concept is implemented, major summer equipment can be stored at the County barn, as is currently the case.

Q. How would the County/Town contracts work?

A. As described briefly above, the Towns would receive annual payments for completing routine maintenance done on a fee basis, and would be

paid on a per hour rate for emergency work and road work performed under a County contract on a per-job basis.

Road work (paving, chip sealing, oil & stone) on County roads would be overseen by County quadrant supervisors, who would work with Towns to decide what projects should be done. The County would contract with Towns for a set of projects and pay the Towns for labor and equipment per job based upon the total job quote approved by the County. The job quote would include materials and contractors estimates. These costs would be direct paid by the County. Town charges would be paid by the County to the Lead Town and other participating Towns on a per job basis.

Q. How much will the Towns be paid?

A. It is not possible to estimate precisely what each Town would receive on an annual basis for road projects, as these vary year-to-year on a Town-by-Town basis. For those services that are paid on a per mile fee basis, Towns would be able to predict exactly what the County revenues would be. Road project work will likely vary per year.

However, one key aspect of the shared services concept where all Towns participate in sharing County work, over a several year period, is that all Towns will receive County project work and corresponding County payments. To spread the work out, the County will gradually need to move away from its quadrant concept, whereby it has consolidated annual work in one quadrant to achieve efficiencies. Under the Interim and Long Term Plans, whereby Towns will be able to directly coordinate work on Town and County roads, it will be possible to achieve the same type of efficiencies as the County is now achieving by aggregating County only work in quadrants.

A good way to estimate approximately how much revenue the Towns can expect from County maintenance work is to take recent County labor and equipment expenditures for road maintenance for County roads in Towns and estimate the annual revenues based on the proportion of County road miles per Town. Using a 4 year range calculated by CGR as being between $1.9 million to $2.6 million annually[7], Towns could expect to receive from approximately $3,300 to $4,500 per mile per year on average to pay for their equipment and labor costs for County work. This would be in addition to the annual winter contract payment.

[7] Based upon County spending for labor and equipment, excluding materials and contractor that would continue to be direct paid by the County, less derived efficiency gains.

In conclusion, at that point in time where the County and Towns have transitioned to the Towns fully implementing an All Seasons contract with the County, the Interim Plan efficiency savings can be achieved. Structurally, the County will have devolved itself from most road maintenance operations. Town operations would have expanded to be able to handle the additional spring/summer/fall work. However, the 19 Town highway operations would continue to remain as separate and independent operations, each headed by an elected Highway Superintendent. The last structural changes to accomplish the Long Term Plan as envisioned would occur in Step 4.

Step 4 – Moving to the Long Term Zone Plan

The Long Term Plan will complete the transition to an 8 zone service model which is projected to result in the most efficient service delivery model for the road network within Herkimer County.

Q. What does it mean by centralizing operations into the zones?

A. Zone maps 1 and 1A indicate that the most efficient way to manage and deploy staff and equipment to service the Town and County roads would be to consolidate operations and run them out of 8 zone barns, for reasons presented above. However, since this would involve consolidating staff and equipment from 19 Towns into 8 zone barns, this will have to occur over time. In addition, the Plan assumes that a smaller amount of equipment would be positioned at the existing Town barns that are not zone barns, to minimize mobilization time during construction months and speed up response time for outlying areas in the winter months. For winter service in particular, current plow routes would need to be reconfigured to optimize coverage and response time from the zone barn and to determine what equipment to locate at satellite barns.

Q. Could other combinations of Towns also work as zones?

A. Yes, other combinations of Towns could also be used to create zones. Maps 1 and 1A represent what CGR projects to be the most efficient configuration of zones within the County. However, especially as the County and Towns move toward implementing the Interim Plan, there may be different clusters of Towns than are shown in Maps 1 and 1A who would be willing to work together. For example, CGR ran models that showed that a Schuyler/Newport zone would work with Schuyler being the lead zone barn. To the extent that towns with good working relationships would be interested in creating working zones and consolidating staff and equipment into a fewer number of town barns than currently exists, this would create the next level of efficiencies over and above efficiencies resulting from the Interim Plan.

Q. What will be the impact on existing Town staff?

A. Towns are required to have Town highway superintendents by Town law. However, there are several options for how the Town highway position could be defined under the zone concept. Each of these options would need to be spelled out in the IMA's between the Towns and the County, but the basic concepts are as follows.

Under Town Law Section 20.1 (k), when Towns enter into IMAs for highway services, a Town board may make the highway superintendent position an appointed position, subject to a permissive referendum. This may provide more flexibility in moving toward the zone plan, although having appointed highway superintendents is not critical to the success of the plan.

The zone plan is based on designating the highway superintendent in the Town hosting the zone barn as the lead superintendent for the zone. Through the IMA, the other Town(s) in the zone would agree that the lead Town would provide full-year road maintenance and service operations within the zone. The lead superintendent would retain overall supervisory responsibility for all staff and equipment located at the zone barn. The other Town highway superintendents would retain their positions as separate Town employees of their home Town. Their roles as employees of their home Town would be greatly diminished. They would be more akin to quality control supervisors than working superintendents. They would work with the zone lead to ensure the individual Town's requirements are being met, but they would not work under or be supervised by the zone lead.

It is recognized that, depending on personalities, a town highway superintendent in a zone may not be willing to accept supervision from the lead town superintendent. That is why the relationship between the lead superintendent and the other town superintendents in a zone would not be one of supervisor to employee. Rather, it would be one of a contractor (the lead zone superintendent) to a superintendent (the superintendent of the other town(s) in the zone.) Once the zone concept is fully implemented, superintendents in the non-lead towns would have few if any employees and pieces of equipment of their own. While this would reduce the scope of the job of non-lead town superintendents, they could supplement their town jobs The non-lead superintendents could conceivably supplement any loss in compensation due to their responsibilities being reduced by working for other agencies such as another zone. There are examples across the state where a town highway superintendent supplements their pay by working for other employers.

An example of this type of relationship can be found in the Town of Esperance in Schoharie County. There, the Town contracts with another

government (in this case, Schoharie County) to provide all road services, year round. The Town Highway Superintendent is an elected position. However, the salary is around $10,000 per year, since there are no staff to supervise and no equipment to maintain. The Highway Supt. has a vehicle and can provide emergency tasks, but generally acts as the quality control person on behalf of the Town, working with the County to ensure that the Town's roads are being serviced as required.

To summarize, under the zone model, the non-lead highway superintendent(s) would retain their titles and positions within their individual Towns, with their supervisory roles being reduced as staff and equipment shifted to the lead zone. Clearly, this change would result in a significant change in the role and responsibility of the non-lead highway superintendents, so it would have to be phased in over time to allow for this transition in expectations. Most importantly, for the zone concept to work, Town boards would have to agree with other Towns in the zone to work together in this way. A fundamental assumption in this report is that fiscal pressures are going to require Towns to seek alternative ways of doing business in order to control expenditures. If Towns are willing to work together using the zone concept, this will be one important area where they could reduce costs through efficiencies.

Other Town staff would, over time, be transitioned to become staff of the lead Town. This would be required so that there is a clear line of command in managing employees and equipment in the zone. Two concerns have been stated to CGR about this arrangement.

First, what would be the impact of unions if this were to occur? The answer is – it depends - the status of the lead Town in the zone would determine whether or not the employees in the zone would be covered by a collective bargaining agreement. Herkimer County currently has a mix of union and non-union shops, and this would likely continue in the zone model. Transitions of employees from one Town to the other to implement the zone model will be covered by Taylor law and civil service requirements, as well as the statutes permitting inter-municipal agreements, so the transitions will need to be worked out on a zone-by-zone basis.

The second question is – would this affect the cost and savings estimates? Based on the employee cost comparisons collected for this project, the answer is – probably not. There is no evidence that the cost of employees in the union shops in Herkimer is outside the range of the non-union operations. To the extent that certain work rules exist that may limit management flexibility, those are individual contract requirements that need to be, and can be addressed on a case-by-case basis. The only clear cost differential identified by CGR across the County as a whole is that, in general, County employee benefits overall appear to exceed current Town

averages. In a survey of Town benefit ratios, Towns told CGR that their employee benefit multipliers were in the range of 35% to 50%, whereas the County benefit multiplier is in the range of 50% to 60%. This is one important reason in favor of having the Towns be responsible for managing the zones rather than the County. Town employees in the zones will be lower cost, on an apples for apples comparison, than if the zone employees were County employees.

Q. How do Towns ensure they get the service needed?

A. The IMAs between the Towns will specify the service requirements each Town wants to set. Each Town could withhold the IMA payments if services are not provided as expected by the lead Town in the zone. However, in order to make sure cross-Town services are delivered smoothly and as expected, a zone management committee would be created. Based on one model found elsewhere in the state, the Towns in the zone would appoint two members of each Town board to be on a joint highway services oversight committee. As set forth in the IMA, the committee would include the lead zone highway superintendent, the highway superintendent(s) from the other Towns in the zone, and a County representative from the Highway department. The IMA would indicate how the committee would meet regularly, provide oversight to the lead zone superintendent, and work out service issues. Since Town board members would be voting members of the committee, this would provide the process for ensuring smooth and consistent delivery of highway operations services among Towns in each zone. The only zone where this would not be required would be Webb, where the only IMA required would be between the County and the Town.

Q. Will funding change as a result of either Plan?

A. No. Since the ownership and responsibility for roads would not be changed by either Plan, CHIPS funding would not be affected. The County would continue to collect revenues through the County budget, but would pass revenues through to Towns based upon payment agreements specified in the IMA's among the Towns and the County. Internal Town funding streams would not be affected.

Q. What happens with the existing non-zone barns?

A. Over time, as the equipment and staff in each zone become consolidated at the zone barn, the year-round use of the other Town barns in each zone would be reduced. Some areas may be kept for cold storage of summer equipment. Currently heated areas could be downsized to just the area needed to be heated for plow equipment located there to provide fast response. This would follow the model already being used by a couple

of Towns who have off-site storage of plow equip, where the plow crew responds directly to that location.

Q. What is the role of the County in the zone model?

A. By the time the Interim Plan has been implemented, the County's role will have been re-defined as primarily the funding, planning and quality control agency for year-round road maintenance of County roads. As noted previously, the County would provide the planning and coordination functions for delivery of services by the Towns.

The Long Term Plan specifically is not built around having the zone leader be a County employee. As a logical extension of the Interim Plan implementation, the County would provide central quadrant/zone management services, which would include, technical engineering assistance, centralized services (providing heavy equipment, signs, etc. as discussed previously), bidding for County contracts and payment processing services for County work (paying Town and vendor invoices). Also, the County would provide overall quality control, as the County Highway Superintendent is ultimately responsible for ensuring the condition and safety of County roads and bridges. As for providing direct supervisory management, however, the plan is based on the premise that the IMAs between Towns need to be voluntary agreements between the Towns for them to provide service to each other through a combined labor force and by sharing equipment. This model will be more cost effective and creates clear lines of demarcation and authority with responsibility for resolving any differences placed on Town officials through the oversight committee.

SECTION 6 – VILLAGES AND THE CITY

While the bulk of the report focused on the long term shifting of County road maintenance operations from the County to the Towns, because such a large percentage of the road system costs are devoted to Town and County roads and bridges in the Towns, the Villages and the City have 124 centerline miles of roads and 10 bridges that are part of the road network in the County. As noted in TABLE 3, the Villages combined spent over $3 million on transportation expenses in 2009, and the City of Little Falls spent over $1 million. Thus, CGR reviewed what efficiency opportunities might be available to the Village and the City.

TABLE 7 shows the road and bridge network owned by the Villages and the City. In the Villages with very small road mileage, the Towns are providing road maintenance and plowing service. It is in the larger Villages, Dolgeville, Frankfort, Herkimer, Ilion and Mohawk, as well as

the City of Little Falls, that road maintenance costs are highest and where there is the most desire for cost efficiencies.

TABLE 7
City and Village Infrastructure

Municipality	Type	Centerline miles	Bridges
Little Falls	City	28.2	2
Cold Brook	Village	0.4	
Dolgeville	Village	9.0	
Frankfort	Village	13.2	2
Herkimer	Village	29.1	5
Ilion	Village	30.1	1
Middleville	Village	0.7	
Mohawk	Village	8.8	
Newport	Village	1.3	
Poland	Village	0.7	
West Winfield	Village	2.7	
Total		124	10

Sources: County and NYSDOT tables.

The conceptual challenge for identifying road maintenance efficiencies for these Villages and the City through inter municipal cooperation and/or consolidation is their DPW operations also provide services to the municipal water operations (and sewer operations in some instances). Thus, unlike the Towns, where the highway operations and costs are discrete stand-alone services, in the City and large Villages, personnel and equipment cross over between two or three discrete functions. Thus, identifying staff or equipment efficiencies is difficult. Downsizing staff or equipment for purposes of creating efficiencies in delivery of road maintenance can have serious service consequences on other critical operations (e.g. water and sewer). CGR also found through interviews that the staff in the Villages and City have been downsized already through internal cuts over the years that there is no significant slack capacity that would provide meaningful opportunities for efficiencies without a significant impact on basic services.

Thus, for the Village and the City, CGR believes the best opportunities for efficiency improvements will come from the following approaches.

The City should continuously discuss with the surrounding Towns opportunities to share equipment and personnel through IMAs. The City, as a stand-alone entity, does not have the same relationship and leverage with Towns as Villages (whose residents are also served by Town government). Still, the City and Towns can enter into mutually beneficial IMAs. CGR did not observe any obvious immediate inter-municipal efficiency opportunity for the City that would significantly reduce its

costs. Again, small efficiencies can continuously be pursued with surrounding Towns and the County on an on-going basis. The City could also choose to work with the County to utilize the County's engineering and legal expertise (as described in the next section)

The four Villages along the river have more opportunities for cost reduction through shared services or consolidation. As an overall planning strategy, two central garage facilities would provide sufficient response time coverage for the area of the four Villages. This indicates that, if there was the will to do so, DPW operations could be consolidated to provide efficiencies. It was beyond the scope of this study to investigate consolidating DPW operations, especially as these include water and sewer functions as noted previously. Thus, CGR cannot provide potential efficiency estimates for combining these operations.

However, the first realistic opportunity to create a consolidated operation is most likely to occur between Herkimer and Mohawk. Their Villages already have a history of developing shared services together. DPW operations is a next logical step. Based upon our interviews with both superintendents, there appears to be a willingness to pursue consolidated operations. CGR recommends that the Villages seek an LGE grant to study consolidating the two departments and develop an implementation plan. As part of this grant review process, the Villages should also consider applying for a state LGE grant to assist in funding a new or renovated shared DPW garage. As noted previously, Russia recently completed a new garage that serves the Town and two Villages with funding assistance from the state.

Direct and more immediate fiscal assistance to Village property owners is possible based upon their relationships with the Towns within which each Village is located. Indirectly, as Towns begin to realize the efficiencies described in the Interim and Long Term Plans, this will reduce Town highway costs, which will be reflected in Town taxes paid by Village property owners.

Towns also have flexibility, under Town law, to allocate Town road maintenance costs between Whole Town (DA) and Part Town (DB) funds. If a Town chooses to allocate road maintenance costs to the DA funds, these costs are reflected in the taxes paid by all property owners in the Town, including Village property owners. In the case where Towns allocate road maintenance costs to DA funds, often Village taxpayers note that they are being double taxed – once for the Village DPW costs, which include road maintenance and snowplowing services provided by the Village government, and once for Town wide road maintenance. In the cases where Towns do little to no road work within a Village, this claim has merit.

CGR recently completed a study of Town highway funding allocation decisions for Towns across the state. The range of variation between how Towns allocated costs to DA and DB funds was surprising. Many Towns with Villages allocate 80% to 90% of their highway costs to the DA fund. Many other Towns with Villages allocate 90% to 100% of their highway costs to the DB fund. To reiterate, both of these extremes are permissible under Town law. How each Town chooses to allocate costs is more a matter of Town policy than a legal requirement.

With that as background, CGR's analysis of the 2009 Town budgets indicates that the Towns in which the five major Villages are located could shift costs that are currently allocated as DA costs to the DB fund. The Town of Manheim has been the most aggressive at making this shift, thus Dolgeville residents have the lowest DA highway tax burden. Other Towns have the option to be more aggressive in their allocation between funds. It should be noted that such a shift does not in fact represent a true cost reduction as a result of efficiencies. Rather, it results in a property tax savings to Village residents and a property tax shift to Town-outside Village residents. However, this strategy would be a way to provide immediate property tax relief to Village residents, while capturing the longer term efficiency gains from pursuing the Plans in this report for DB (i.e. Town outside Village) property tax payers.

Last, Villages could pursue consolidation of their DPW street operations with the Towns. This would require mutual agreement with the Town, through an IMA, and Towns CGR interviewed did not express a keen interest in this approach. However, Village DPW street operations are being provided by Towns in other areas of the state, so this model does exist. A local example would be the Town of Cobleskill providing street and other DPW operations under an IMA to the Village of Cobleskill.

SECTION 7 – CENTRALIZED COUNTY SERVICES

While this report outlines Plans to achieve efficiencies based on a model where the County shifts out of the business of direct delivery of road maintenance services for County roads, the County would continue to play a central and unique role in managing the road network in the County.

As envisioned, the County Highway Superintendent would retain a small number of specialized road maintenance staff who would operate, service and maintain high cost specialty equipment that would be used by the Towns for road maintenance and on major reconstruction jobs, and who

provide specialty services such as tree service using the aerial bucket and signs provided by the County sign shop.

The major role of the County would be to provide engineering, planning and coordination services. The County Superintendent's office, because of the size of the County road network and the number of County bridges, maintains a central professional and administrative staff that is unique in the County. The County road network is 8 times larger than the largest Town road network. Thus, the County's scale, as well as County road standard requirements, has resulted in creation over time of an office that should be incorporated into any highway services plan in the region. The experience and expertise of this staff will be particularly useful in developing an integrated perspective for each zone that goes beyond the boundaries of just each Town, and identifies service and network synergies that incorporate both the Town and County road system.

Two areas where the County has specialized experience and qualifications that are not duplicated in the other local governments in the County are traffic control signs and bridges. The County has made a substantial investment in crews, equipment and a sign shop in order to upgrade traffic signs on County roads to meet new Federal standards. Towns have not been able to focus that level of resources on signs, even though Towns have to meet the same standards. The most efficient way to bring all roads within the County to the federal standards would be for the Towns to contract with the County to develop a signage upgrade program within the Towns. This might result in a net additional cost to the Towns above their current costs, but is a result of the Federal mandate, which is intended to reduce potential liability costs to the Towns for accidents that occur on Town roads.

Clearly a high cost area that local governments in the County need to address is how to plan long term for the bridge infrastructure. The Towns, Villages and the City own and are responsible for 52 bridges carried on the federal and state bridge inventory. TABLE 8 highlights those bridges that currently have a structural deficiency rating (under 5). In total, there are 23 bridges with a serious structural deficiency rating that are owned by the Towns, Villages and City. This represents a serious long term problem that will need to be addressed. It is not at all clear when or if state or federal funding will become available to assist in renovating or replacing bridges in the future. Even with outside funding, local governments will have to provide significant local funding, and will incur all the additional engineering and design costs, on a one-by-one basis.

To the extent that County staff resources are freed up as a result of shifting responsibilities for the routine road maintenance work to the Towns, these resources could be re-directed to the needs of bridges County-wide. In the near term, Towns, Villages and the City could request engineering

assistance for their bridges from the County by creating an IMA that would set forth the services and any costs for those services. In addition, longer term, Towns could negotiate with the County to swap ownership of certain roads back to the Towns in exchange for the County assuming ownership of and responsibility for bridges. There is precedent for road and bridge swapping between counties and Towns elsewhere in the state, for example, in Monroe County. Road/bridge swaps would also be negotiated on a case-by-case basis and covered by an IMA. Until the amount of additional work expected of the County under these arrangements is better known, it is not possible to predict whether or not existing County staff would be able to handle the additional work, or if the County would have to hire additional staff. Regardless, because County staff have a higher level of expertise and experience regarding bridges, centralizing management of bridges with the County is a more cost effective alternative to having individual Towns manage major bridge repair and replacement projects on their own.

In addition to the professional services offered by the County Highway Department, The County Attorney's office could provide legal assistance to local municipalities to assist them with highway matters. The County Attorney's office includes five part-time attorneys who are specialists in municipal law, including one specialist in highway law and related matters. The accumulated knowledge and experience of this staff provides a unique resource in the community and a local municipal alternative to private sector law practices. Local governments wishing to utilize this resource above current levels could enter into an IMA with the County at negotiated rates.

TABLE 8				
Herkimer County Bridges Owned by Cities, Towns and Villages				
	Year Built/ Replaced	Date of Last Inspection	Condition Rating	Location
Little Falls (City)	1939	7/13/2010	3.97	City of Little Falls
Little Falls (City)	1933	9/23/2010	3.27	City of Little Falls
Columbia (Town)	1920	11/12/2008	6.63	2.9 Mi Se Of Cedarville
Danube (Town)	1955	4/20/2010	4.69	5 Mi S City Little Falls
Fairfield (Town)	1900	8/16/2010	4.8	1.5 Mi N Of Middleville
Frankfort (Town)	1948	4/29/2009	4.89	In West Frankfort
Frankfort (Town)	1981	6/24/2010	5.52	0.1 Mi Ne Of Frankfort
Frankfort (Town)	1930	4/27/2010	4.49	1.0 Mi Sw Vllge Frankfort
German Flatts (Town)	1890	7/15/2009	4.26	At Village Of Ilion
German Flatts (Town)	2007	10/29/2009	7	Village Of Ilion
Herkimer (Town)	1970	4/27/2010	4.75	1 Mile Ne Of Kast Bridge
Herkimer (Town)	1989	8/31/2009	5.62	.75 Mi N Jct Sh 5 & Sh 28
Little Falls (Town)	1989	5/27/2010	5.02	0.5 Mi Ne Of Kast Bridge
Newport (Town)	1990	8/19/2010	4.52	Woodchuckhill Road
Ohio (Town)	1920	7/29/2010	5.8	3 Mi Ne Of Gray
Ohio (Town)	1900	6/9/2010	6.06	0.2 Mi N Of Nobleboro
Ohio (Town)	1965	7/12/2010	4.46	2.6 Miles Ne Of Gray
Ohio (Town)	1996	7/28/2010	5.43	1.5 M East Wilmurt Corner
Ohio (Town)	1996	7/28/2010	5.43	1.5 Mi E Of Wilmurt Crnr
Ohio (Town)	1895	5/26/2010	5.43	1 Mi N Of North Wilmurt
Ohio (Town)	1895	6/10/2009	5.8	2 Mi N Of North Wilmurt
Ohio (Town)	1895	7/7/2010	4.23	E Tip Of Hinckley Reservr
Ohio (Town)	1920	7/8/2010	5.54	1.0 Mi Ne Gray
Russia (Town)	1940	5/26/2010	4.62	1.0 Mi E Of Grant
Russia (Town)	1920	5/26/2010	4.95	1.0 Mi North Of Wilmurt
Salisbury (Town)	1920	4/26/2010	4.39	.25 Mi S Salisbury Center
Salisbury (Town)	1931	4/26/2010	4.48	.4 Mi Sw Salisbury Center
Salisbury (Town)	1977	4/26/2010	5.3	1.9 Mi Nw Of Stratford
Salisbury (Town)	1875	4/26/2010	6.26	.25 Mi S Salisbury Center
Salisbury (Town)	1963	4/26/2010	5.22	1.6 Mi Nw Of Stratford
Salisbury (Town)	1982	4/16/2009	5.6	.9 Mi Nw Of Stratford
Salisbury (Town)	1950	4/26/2010	4.53	3.7 Mi Nw Of Stratford
Stark (Town)	1930	5/19/2010	4.65	.8 Mi East Of Starkville
Webb (Town)	1895	7/27/2010	5.02	1.5 Miles Se Of Carter
Webb (Town)	1991	6/29/2009	5.55	4 Miles Sw Of Brandreth
Webb (Town)	1910	9/20/2010	5.56	4 Mi Ne Of Old Forge
Webb (Town)	1950	9/20/2010	5.78	3.5 Mi Nw Eagle Bay
Webb (Town)	1985	10/2/2009	6.28	.5 Mi Sw Of Old Forge
Winfield (Town)	1990	5/18/2010	5	Doyle Road
Winfield (Town)	1976	5/18/2010	5.29	.2 Mi S Of East Winfield
Winfield (Town)	1977	5/21/2009	5.29	.8 Mi Ne Of East Winfield
Frankfort (Village)	1932	4/27/2010	4.8	At Village Of Frankfort
Frankfort (Village)	1933	6/9/2010	5.02	At Village Of Frankfort
Herkimer (Village)	1970	10/15/2009	5.19	Village Of Herkimer
Herkimer (Village)	1920	6/9/2010	5.09	Village Of Herkimer
Herkimer (Village)	1920	7/1/2010	3.13	Village Of Herkimer
Herkimer (Village)	1920	8/31/2009	4.16	Village Of Herkimer
Herkimer (Village)	1970	9/9/2010	5.48	Village Of Herkimer
Ilion (Village)	1924	5/17/2010	3.37	At Ilion
Ilion (Village)	1978	5/17/2010	3.78	At Ilion
Mohawk (Village)	1964	5/17/2010	4.48	04mi E Jct Rts 28+5s

Source: https://www.nysdot.gov/main/bridgedata.
Rating below 5 is structurally deficient (noted in red)

KEY

Blue = Town Owned
Red = Rating below 5

In the case of requesting engineering assistance from the County Highway Department and/or legal assistance from the County Attorney's office, determining a specific efficiency saving is not possible. Savings might be achieved if the hourly rates and/or per job fees negotiated in the IMA are lower than quotes from private sector engineering firms and attorneys. Anecdotal evidence suggests that fully loaded County charges are likely to be lower than private sector fees for engineering consulting from the large firms, while the differential between County versus private sector legal fees is harder to project. Independent of direct cost savings, however, there are likely to be efficiencies to the municipalities as a result of more immediate access to subject matter experts who have direct experience with the variables intrinsic to Herkimer County.

SECTION 8 - CONCLUSION

The most efficient service delivery model for maintaining County and Town roads Herkimer County would be to have 8 central garages serving 8 zones in the County, rather than the 19 Town and one County garage currently being used. If fully implemented, this model would result in efficiency savings of approximately $875,000 per year, equivalent to saving 2.7% of the $31.5 million current costs. These would be true cost reductions, because current levels of revenues would not be affected by the model (for example, current state and County reimbursements would not be affected by the recommended operational changes).

While the theoretical model offers a Long Term Plan, there are many practical barriers to getting to the ideal model. In order to move forward to begin to achieve some of the benefits of the optimal model, CGR recommends a series of interim steps that the County and Towns could take to move toward the long term model. These interim steps are based on transitioning services currently provided by the County to the Towns, using the model like the current very successful model where the Towns provide winter road maintenance on County roads under contract to the County. The practical way to proceed is for the County to begin to contract with some or all Towns to provide specified services for County roads. One way to do this would be for the County to start with contracting mowing services to all Towns. The annual centerline mile fee would be negotiated in the same manner as the snow and ice contract.

If fully implemented, the Interim Plan would have the County paying Towns to do routine road maintenance work on County roads in the Towns. This would include services such as mowing, ditching, sweeping, animal/refuse pick-up, etc., as well as most road repair work. Efficiency savings across the entire system based upon the Interim Plan are estimated to be approximately $516,000 per year. Since real world implementation

barriers make it likely that moving forward will occur in small steps on a pilot basis with a few Towns, overall efficiency savings will be smaller until more Towns participate.

The projected savings can be realized as a result of identifiable cost reductions that are outlined in this report. However, additional non-quantifiable savings will clearly also result from the recommended changes. It is not possible to put a dollar value on these types of savings, but they are real efficiency gains that would also be achieved by moving forward as described in this report. In the end, any efficiency gains that help reduce costs will benefit the taxpayers of Herkimer County.

APPENDIX A

CGR

Inform & Empower
Center for Governmental Research

Herkimer Highways Shared Services/ Consolidation Study - An Overview of Current Operations

January, 2010

Prepared for:
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Herkimer Highways Shared Services/Consolidation Study- An Overview of Current Operations

January, 2010

SUMMARY

This report provides facts and other background information about highway services in Herkimer County that can be used to develop strategies to provide highway services in a more cost effective manner in order to save taxpayers money. The report includes information about costs, snowplowing operations, staffing, equipment, materials and current levels of service-sharing for all the municipalities in the county, including the city, villages and towns as well as the County government. To prepare this report, CGR conducted approximately 50 interviews with town highway superintendents, town supervisors, city and village public works directors and mayors, county legislators and county staff, as well as collecting information and budget data from a variety of sources.

This completes the first half of the study to analyze highway maintenance operations countywide and identify opportunities for additional cooperation, efficiencies, service-sharing and consolidation[1]. Using the information and ideas presented herein, CGR will assist the Herkimer Highways Shared Services Advisory Committee with identifying a range of options to pursue over the next few years. Exploring those options in more detail and focusing on those with the most potential and highest benefit is the next phase of this project, which is expected to be completed by mid- summer, 2010.

Herkimer County is a geographically expansive county with more than 1,500 miles of roadways maintained by 31 municipalities and the state of New York. Together, the County, towns, villages and the City of Little Falls spend more $31 million in 2009 to maintain this road network, including significant expense to remove snow in order to allow safe travel.

[1] This project was prepared with funds provided by the New York State Department of State under the Local Government Efficiency Grant program

Our interviews and analysis of the data indicates both the willingness and the opportunity to pursue more joint efforts to share services and create efficiencies. Most of those we interviewed agreed that if it was possible to start over and re-design ownership and maintenance of the road system across the County, one would develop more cost-efficient ways to build and maintain the system. The challenge is that the current patchwork system is the result of decades of incremental decisions and the underlying governance structure of towns, villages and the City within the County. Thus, large-scale system changes are going to require give-and-take across the various municipalities in order to move towards a better system design and come up with improvements that are beneficial to everyone.

A precedent for this already exists – the municipalities provide winter snowplowing services for the County. The County pays a per-mile fee to the municipalities for plowing County owned roads rather than providing this service using County crews and equipment. This de-centralized delivery of snowplowing is clearly more efficient than having both the County and municipalities run redundant operations.

The next logical area to pursue where there are significant expenditures are summer road maintenance operations. Across the County for all municipalities, nearly $5.6 million was budgeted for contractual costs for maintenance of streets. This does not even include the costs for municipal employees and equipment. A number of other areas to explore were also identified and are summarized in the section on Ideas for Expanding Shared Services. Some of these ideas could reduce current costs, some should be considered because they would make more efficient use of existing resources, and some ideas address the need to plan for looming capital costs that could potentially result in significant future costs to local taxpayers, such as the maintenance and repair of bridges. For example, there are 64 county and 60 municipal (city, town, and village) bridges across the County.

Finally, it is important to recognize the interesting geographic and demographic diversity within the county, which ranges from denser and more urbanized development in the valley to large and sparsely populated towns in the north, with primarily suburban and rural farming communities in the middle of the county. As described in this report, there is already a strong working relationship between neighboring towns and villages. This suggests that additional opportunities for shared services and/or consolidation might best be pursued among groups of municipalities that already share common interests and geography. Thus, we conclude that the Committee should consider not only County-wide options, but options that meet the needs of smaller regional groupings. This will expand the potential for achieving the types of improvements envisioned for this project.

TABLE OF CONTENTS

INTRODUCTION

This report summarizes the current operations of highway departments throughout Herkimer County, including town, village, city and the county's departments. It concludes the first half of a 10-month process to analyze highway maintenance operations countywide and identify opportunities for additional cooperation, efficiencies, service-sharing and consolidation.

CGR interviewed approximately 50 local officials to gather data, information about current practices, and impressions and opinions for this report. That included town highway superintendents and supervisors, village and city mayors and street department chiefs, and county legislators and officials. We requested documents including budgets, personnel listings, equipment inventories, capital plans and collective bargaining agreements. Countywide data files were also obtained for this report, including the state Department of Transportation highway inventory, and mapping files from the county Highway Department. This version of the report is based upon the information provided to and interviews completed by CGR through January 20, 2010. As additional information is obtained, it will be integrated into the report in future versions.

Background

Herkimer County is a geographically expansive county with more than 1,500 miles of roadways maintained by 31 municipalities and the state of New York. Most of the roadway is under the jurisdiction of Herkimer County, but an almost equal number of miles are maintained by towns. The 31 municipalities in the county encompass 19 towns, 10 villages, 1 city and, of course, the county.

TABLE 1: Center-line Miles, by Jurisdiction

Jurisdiction	Total Mileage	% of Total
County highway dept.	579	38%
Town highway dept.	566	37%
NYSDOT	246	16%
City or village highway dept.	124	8%
State Toll Authority	25	2%
Other State agencies	1	0%
All	1,541	100%

Source: NYS Department of Transportation Highway Inventory

Naturally, the highway departments have much in common as they all generally perform the same essential functions: maintaining the roadway in the summer, including maintaining the surface as well mowing and ditching; and snowplowing in the winter. Purchasing and maintaining the equipment necessary to do this work is another major function all highway departments share. Most of the roadway in the county is asphalt, though there is a significant portion of unpaved roads. And in some municipalities, the proportion of unpaved roads exceeds 60% (see Appendix A for details).

TABLE 2: Center-line Miles, by Type

	Miles	Share of Total
Asphalt	1,083	70%
Unpaved	249	16%
Overlay	200	13%
Concrete	8	0%
Unknown	1	0%
Total	1,541	100%

Source: NYS Department of Transportation Highway Inventory

However, some departments provide other services, such as trash or leaf pick-up, and some departments are qualitatively different than the others, particularly those in small villages that have limited highway-related duties, such as clearing snow from sidewalks.

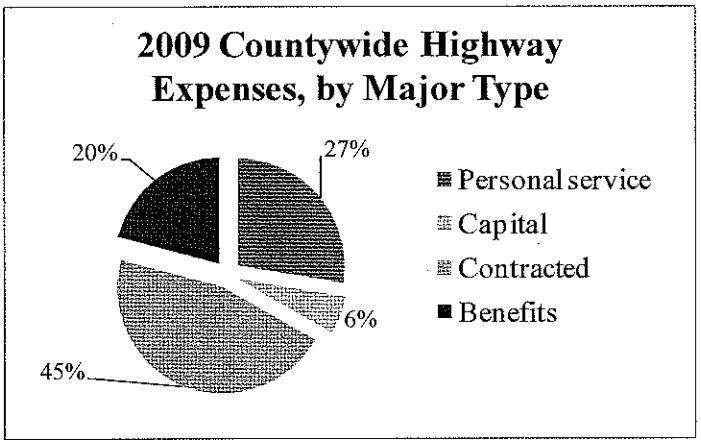
WHAT SERVICES COST

Maintaining the road network in Herkimer County cost more than $31 million in 2009. The County budgeted expenditures of more than $15 million, towns nearly $12 million, and villages and the city $4 million. This is based on budget information provided to CGR by the municipalities and the county[2].

As shown in Chart 1 below, 45% of expense in 2009 went to contracted expenditures, 47% to personal service and benefits and 6% to capital expense.

[2] Includes all municipalities except the Villages of Cold Brook and Newport.

CHART 1: Expenditures by Major Expense



Source: CGR analysis of municipal budgets

As a baseline process to identify potential opportunities to reduce costs through efficiencies, CGR developed a cost-per-lane-mile analysis, using 2009 budget data provided by the communities. Communities were then ranked high to low based upon their lane miles. The results are shown in TABLE 3. Based on these results, CGR then looked at possible reasons for the large cost variations shown in the table, using 2009 budget figures and employee, equipment and budget information provided.

Cost-per-Mile Analysis

The starting point for a comparative analysis is to identify current costs per mile. CGR used the 2009 budget data provided for each municipality and divided by the total number of road centerline miles, including dirt roads[3]. This is admittedly a quick-and-dirty assessment, because there are clearly variables within any individual municipality that affect costs per mile, for example, the topography, variations in maintenance standards and procedures, age of equipment, variability in weather patterns, the impact of large one-time capital costs, etc. Further, this initial cost-per-mile analysis does not take into account revenues (such as county or state snowplowing revenues), which would significantly lower per-mile costs. (But we do make that comparison in a following section.) Despite its limitations, this analysis does provide a way to identify ranges of costs per mile to use as targets for assessing the relative efficiency of operations, especially using averages across the County that level out individual variations. Thus, it is a useful starting point for identifying potential opportunities for improvement.

[3] As identified in the State DOT Highway Inventory

TABLE 3: Cost per Mile, 2009, Sorted by Center-line Miles

Municipality	Type	Miles	2009 Cost	2009 CPM
Little Falls	City	28.2	$ 1,079,950	$ 38,364
Herkimer	County	578.8	$ 15,429,277	$ 26,656
Columbia	Town	33.9	$ 567,451	$ 16,759
Danube	Town	16.2	$ 399,900	$ 24,762
Fairfield	Town	15.2	$ 742,689	$ 48,990
Frankfort	Town	38.7	$ 533,035	$ 13,784
German Flatts	Town	25.0	$ 975,768	$ 39,031
Herkimer	Town	22.0	$ 1,463,321	$ 66,575
Litchfield	Town	26.5	$ 327,200	$ 12,356
Little Falls	Town	15.0	$ 502,100	$ 33,473
Manheim	Town	14.5	$ 390,954	$ 26,944
Newport	Town	6.3	$ 449,000	$ 71,383
Norway	Town	21.9	$ 369,552	$ 16,867
Ohio	Town	64.9	$ 834,707	$ 12,859
Russia	Town	60.0	$ 784,359	$ 13,084
Salisbury	Town	58.1	$ 833,272	$ 14,344
Schuyler	Town	17.9	$ 688,767	$ 38,565
Stark	Town	19.5	$ 414,600	$ 21,272
Warren	Town	28.1	$ 442,000	$ 15,713
Webb	Town	68.9	$ 873,080	$ 12,672
Winfield	Town	14.0	$ 394,700	$ 28,274
Cold Brook	Village	0.4		
Dolgeville	Village	9.0	$ 205,632	$ 22,848
Frankfort	Village	13.2	$ 395,123	$ 29,843
Herkimer	Village	29.1	$ 903,450	$ 31,100
Ilion	Village	30.1	$ 746,789	$ 24,827
Middleville	Village	0.7	$ 36,700	$ 56,462
Mohawk	Village	8.8	$ 652,788	$ 74,096
Newport	Village	1.3		
Poland	Village	0.7	$ 11,000	$ 15,493
West Winfield	Village	2.7	$ 97,050	$ 36,623
Countywide	Total	1,269.2	$ 31,544,215	$ 24,854

Source: CGR analysis of municipal budgets and NYSDOT Highway Inventory

The analysis shows a wide variation in spending per mile. The range extends from under $13,000 in the Towns of Litchfield, Webb and Ohio to more than $70,000 in the Village of Mohawk and Town of Newport[4].

[4] Although a multi-year comparison shows both Mohawk's and Newport's costs were significantly lower in previous years, see Appendix B.

In order to determine whether some of the high cost-per-mile figures were the result of one-time purchases or other unusual events, CGR did the same calculation for 2006, 2007 and 2008 figures using data collected by the Office of the State Comptroller. These figures are shown in Appendix B. The information we have shows a relatively consistent spending pattern for the governments where we have multi-year data[5].

TABLE 4 summarizes the information provided in TABLE 3. The average cost per mile across all departments was about $30,500 in 2009. For towns only, the average was $27,800, and for villages it was $36,400.

TABLE 4: Average Cost per Mile

CPM	2009
City	$ 38,364
County	$ 26,656
Town	$ 27,774
Village	$ 36,411
Total	$ 30,483

Source: Table 3

The analysis suggests that there are efficiencies to be gained in the system. Departments with higher mileages tended to have lower cost-per-mile figures, suggesting that they were able to maintain more roadways without increasing costs enough to significantly bump up their overall costs-per-mile. In 2009, the average cost per mile for departments with more than 25 miles was about $19,000.

The overhead necessary to maintain small departments is apparently driving up total costs for the system. The average cost per mile for departments with 25 or fewer miles was over $38,000, though there were a few low-cost departments in this group.

However, the County, which is the largest department with by far the most mileage, had closer to the average cost per mile at nearly $27,000.

To put Herkimer's numbers in context, CGR compared costs per mile in the County with those in six roughly comparable counties. The figures

[5] Although 2009 budget data was not available for the Villages of Cold Brook and Newport, CGR reviewed prior year expenditure data provided by the New York Office of State Comptroller. In 2008, the Cold Brook cost-per-mile was $14,870 and the Newport cost-per-mile was $43,597.

were calculated using 2008 expenditures from the Office of the State Comptroller and NYSDOT Highway Inventory mileage numbers. Appendix C provides the details for each county. The information is summarized in TABLE 5, which shows average costs per mile for counties, towns, villages, cities, and for all municipalities in each of the seven counties. Herkimer has the highest countywide average cost per mile, and, by a significant margin, the highest town average cost per mile. Herkimer's county, village and city averages are more comparable to the other counties.

TABLE 5: Average Cost per Mile Comparisons

	Countywide	County	Town	Village	City
Herkimer	$22,441	$24,713	$21,512	$31,792	$48,832
Fulton	$17,670	$25,289	$12,323	$31,721	$30,590
Jefferson	$19,026	$22,862	$13,668	$32,956	$39,448
Lewis	$15,519	$24,713	$9,203	$20,633	
Madison	$18,671	$24,990	$11,167	$27,911	$48,832
Montgomery	$20,804	$21,380	$18,461	$22,675	$26,899
Otsego	$13,521	$16,500	$9,896	$40,618	$58,572

Source: 2008 Office of State Comptroller cost data and NYSDOT Highway Inventory

Snowplowing

Clearing snow from the roadways in Herkimer County is the chief task in winter of each of the County's highway departments and of paramount importance in terms of safety. The current system for snow removal has all of the County's 19 towns and 3 villages clearing snow from County roads under contract. In addition, 7 towns and 1 village clear snow from State roads under a contract managed by the County.

The State contract for snow removal with the County and 8 municipalities cost nearly $1.5 million in 2008-09 and was a significant source of revenue for some municipalities. The State payments reimburse municipalities for "time and materials" devoted to state snow removal. The Contract covers 89 miles of State roads in the County, out of a total of 220 miles. The State paid an average of almost $16,000 per mile to the municipalities.

The County contracts for snow removal cost $2.4 million in 2009. The County pays municipalities according to a formula based on the sales tax collected by the County. The rate in 2009 was about $4,200 per mile. The contract is being renewed as-is in 2010 and will extend until 2014. The Contract covers nearly all the County's nearly 600 miles of roadway.

To try to account for the impact of plowing for other entities on a municipality's budget, CGR calculated an adjusted cost for each municipality for 2009 by subtracting snowplowing revenues from the State and County from the baseline 2009 cost shown in TABLE 3. The figures for snowplowing revenues came from the County and reflect the 2008-09 season for State figures and the 2009 calendar year for County figures. Cost per mile was recalculated. Results are shown in TABLE 6.

TABLE 6: 2009 Adjusted Cost per Mile, Sorted by Center-line Miles

Municipality	Type	Miles	2009 Cost	State Snow Revenue*	County Snow Revenue**	Adjusted Cost	Adjusted CPM
Cold Brook	Village	0.4					
Middleville	Village	0.7	$36,700			$36,700	$56,462
Poland	Village	0.7	$11,000			$11,000	$15,493
Newport	Village	1.3					
West Winfield	Village	2.7	$97,050			$97,050	$36,623
Newport	Town	6.3	$449,000		$177,306	$271,694	$43,195
Mohawk	Village	8.8	$652,788			$652,788	$74,096
Dolgeville	Village	9.0	$205,632		$4,926	$200,705	$22,301
Frankfort	Village	13.2	$395,123	$20,612		$374,511	$28,286
Winfield	Town	14.0	$394,700		$115,292	$279,408	$20,015
Manheim	Town	14.5	$390,954		$127,173	$263,781	$18,179
Little Falls	Town	15.0	$502,100	$132,569	$75,054	$294,478	$19,632
Fairfield	Town	15.2	$742,689	$468,049	$162,444	$112,196	$7,401
Danube	Town	16.2	$399,900		$138,806	$261,094	$16,167
Schuyler	Town	17.9	$688,767		$158,718	$530,049	$29,678
Stark	Town	19.5	$414,600	$118,277	$117,693	$178,630	$9,165
Norway	Town	21.9	$369,552		$82,340	$287,212	$13,109
Herkimer	Town	22.0	$1,463,321		$98,030	$1,365,291	$62,115
German Flatts	Town	25.0	$975,768		$85,941	$889,827	$35,593
Litchfield	Town	26.5	$327,200		$139,965	$187,235	$7,071
Warren	Town	28.1	$442,000	$92,316	$123,199	$226,485	$8,051
Little Falls	City	28.2	$1,079,950			$1,079,950	$38,364
Herkimer	Village	29.1	$903,450		$3,891	$899,559	$30,966
Ilion	Village	30.1	$746,789			$746,789	$24,827
Columbia	Town	33.9	$567,451		$146,051	$421,400	$12,445
Frankfort	Town	38.7	$533,035	$61,556	$174,822	$296,657	$7,671
Salisbury	Town	58.1	$833,272	$272,900	$95,173	$465,199	$8,008
Russia	Town	60.0	$784,359		$142,698	$641,662	$10,703
Ohio	Town	64.9	$834,707	$232,033	$113,222	$489,452	$7,540
Webb	Town	68.9	$873,080		$102,832	$770,248	$11,179
Herkimer	County	578.8	$15,429,277	$1,473,295		$13,955,982	$24,111
Countywide	Total	1,269.2	$31,544,215	$2,871,608	$2,385,578	$26,287,028	$20,712
* Revenue from the State for snow removal in 2008-09 season.							
** Revenue from the County for snow removal in 2009 calendar year.							

Source: CGR analysis of municipal budgets and snow figures provided by the County

While the adjusted CPM is lower, particularly in towns with responsibility for plowing many miles of county and/or state roads, the basic trends are the same. Using the adjusted CPM, the gap between high-mileage and low-mileage municipalities was smaller but still significant. Cost per mile average nearly $30,000 in municipalities with 25 or fewer miles, compared to about $16,000 in those with more than 25 miles.

Unions and Cost

The impact of unions in the workplace on cost is unclear. As discussed further below, highway workers in 12 municipalities are represented by unions. Five of the 15 municipalities with costs per mile of less than $20,000 have unions, while 7 of the 16 with CPMs over $20,000 do.

TABLE 7: 2009 Adjusted Cost per Mile & Union Status, Sorted by CPM

Municipality	Type	Mileage	2009 Adjusted CPM	Union?
Litchfield	Town	26.5	$7,071	No
Fairfield	Town	15.2	$7,401	No
Ohio	Town	64.9	$7,540	Yes
Frankfort	Town	38.7	$7,671	No
Salisbury	Town	58.1	$8,008	No
Warren	Town	28.1	$8,051	No
Stark	Town	19.5	$9,165	Yes
Russia	Town	60.0	$10,703	Yes
Webb	Town	68.9	$11,179	Yes
Norway	Town	21.9	$13,109	No
Poland	Village	0.7	$15,493	
Danube	Town	16.2	$16,167	No
Columbia	Town	33.9	$16,759	No
Manheim	Town	14.5	$18,179	Yes
Little Falls	Town	15.0	$19,632	No
Winfield	Town	14.0	$20,015	No
Dolgeville	Village	9.0	$22,301	Yes
Herkimer	County	578.8	$24,111	Yes
Ilion	Village	30.1	$24,827	Yes
Frankfort	Village	13.2	$28,286	Yes
Schuyler	Town	17.9	$29,678	No
Herkimer	Village	29.1	$30,966	Yes
German Flatts	Town	25.0	$35,593	No
West Winfield	Village	2.7	$36,623	No
City	Little Falls	28.2	$38,364	Yes
Newport	Town	6.3	$43,195	No
Middleville	Village	0.7	$56,462	
Herkimer	Town	22.0	$62,115	Yes
Mohawk	Village	8.8	$74,096	No
Cold Brook	Village	0.4		
Newport	Village	1.3		No

Source: CGR research and Table 6

Unique Services

It should be noted that some departments provide services beyond what is typical for a highway department. For example, the Town of Frankfort stripes all town roads and provides residents with trash pick-up three times a year for large items. The Town of Newport mows and trims in three cemeteries.

Street departments in villages and the City of Little Falls often have functions that go beyond those in a town highway department, as detailed below:

- Frankfort's department encompasses the village electric, water, sewer, parks and recreation and light departments.
- Herkimer's department maintains Village Hall, storm sewers, traffic signals, and also decorates Main Street and conducts leaf pick-up.
- Little Falls' department includes city parks, a golf course and cemetery. The department also recycles residents' old appliances.
- Ilion's department includes sewer, sidewalks and parks.
- Mohawk's includes a tree service, 3 parks, storm sewers and a cemetery, and provides building maintenance for the Village.
- West Winfield's department includes the water system, sidewalks and street lighting and also performs school crossing guard duties.

Budget Concerns

Highway and political officials expressed a range of budget concerns in interviews. Villages in particular are feeling strained, especially when it comes to their ability to finance major needed infrastructure projects. Some have taken on a lot of debt, others have deferred projects, several have sought grants to fund needed work, and some have cut street crews.

Among towns the concerns had more to do with rising costs for fuel, equipment and repair costs, and materials needed to maintain roads. A few towns mentioned forgoing raises for employees in the past year.

STAFFING

Staffing Levels

CGR requested staffing information from all 31 governments. TABLE 8 provides the information we received from 29 municipalities (2 missing).

TABLE 8 – Current Staffing in the Highway Departments (not including Superintendents)

Municipality	Type	Full-time workers	Part-time (winter)	Part-time (summer)
Little Falls	City	14		
Herkimer	County	43		55
Columbia	Town	3	1	
Danube	Town	3	2	
Fairfield	Town	4	7	
Frankfort	Town	10	2	
German Flatts	Town	6	2	
Herkimer	Town	6	9	
Litchfield	Town	3		
Little Falls	Town	3	3	
Manheim	Town	3	1	
Newport	Town		10	2
Norway	Town	3		
Ohio	Town	6	1	2
Russia	Town	4	3	
Salisbury	Town	6	2	
Schuyler	Town	4	2	
Stark	Town	4		
Warren	Town	3	2	
Webb	Town	7	5	
Winfield	Town	2		
Cold Brook	Village			
Dolgeville	Village	4		
Frankfort	Village	5		
Herkimer	Village	9		
Ilion	Village	9		
Middleville	Village		1	1
Mohawk	Village	3	1	
Newport	Village		1	1
Poland	Village			
West Winfield	Village	2		
Countywide	Total	169	55	61

Source: CGR interviews with highway officials

This analysis reports information about the workers focused on highway/street operations in each of the municipal highway departments in the County. To the extent possible, workers in water, sewer and other areas that are sometimes part of street departments were excluded.

Half (16) of the municipalities have between 2 and 5 full-time workers, while seven have between 6 and 9, and three have 10 or more full-time workers.

About half (18) of the municipalities use part-time workers in the winter, with most of them (14) employing between 1 and 3 people. Four municipalities use 5 or more part-time workers in the winter.

Just 5 municipalities use part-time workers in the summer, and two of those are villages whose only highway employee is a part-time worker. Two towns employ 2 workers each in the summer. The County employs 55 workers in the summer.

Most town departments report that "everyone does everything," meaning that most workers are Heavy Equipment Operators (HEOs) or Motor Equipment Operators (MEOs) whose primary responsibilities are plowing roads in the winter, maintaining roads in the summer and helping care for the department's equipment. The county, the city and some villages have more specific classifications for employees.

Five municipalities report that 1 or 2 of their staff members are classified specially as mechanics. These are also some of the County's population centers (the Towns of Herkimer and Frankfort, the Villages of Herkimer and Ilion, and the City of Little Falls).

Four municipalities use wing men on plows for safety (Towns of Little Falls, Newport and Russia, and City of Little Falls), and four run an overnight shift in the winter (Towns of Fairfield, Herkimer and Warren, and City of Little Falls).

Herkimer County's highway department has 43 full-time employees, including 13 foremen, 8 HEOs, 6 mechanics and 3 engineers (a senior civil engineer, assistant and associate). The County also employs 55 summertime workers, including 27 large MEOs, 10.5 small MEOs, 5 HEOs and 5 laborers.

Pay Scales

CGR requested staffing information from all 31 governments. TABLE 9 provides the information we received from 22 municipalities, with 9 missing.

TABLE 9 – Pay Scales for the Highway Departments

Municipality	Type	Top full-time wage	Bottom full-time wage	Union
Little Falls	City			CSEA
Herkimer	County	$ 16.16	$ 11.17	United Public Service Employees Union
Columbia	Town	$ 14.75	$ 14.25	None
Danube	Town	$ 14.00	$ 10.20	None
Fairfield	Town	$ 15.92	$ 10.24	None
Frankfort	Town	$ 17.04	$ 15.35	None
German Flatts	Town	$ 15.30	$ 15.30	None
Herkimer	Town			Teamsters
Litchfield	Town			None
Little Falls	Town	$ 15.50	$ 15.50	None
Manheim	Town	$ 15.62	$ 15.27	United Public Service Employees Union
Newport	Town	$ 14.50	$ 10.00	None
Norway	Town	$ 12.84	$ 12.41	None
Ohio	Town	$ 14.77	$ 14.77	Teamsters
Russia	Town	$ 16.64	$ 16.34	Teamsters
Salisbury	Town	$ 15.20	$ 13.92	None
Schuyler	Town	$ 16.55	$ 12.05	None
Stark	Town	$ 13.33	$ 12.88	Teamsters
Warren	Town	$ 13.00	$ 13.00	None
Webb	Town	$ 15.80	$ 13.00	CSEA
Winfield	Town	$ 17.58	$ 15.45	None
Cold Brook	Village			
Dolgeville	Village	$ 16.13	$ 13.03	Public Employees Assocation
Frankfort	Village	$ 21.29	$ 10.76	IBEW
Herkimer	Village	$ 19.10	$ 16.87	CSEA
Ilion	Village	$ 17.10	$ 14.76	Teamsters
Middleville	Village			
Mohawk	Village			None
Newport	Village			None
Poland	Village			
West Winfield	Village			None

Source: CGR interviews with highway officials

Given that most municipalities have small highway crews, this wage analysis does not separate out wages for different classifications of employees. Therefore it groups together laborers, equipment operators and mechanics. Generally, laborers are paid the lowest wages and mechanics receive the highest, but several departments employ all equipment operators, as described above.

The top wage in 7 municipalities is less than $15 an hour. It's between $15 and $18 an hour in another 13 municipalities, and more than $19 an hour in 2 municipalities. The average was just under $16/hour.

The bottom wage is between $10 and $14 an hour in 12 municipalities, and between $14 and $17 an hour in 10. As one might expect, municipalities with unions tended to have higher wages, though this was not true across the board. The average bottom wage was about $13.50/hour.

While many highway superintendents said they paid about what everyone else did, the data shows that there may be a greater range of pay rates than commonly assumed. Top wages ranged from about $13/hour to $21/hour, while bottom wages ranged from $10/hour to $17/hour.

Unions

As shown in TABLE 9, CGR was provided with information about unions in 27 of the municipalities.

Twelve municipalities, including the County, the City of Little Falls, 5 towns and 5 villages, have unions operating in their highway departments. Workers in 5 municipalities are represented by the Teamsters, 3 are represented by the Civil Service Employees Association, 2 are represented by the United Public Service Employees Union, 1 is represented by the International Brotherhood of Electrical Workers and 1 is represented by the Public Employees Association.

EQUIPMENT/FACILITIES

Equipment

CGR requested equipment inventories from each Herkimer County municipality listing the value of each piece of equipment for insurance purposes. Interviews about equipment and related issues were also incorporated into this analysis. We received information from 22 municipalities, with 9 missing.

The total insured value of equipment in the municipalities that provided inventories was almost $22.4 million. Twelve of the municipalities had

equipment valued at $1 million or more. The County had the highest amount, valued at more than $2 million. Another 7 municipalities had equipment valued between $750,000 and $1 million. The lowest amount was for the Village of West Winfield with about $83,000 in equipment.

Viewed in terms of mileage maintained, the value of equipment ranged from about $3,600 per mile in the County to $124,000 in the Village of Mohawk. The spread looked similar to the overall cost-per-mile analysis with the highest mileage towns – Ohio, Russia, Webb and Salisbury – at the low end with values averaging about $16,000 per mile. In the lower mileage departments (30 miles or less), values averaged more than $60,000 per mile.

TABLE 10: Equipment Value per Mile

Municipality	Type	Equipment Value	Mileage	Value per mile
Mohawk	Village	$ 1,092,867	8.8	$ 124,048
Newport	Town	$ 766,000	6.3	$ 121,781
Frankfort	Village	$ 1,303,703	13.2	$ 98,467
Ilion	Village	$ 1,948,289	30.1	$ 64,770
Manheim	Town	$ 827,706	14.5	$ 57,044
Schuyler	Town	$ 1,011,143	17.9	$ 56,615
Winfield	Town	$ 769,684	14.0	$ 55,135
Fairfield	Town	$ 795,139	15.2	$ 52,450
Stark	Town	$ 1,013,843	19.5	$ 52,019
Norway	Town	$ 981,069	21.9	$ 44,777
Herkimer	Village	$ 1,092,679	29.1	$ 37,614
Warren	Town	$ 1,041,516	28.1	$ 37,025
Litchfield	Town	$ 945,359	26.5	$ 35,701
Little Falls	Town	$ 484,900	15.0	$ 32,327
Frankfort	Town	$ 1,220,678	38.7	$ 31,567
West Winfield	Village	$ 82,746	2.7	$ 31,225
Columbia	Town	$ 909,995	33.9	$ 26,875
Russia	Town	$ 1,108,150	60.0	$ 18,485
Ohio	Town	$ 1,008,190	64.9	$ 15,532
Webb	Town	$ 1,059,565	68.9	$ 15,378
Salisbury	Town	$ 849,583	58.1	$ 14,625
Herkimer	County	$ 2,062,447	578.8	$ 3,563
Countywide	Total	$ 22,375,251	1,165.8	$ 19,193

Source: CGR analysis of equipment inventories provided by municipalities

Paying for Equipment

Municipalities use a variety of methods to make the large equipment purchases required for highway operations, with most using a combination of saving and borrowing. A few are able to save each year toward equipment purchases and pay cash. Most save something each year and supplement what they can pay in cash with borrowings from a short-term bond. Some bond for the full cost of big-ticket items.

Facilities

CGR requested the insured values of all town barns and village/city garages in order to get a sense of highway facilities. Some municipalities had additional storage or an additional barn in addition to their main facility. CGR received information from 16 municipalities, with 15 missing. CGR also physically viewed the DPW/Highway barn facilities at every municipality interviewed.

The most expensive facility was the garage in the Town of Webb, insured for $2 million. The least expensive main garage was the Town of Russia's, insured for $521,000.

- Town of Danube: $722,000 for Town Hall/garage, $72K for gravel bed
- Town of Fairfield: $1,000,000
- Town of Frankfort: $1,700,000
- Town of Litchfield: $600,000 for Town Hall/garage, $150,000 for second garage
- Town of Manheim: $751,680
- Town of Ohio: $500,000 for Town Hall/garage, $250,000 for second garage, $80,000 for storage
- Town of Russia: $521,000 for main garage, $66,000 for equipment garage
- Town of Salisbury: $800,000
- Town of Stark: $600,000
- Town of Warren: $486,000 for main garage, $90,000 for storage barn
- Town of Webb: $2 million
- Town of Winfield: $750,000 for main garage, $248,000 for salt shed

- Village of Frankfort: $332,000 for DPW, Power and Light, plus $80,000 for DPW storage
- Village of Herkimer: $559,800
- Village of Ilion: $550,000
- City of Little Falls: $606,667

Most facilities appeared to be in good shape and not in need of major work. Some exceptions were:

- Town of Winfield: Garage needs roof
- Village of Ilion: Garage built in 1950 leaks, no insulation, a new building is needed and cost is estimated at $800,000 to $1 million

The only facility scheduled to be replaced was the Town of Russia's barn, discussed in more detail below.

MATERIALS

We asked municipalities about their practices for obtaining materials need to maintain the roads, including the sand and salt they use in the winter and the gravel, stone and other materials they apply to roads in the summer. We have information about this for 23 municipalities.

Generally, municipalities reported using the state and/or county bid systems to purchase at least some of their materials. Nine municipalities report using the county bid process, and 12 said they went through the state bid process.

Just four municipalities said they used a local bidding process for materials, but 12 said they obtained at least some materials on their own by shopping around for a good price and/or getting materials from a local vendor. Several mentioned the advantages of obtaining materials from a local vendor, and some said they were able to get materials delivered for a reasonable cost, saving on labor and fuel costs associated with transportation of materials.

SHARED SERVICES AND CONSOLIDATION

Range of Attitudes

In order to give the committee a sense of the sentiment in the highway community, CGR attempted to classify the outlook of each interviewee toward expanded service-sharing and/or consolidation. Interviewees from 25 municipalities were willing to share their thoughts within the context of this project. This included highway and elected officials. Slightly more than half of the interviewees (21) expressed positive or mildly positive attitudes toward the idea of doing more shared services. Fifteen were negative or mildly negative, and two were mixed.

Village officials tended to be more positive, and several said they believed consolidation was an option that should be explored, most often between 1 or more villages and the town in question. Eight village officials were positive and 3 were negative.

Town officials were more mixed, with 12 expressing negative or mildly negative attitudes, 11 sounding at least slightly positive and 2 being mixed. Towns that were negative expressed uncertainty about their relationships with the County or other municipalities and/or a lack of ability to be helpful to others because of an isolated location or tight budget or equipment supplies.

Concerns expressed about expanded shared services included:

- Shared equipment won't be properly cared for
- Repeat of a past bad experience in the past, such as lending equipment that came back broken, or grief from elected officials over sharing practices
- Requirements to track time and materials shared among municipalities, which could ruin what is now a good thing
- Sharing arrangements that aren't equitable or end up costing more, i.e., one party gets more than the other
- Interaction of union and non-union staff members in sharing activities and potential problems that could develop (for example, complaints about pay rates or work policies)

Existing Cooperation

Of the 25 municipalities willing to discuss shared services with CGR, nearly every municipality reported some form of service-sharing, ranging from occasionally helping out a neighbor in trouble to regularly hauling sand and materials for summer road projects with other towns.

The most common type of service-sharing reported by municipalities was the sharing of equipment. Eighteen municipalities, including13 towns, four villages and the City of Little Falls, said they, on at least a somewhat regular basis, share equipment with others. Generally, they said when they lend a truck to someone else, they also send a driver. This is a practice intended as much to protect the municipality's investment in the equipment as it is to help the other entity.

Towns and villages that are geographically close report not only lending equipment when trucks break down but also hauling material for each other regularly to supply summer road projects or prepare for winter.

Groups of towns that work together in this and other ways include:

- Columbia, Warren and Stark
- Salisbury and Fairfield (also conduct joint mowing and sweeping operations, including renting sweepers together)

In addition, Russia, Ohio and Norway haul sand together.

Municipalities also borrow and lend specialized equipment from each other or the county, including grade-alls, rollers, chippers, millers, sweepers, and 10-wheelers.

There are also several municipalities that plow a small section of another municipality's roads. In several small villages, including Poland and Newport, streets are plowed by the town.

The Village of Dolgeville and Town of Manheim jointly constructed and share a salt shed.

The following list details the shared services reported by municipalities. These relationships and sharing arrangements are mapped in Appendix E:

- Town of Columbia: Hauls oil and stone, jointly conducts summer maintenance projects with Towns of Herkimer, Winfield, Warren, German Flatts and Frankfort.

- Town of Fairfield: Shares equipment on an ad-hoc basis, helps with road projects, (oil/stoning, graveling) with Towns of Salisbury and Little Falls. Plows/sands streets in Village of Middleville.
- Town of Frankfort: Shares trucks and drivers for summer projects with towns of Schuyler and German Flatts, and Villages of Frankfort and Ilion.
- Town of Herkimer: Provides trucks to Town of Fairfield and County.
- Town of Litchfield: Loans equipment to County, Village of Ilion and Towns of Winfield and German Flatts.
- Town of Little Falls: Occasionally helps County and City of Little Falls with equipment and workers for stoning roads; used County roller last year.
- Town of Manheim: Joint salt/sand shed and transfer station with Village of Dolgeville, uses grade-all to help village, borrows village chipper. Also maintains small sections of roads for other towns. Gives City of Little Falls sand in exchange for city plowing some town roads.
- Town of Newport: Swap trucks as needed in case of breakdowns or large projects, including graders, rollers for stoning and oiling with Towns of Manheim, Norway, Schuyler, Fairfield, Deerfield (Oneida County); plow Village of Newport streets.
- Town of Norway: Uses Town of Russia's sweeper; hauls sand with Towns of Russia and Ohio; helps Town of Newport with tarring and stoning.
- Town of Russia: Plows streets in Villages of Poland and Cold Brook, loans equipment (20-ton trailer) to Towns of Ohio and Norway.
- Town of Salisbury: Shares mowers to get job done in 3 weeks with Towns of Fairfield and Stratford (Fulton County); also hauls sand, share various types of equipment (grader, plows, chipper, power broom), and rents sweepers together.
- Town of Schuyler: Works on paving with 5 towns (German Flatts, Frankfort, Russia, Newport, Deerfield, Oneida Count) and the County; borrows German Flatts roller, in exchange sends 10-wheelers to pave; borrow County shoulder machine.
- Town of Stark: Neighboring towns help each other couple weeks a year
- Town of Warren: Stone roads, share trucks with Towns of Columbia and Stark.

- Town of Winfield: Swap trucks and drivers for summer projects for blacktopping, stoning and oiling, including loaders with Towns of Plainfield (Otsego County) and Bridgeview (Oneida County); help Town of Litchfield with mowing; provide Village of West Winfield with trucks for stoning and oiling and plow portion of roads.

- Village of Dolgeville: Joint salt shed with Town of Manheim

- Village of Frankfort: Shares equipment regularly with Town of Frankfort, including village providing dump trucks for trash pick-ups. In snow emergency, borrows trucks from Schuyler and Villages of Ilion and Mohawk.

- Village of Herkimer: Plow small section for Town of Herkimer, call County if need help plowing, use County grade-all, Mohawk helped with truck and driver for hauling, milling road.

- Village of Mohawk: Helped by German Flatts with paving projects; town provides trucks, rollers, helps maintain creek, provides grade-all. Village loans town miller to grind up blacktop.

- Village of Newport: Town of Newport plows streets, some exchange of trucks.

- Village of Poland: Town of Russia plows village streets.

- Village of West Winfield: Share equipment, flagmen, materials with Town of Winfield; receive sand from Town in exchange for providing water to Town park.

- City of Little Falls: Shares sewer machine with Villages of Dolgeville, Mohawk and Ilion. Hauls sand with Town of Manheim and does road work (oil/stoning) with Towns of Little Falls and Manheim, and Village of Dolgeville. Plows sections of Town of Manheim roads in exchange for sand from town pit.

Most municipalities engage in shared-services activities without having formal agreements with one another, though at least 8 have signed an agreement circulated by the County. One exception is the Towns of Norway, Russia and Ohio, which have agreements with one another specifying that when equipment is loaned, the operator goes with the equipment.

CGR found an interesting side note in these conversations. One might guess that those with more negative outlooks on expanded service sharing in the context of this study had little experience with it, but in our interviews this did not seem to be the case. However, of those who were engaged in some service-sharing activities, 11 were negatively disposed to

expanded service-sharing, and 12 were positively disposed to it. Among those who were not doing much current to share services, 4 were negative and 8 were positive. This suggests that there is not a single prevailing opinion about whether or not expanded service sharing should be pursued – there are certainly pockets of opportunity and interest.

IDEAS FOR EXPANDING COOPERATION AND SHARED SERVICES AND OPTIONS FOR CONSOLIDATION

Twenty-three interviewees expressed ideas for expanding cooperation in providing highway service in Herkimer County. Those ideas cover a wide range of alternatives, range from sharing more equipment to running joint street maintenance operations to consolidation of village and town highway departments to re-organizing fiscal and operational responsibility for roads and bridges throughout the county.

What follows is a summary of these ideas. CGR believes these provide the basis for identifying what opportunities the Committee would like to pursue in more detail in the second phase of this project. This listing does not exhaust all possible options – more ideas may come from the Committee or from the public, and these ideas need to be expanded and fleshed out in more detail.

The summary of ideas does not go into any detail regarding the implications of changes required to implement any of the ideas. For example, shifting of responsibilities clearly will have staffing implications, and might have equipment implications, which would need to be explored on a case-by-case basis. However, the list included is a very good cross-section of the range of ideas tried in other communities, and is an excellent starting point for Herkimer.

As an aid to help visualize where shared services or consolidation options might be most successful, CGR prepared maps (attached in the Appendix) that show current clusters of municipalities that already work together in a consistent way to provide efficient highway services. The maps show what are already natural groupings of municipalities that might be more receptive to expanded shared services initiatives.

Shared Equipment

As discussed in an earlier section, municipalities are differently situated with regard to equipment. Some have nearly everything they need, while others have unmet equipment needs. Nearly every superintendent has an occasional need for a piece of equipment that he does not own. This is why departments are already sharing equipment, and why several superintendents suggested that expanded sharing of equipment might be beneficial.

The types of equipment mentioned by superintendents for sharing arrangements included:

- Graders
- Grade-all
- Rollers and/or small rollers
- Trailers
- Chippers
- Backhoes
- Sweepers
- Mowers

Joint purchase and/or use of equipment could allow municipalities to pare down equipment purchases and together make more regular use of the equipment that is shared. The examples above represent pieces of equipment that are generally not in use on a daily or weekly basis by any one municipality. A schedule could be established for use of shared equipment, or sharing could happen on a more ad-hoc basis. Questions to answer would include:

- Who would own the equipment? Should it be jointly purchased or purchased by one municipality and shared?
- How can departments work together to ensure that sharing practices are equitable?'
- How can departments ensure that shared pieces are adequately maintained, and that costs for servicing and parts are equitably shared?
- Who would administer a more formal shared equipment program, (recognizing that this would likely be a challenge to administer)?

Shared Facilities

In general, superintendents did not feel that sharing a garage with a neighboring municipality would make a lot of sense. Most said they needed quicker access to their sand and salt piles than a more distantly located garage would provide.

However, some municipalities are facing a requirement or have a desire to cover their sand and/or salt piles. In those cases, construction of a shared sand/salt shed might make sense in order to share the sometimes extensive cost involved. This has already taken place between the Town of Manheim and Village of Dolgeville.

Other municipalities that are considering or planning to construct a shed are:

- Towns of Litchfield, Danube, Frankfort, Columbia, Newport and Norway
- Town of Russia (which has obtained a grant and will share the shed with its villages)
- Town of Fairfield (has a salt shed but would like to cover sand)

Another idea raised was cooperation between the County and distantly located towns (those far from the Village of Herkimer) allowing the County to store equipment in town garages and save on costs associated with daily travel from the County barn out to remote parts of the county. This is happening to some extent now, but some superintendents and municipal officials suggested that it could be expanded, perhaps to the point where County highway operations in some parts of the County could be regularly conducted out of one or more town garages. The Towns of Ohio, Russia and Webb were mentioned as examples. This idea could be expanded to encompass sharing of employees as well.

Consolidation of Departments/Services

Some municipalities believe that highway operations could be more efficiently conducted if their government or highway departments consolidated with that of another government. This was true especially for some of the county's most populous villages. Combinations mentioned included:

- All four villages located on the Mohawk River (Frankfort, Ilion, Herkimer, Mohawk) combining in some creative way
- Villages of Ilion and Mohawk consolidating (either with the Town of German Flatts, or together, or combining just highway departments)

- Village and Town of Frankfort (either whole governments or highway departments)
- Villages of Herkimer and Mohawk
- Village of Dolgeville and Town of Manheim

Several questions would need to be answered, including exactly what combination of willing participants exist, whether the will exists to pursue full governmental consolidation, and how new departments might be structured and operated. But there are clearly officials in the County who see the potential for significant efficiencies through consolidation efforts that can jointly be agreed to by the municipalities.

Joint Summer Projects

Another idea raised in the Village of Ilion was establishing a joint County-village crew to do summer maintenance on streets in the centrally located villages (Frankfort, Herkimer, Ilion, and Mohawk) with each village supplying 1-2 workers. Apparently this idea was pursued several years ago with limited interest from the County and some of the villages.

A more comprehensive approach, and one with the potential for significant cost savings and efficiencies, is to pursue joint management of the slurry seal and oil and stone summer maintenance programs that are conducted by both the County and towns. The County has recently coordinated its summer work into multi-year cycles so that its work can be localized in a different quadrant of the county each year, on a scheduled revolving basis. Coordinating county work with the work of towns in the same quadrant and bidding the work as a consolidated contract is likely to create significant cost reductions due to scale efficiencies, as well as creating operational efficiencies for town and county equipment and crews.

Towns Mow/Sweep County Roads

A few towns expressed interest in taking over the mowing and/or sweeping of County roads within their town. Norway, Ohio and Schuyler all mentioned this idea, and a few other towns said they were willing to consider it. This could be done on a contractual basis, with the County paying towns for the service, and/or the County could provide the equipment to towns, as some mentioned the need for additional mowers. A variation on this theme might be for the County to contract with towns for complete summer maintenance of County roads, just as it now contracts for snowplowing service.

County Provide Engineering Services

Another service-sharing idea that has been raised is the County providing engineering services to municipalities. Several villages and a few towns expressed interest in this, including the Villages of Herkimer, Ilion and the Towns of Schuyler and Herkimer. Typically, municipalities expressed an interest that went beyond highway projects to encompass other areas where they have engineering needs, such as water and sewer. Most towns do not require engineering services for their road projects and so did not see this option as providing much benefit to them. If this idea is pursued in more detail, the analysis will have to assess to what extent this would affect current County engineering staffing.

County Provide Traffic Control Signs Services

The County currently operates a signage shop that could, if desired, provide sign maintenance services to municipalities on a negotiated basis. Several towns indicated an interest in discussing options for this service, although signage is currently a low-cost item for most towns and thus not likely to yield significant cost savings.

Transfers of Infrastructure

Transferring infrastructure from one level of government to another has also been raised as a potential way of more efficiently maintaining the Herkimer County highway and bridge system. In addition to the transfer questions, the need for more consistent and comprehensive capital planning for the road and bridge infrastructure within the County has been identified. Clearly, it would be to the advantage of all municipalities to have a complete inventory of roads and road conditions, along with a multi-year maintenance and repair plan. This would help guide where resources should be concentrated, plan for future costs, and allow for consolidating bidding to get volume bid pricing.

County Roads to Towns or Towns to County

With almost 600 miles of roads, the County portion of the system is the sixth largest in the state and very costly to maintain. The incorporation of many portions of town roads into the County system dates to the days when a Board of Supervisors governed the County, and town supervisors would make agreements to have the County take over portions of each other's road systems.

Most towns said they were not interested in this option, saying that they could not take on the work, that the County roads were in a relatively poor

shape and/or that even if they were reimbursed, it would still likely be a losing proposition for the towns. However, a few towns were receptive to the idea, including Danube, Russia, Litchfield, Norway and Schuyler. Each superintendent said he would have to be adequately reimbursed for taking on the work. Another question to be resolved would be how to pay for the plowing of County roads transferred to the towns. Since towns are now contracted to provide that service, they are reluctant to give up that revenue if they continue to provide the service. A third question to be resolved would be how to ensure that roads which are turned over meet some type of minimum quality standard.

It was also suggested that this process could also work in the opposite direction, i.e. some town roads could be turned over to the County, to create a consistent and more complete County system. Either way, the objective would be to rationalize the current patchwork of County and town roads, especially where there are short sections or stubs of County roads interspersed in various towns.

County Take Over of Bridges

A few municipalities burdened by the expense of maintaining local bridges raised the option of the County taking over bridges, especially large bridges. The rationale is that the County has a larger tax base from which to draw resources for large infrastructure projects than any municipality. This could perhaps work as a trade for accepting County roads. Municipalities with unmet needs for bridge maintenance include:

- Towns of Little Falls, Ohio, Stark
- City of Little Falls
- Villages of Herkimer, Ilion, Frankfort

Appendix D provides a detailed inventory of condition and ownership of bridges in Herkimer County. This provides a starting point for understanding the potential scope of the problem of bridges facing municipalities in the county. Appendix D understates the real challenge, as it does not include large culverts, which are another significant cost liability to municipalities.

Comprehensive Rationalization of the Municipal Road System

Several interviewees indicated that it would be very useful to develop a hypothetical model of the road system within the County assuming it was managed as a single integrated system. Developing such a model would be a way to identify the optimal location of equipment and facilities to

most cost effectively deliver highway services throughout the county. The hypothetical model would provide a target to evolve to over time. For example, if the model identified highway garage and equipment configurations that were different than currently exists, that would provide the framework for making decisions over time in terms of investment in facilities, equipment, materials and staffing.

The hypothetical model would illustrate how the road system would be organized based upon traffic volume, with costs properly allocated based upon usage (primary, secondary and feed roads) rather than by the current somewhat arbitrary designation of County, town and village roads. The model would also suggest the most efficient mix of County and other municipal resources. For example, although the overall planning and coordination might best be provided from the County level, it is likely that having the towns/villages/city run and provide the sub-regional delivery of these services will be the most efficient way to deliver day-to-day services, just as is the case with snowplowing now. The hypothetical model will not necessarily result in a reduction of resources; rather, it will identify how existing resources could be re-deployed within the context of the larger system to provide services more effectively and efficiently.

CONCLUSION

This current services report serves as a basis for pursuing expanded shared services and consolidation opportunities within the County to achieve operating efficiencies.

As a logical starting point, further research about realistic and achievable opportunities should begin with municipalities that are already working together in some formal way. As described above, there are many combinations of communities operating under the shared services model. From the data summarized in the section titled "Existing Cooperation," CGR has grouped these community combinations into four shared services areas:

- Shared Services – Equipment
- Shared Services – Summer Road Projects
- Shared Services – Snowplowing
- Shared Services – Facilities and Materials

Maps showing the clusters of municipalities within these four areas are provided in Appendix E. After each map a table is provided that shows

the availability of data for each cluster. Appendix E also includes a map showing the location of highway/DPW barns in the county.

CGR suggests that the next step in this project – developing the Options Report – should be based on selecting a few of the ideas outlined in the previous section and exploring them in more detail. We believe that developing the model for a comprehensive rationalization of the municipal road system will provide real value for the Committee, especially since developing this model will incorporate a number of the ideas that should be addressed, such as optimal location of facilities, equipment and personnel and ownership and responsibility for roads and bridges. Discussion about the variables and findings of the hypothetical model could be a key planning tool to help focus discussions about allocation of resources within the County to the road system over the next 5-10 year time horizon.

In addition to developing the "big picture" model, we suggest testing out a couple of these ideas within sub-regional clusters of municipalities that are already working together. Two examples that we heard support for and where both operational and cost efficiencies are very likely are: having the County contract with municipalities for summer road maintenance, modeled on the snowplowing contract concept; and integrating the slurry seal and oil and stone summer maintenance programs that are conducted by both the County and towns.

Evaluating a range of both large (County-wide) and small (sub-regional) options will better define the opportunities, costs and benefits of both shared services and consolidation approaches. This will provide a realistic and achievable framework for a comprehensive, integrated, cost-effective approach to managing the road system in the County.

APPENDIX A: ROAD TYPES

The table below shows the percentage of roads in each municipality that are asphalt, concrete, overlay and unpaved.

Municipality	Type	Asphalt	Concrete	Overlay	Unpaved
Little Falls	City	81%	1%	18%	0%
Columbia	Town	68%		2%	30%
Danube	Town	62%			38%
Fairfield	Town	82%			18%
Frankfort	Town	100%			
German Flatts	Town	79%		2%	19%
Herkimer	Town	93%			7%
Litchfield	Town	70%			30%
Little Falls	Town	90%			10%
Manheim	Town	87%			13%
Newport	Town	82%			18%
Norway	Town	26%			74%
Ohio	Town	35%		2%	64%
Russia	Town	39%			61%
Salisbury	Town	52%			48%
Schuyler	Town	81%	0%	1%	17%
Stark	Town	37%		2%	61%
Warren	Town	39%			61%
Webb	Town	27%			73%
Winfield	Town	86%			14%
Cold Brook	Village	100%			
Dolgeville	Village	97%			3%
Frankfort	Village	56%	35%	1%	8%
Herkimer	Village	86%	4%		10%
Ilion	Village	94%	0%	6%	0%
Middleville	Village	100%			
Mohawk	Village	80%		20%	
Newport	Village	92%			8%
Poland	Village	93%			7%
West Winfield	Village	86%			14%
Herkimer	County	100%			

Source: NYS Department of Transportation 2008 Highway Inventory

APPENDIX B: COST PER MILE

The following table shows 2006-08 cost per mile in Herkimer County.

Herkimer Municipalities - Cost per Mile							
Municipal	Municipality owned Mileage	2006 Highway Expenditures	2006 Cost per Mile	2007 Highway Expenditures	2007 Cost per Mile	2008 Highway Expenditures	2008 Cost per Mile
County							
Herkimer	578.7	$11,725,895	$20,262	$11,283,366	$19,498	$14,301,226	$24,713
City							
Little Falls	24.5	$1,200,431	$48,997	$1,264,538	$51,614	$1,196,387	$48,832
Town							
Columbia	33.9	$359,853	$10,615	$410,360	$12,105	$387,279	$11,424
Danube	16.2	$217,388	$13,419	$257,875	$15,918	$222,490	$13,734
Fairfield	15.2	$540,674	$35,571	$706,027	$46,449	$749,858	$49,333
Frankfort	38.7	$1,267,557	$32,753	$743,259	$19,206	$771,621	$19,939
German Flatts	25	$619,041	$24,762	$1,135,134	$45,405	$799,065	$31,963
Herkimer	22	$573,040	$26,047	$722,289	$32,831	$734,093	$33,368
Litchfield	26.5	$265,028	$10,001	$307,762	$11,614	$300,879	$11,354
Little Falls	15	$272,647	$18,176	$343,754	$22,917	$413,444	$27,563
Manheim	14.5	$239,075	$16,488	$259,096	$17,869	$277,173	$19,115
Newport	6.3	$213,646	$33,912	$377,023	$59,845	$299,986	$47,617
Norway	21.9	$212,934	$9,723	$268,903	$12,279	$246,354	$11,249
Ohio	64.9	$491,305	$7,570	$614,552	$9,469	$639,118	$9,848
Russia	60	$535,896	$8,932	$427,543	$7,126	$487,805	$8,130
Salisbury	58.1	$698,254	$12,018	$627,567	$10,801	$693,056	$11,929
Schuyler	17.9	$376,000	$21,006	$461,612	$25,788	$423,804	$23,676
Stark	19.5	$277,529	$14,232	$327,661	$16,803	$343,817	$17,632
Warren	28.1	$329,248	$11,717	$402,483	$14,323	$461,925	$16,439
Webb	68.9	$672,011	$9,753	$2,377,412	$34,505	$1,678,225	$24,357
Winfield	14	$201,082	$14,363	$223,295	$15,950	$280,917	$20,066
Town Average			**$17,424**		**$22,695**		**$21,512**
Town High			**$35,571**		**$59,845**		**$49,333**
Town Low			**$7,570**		**$7,126**		**$8,130**
Village							
Cold Brook	0.4	$6,465	$16,163	$12,760	$31,900	$5,948	$14,870
Dolgeville	9	$194,719	$21,635	$1,371,335	$152,371	$645,562	$71,729
Frankfort	13.2	$332,202	$25,167	$223,987	$16,969	$293,803	$22,258
Herkimer	29.1	$765,125	$26,293	$799,198	$27,464	$783,676	$26,930
Ilion	30.1	$631,878	$20,993	$747,451	$24,832	$546,581	$18,159
Middleville	0.7	$36,107	$51,581	N/A	N/A	$30,969	$44,241
Mohawk	8.8	$232,081	$26,373	$221,362	$25,155	$263,727	$29,969
Newport	1.3	$61,649	$47,422	$221,818	$170,629	$56,676	$43,597
Poland	0.7	$1,482	$2,117	$2,170	$3,100	$10,060	$14,371
West Winfield	2.7	$103,924	$38,490	N/A	N/A	N/A	N/A
Village Average			**$26,416**		**$56,552**		**$31,792**
Village High			**$51,581**		**$170,629**		**$71,729**
Village Low			**$2,117**		**$3,100**		**$14,371**
All Municipalities	**1265.8**	**$23,654,166**	**$18,687**	**$27,141,592**	**$21,442**	**$28,345,524**	**$22,393**

Source: Financial Data for Local Governments, New York State Office of the State Comptroller

APPENDIX C: COST COMPARISONS

The following tables show detailed cost-per-mile comparisons for Herkimer and six other comparable counties. Costs per mile are presented for each municipality, and averages, highs and lows are also presented.

Herkimer Municipalities - Cost per Mile in 2008				
Municipal	County Owned Mileage	Municipality owned Mileage	2008 Highway Expenditures	Cost per Mile
County				
Herkimer	578.7		$14,301,226	$24,713
City				
Little Falls		24.5	$1,196,387	$48,832
Town				
Columbia		33.9	$387,279	$11,424
Danube		16.2	$222,490	$13,734
Fairfield		15.2	$749,858	$49,333
Frankfort		38.7	$771,621	$19,939
German Flatts		25	$799,065	$31,963
Herkimer		22	$734,093	$33,368
Litchfield		26.5	$300,879	$11,354
Little Falls		15	$413,444	$27,563
Manheim		14.5	$277,173	$19,115
Newport		6.3	$299,986	$47,617
Norway		21.9	$246,354	$11,249
Ohio		64.9	$639,118	$9,848
Russia		60	$487,805	$8,130
Salisbury		58.1	$693,056	$11,929
Schuyler		17.9	$423,804	$23,676
Stark		19.5	$343,817	$17,632
Warren		28.1	$461,925	$16,439
Webb		68.9	$1,678,225	$24,357
Winfield		14	$280,917	$20,066
Total miles		566.6		
Town Average				**$21,512**
Town High				**$49,333**
Town Low				**$8,130**
Village				
Cold Brook		0.4	$5,948	$14,870
Dolgeville		9	$645,562	$71,729
Frankfort		13.2	$293,803	$22,258
Herkimer		29.1	$783,676	$26,930
Ilion		30.1	$546,581	$18,159
Middleville		0.7	$30,969	$44,241
Mohawk		8.8	$263,727	$29,969
Newport		1.3	$56,676	$43,597
Poland		0.7	$10,060	$14,371
Total miles		93.3		
Village Average				**$31,792**
Village High				**$71,729**
Village Low				**$14,371**
All Municipalities		**1263.1**	**$28,345,524**	**$22,441**

Source: Financial Data for Local Governments, New York State Office of the State Comptroller

Note: Does not include municipalities who did not report in 2007 or 2008.

* denotes 2007 expenditure data. 2008 data not available.

Fulton Municipalities - Cost per Mile in 2008				
Municipal	County Owned Mileage	Municipality owned Mileage	2008 Highway Expenditures	Cost per Mile
County				
Fulton	144.2		$3,646,669	$25,289
City				
Gloversville*		56.4	$1,140,213	$20,217
Johnstown		45.4	$1,859,749	$40,964
Total miles		101.8		
City Average				**$30,590**
City High				**$40,964**
City Low				**$20,217**
Town				
Bleecker		28	$242,724	$8,669
Broadalbin		38.2	$766,382	$20,062
Caroga		33.6	$437,906	$13,033
Ephratah		42.4	$382,857	$9,030
Johnstown		71.4	$690,926	$9,677
Mayfield		59	$897,040	$15,204
Northampton		25.1	$376,352	$14,994
Oppenheim		61.6	$498,492	$8,092
Perth		33.7	$537,276	$15,943
Stratford		49	$417,702	$8,525
Total miles		442		
Town Average				**$12,323**
Town High				**$20,062**
Town Low				**$8,092**
Village				
Broadalbin		8.7	$192,072	$22,077
Mayfield		4.9	$215,960	$44,073
Northville		8.4	$243,699	$29,012
Total miles		22		
Village Average				**$31,721**
Village High				**$44,073**
Village Low				**$22,077**
All Municipalities		**710**	**$12,546,019**	**$17,670**

Source: Financial Data for Local Governments, New York State Office of the State Comptroller

Note: Does not include municipalities who did not report in 2007 or 2008.

* denotes 2007 expenditure data. 2008 data not available.

Jefferson Municipalities - Cost per Mile in 2008				
Municipal	County Owned Mileage	Municipality owned Mileage	2008 Highway Expenditures	Cost per Mile
County				
Jefferson	539.7		$12,338,494	$22,862
City				
Watertown		94.9	$3,743,575	$39,448
Town				
Adams		41	$777,241	$18,957
Alexandria		67.7	$754,920	$11,151
Antwerp		47.7	$348,483	$7,306
Brownville		56.7	$662,109	$11,677
Cape Vincent		57.2	$508,621	$8,892
Champion		43.3	$797,745	$18,424
Clayton		78.4	$869,921	$11,096
Ellisburg		84.1	$902,959	$10,737
Henderson		39.7	$566,480	$14,269
Hounsfield		40.5	$765,646	$18,905
LeRay		53.3	$1,145,974	$21,500
Lorraine		37.7	$251,400	$6,668
Lyme		46.7	$514,722	$11,022
Orleans		55.2	$918,401	$16,638
Pamelia		36.5	$355,282	$9,734
Philadelphia		21.6	$248,756	$11,516
Rodman		33.1	$655,333	$19,799
Rutland		48.2	$546,767	$11,344
Theresa		50.9	$465,680	$9,149
Watertown		35.2	$699,917	$19,884
Wilna		27.6	$687,881	$24,923
Worth		22.7	$161,490	$7,114
Total miles		1025		
Town Average				**$13,668**
Town High				**$24,923**
Town Low				**$6,668**
Village				
Adams		6.8	$209,026	$30,739
Antwerp		4.4	$51,756	$11,763
Black River		6.6	$221,061	$33,494
Brownville		3.3	$30,289	$9,178
Cape Vincent		7.8	$206,068	$26,419
Carthage		10.8	$318,797	$29,518
Clayton		9.2	$1,283,640	$139,526
Deferiet		2.7	$78,967	$29,247
Dexter		5.7	$113,679	$19,944
Ellisburg		1	$5,190	$5,190
Evans Mills		3.1	$46,863	$15,117
Glen Park		2.2	$192,163	$87,347
Herrings		0.6	$4,558	$7,597
Mannsville		1.6	$20,433	$12,771
Philadelphia		3.5	$102,908	$29,402
Sackets Harbor		6.7	$276,047	$41,201
Theresa		3.5	$80,946	$23,127
West Carthage		7	$291,441	$41,634
Total miles		86.5		
Village Average				**$32,956**
Village High				**$139,526**
Village Low				**$5,190**
All Municipalities		**1746.1**	**$33,221,629**	**$19,026**

Source: Financial Data for Local Governments, New York State Office of the State Comptroller

Note: Does not include municipalities who did not report in 2007 or 2008.

* denotes 2007 expenditure data. 2008 data not available.

Lewis Municipalities - Cost per Mile in 2008				
Municipal	County Owned Mileage	Municipality owned Mileage	2008 Highway Expenditures	Cost per Mile
County				
Lewis	578.7		$14,301,226	$24,713
Town				
Croghan		122.1	$1,022,047	$8,371
Denmark		35.9	$511,177	$14,239
Diana		57.8	$391,340	$6,771
Greig		60.7	$505,024	$8,320
Harrisburg		35.8	$496,464	$13,868
Lewis		38	$275,329	$7,246
Leyden		39.3	$344,438	$8,764
Lowville		37.5	$477,156	$12,724
Lyonsdale		55.9	$480,002	$8,587
Martinsburg		77.9	$1,044,324	$13,406
Montague		34.7	$140,410	$4,046
New Bremen		64.7	$627,842	$9,704
Osceola		27.5	$254,163	$9,242
Pinckney		37.3	$171,195	$4,590
Turin		32.3	$242,934	$7,521
Watson		60.8	$723,103	$11,893
West Turin		74.2	$531,187	$7,159
Total miles		892.4		
Town Average				**$9,203**
Town High				**$14,239**
Town Low				**$4,046**
Village				
Castorland		1.1	$11,651	$10,592
Constableville		2.1	$27,957	$13,313
Copenhagen		2.2	$79,050	$35,932
Croghan		1.9	$8,569	$4,510
Lowville		13.3	$427,560	$32,147
Lyons Falls		3.8	$97,721	$25,716
Port Leyden		2.6	$57,781	$22,223
Total miles		27		
Village Average				**$20,633**
Village High				**$35,932**
Village Low				**$4,510**
All Municipalities		**1498.1**	**$23,249,650**	**$15,519**

Source: Financial Data for Local Governments, New York State Office of the State Comptroller

Note: Does not include municipalities who did not report in 2007 or 2008.

* denotes 2007 expenditure data. 2008 data not available.

Madison Municipalities - Cost per Mile in 2008				
Municipal	County Owned Mileage	Municipality owned Mileage	2008 Highway Expenditures	Cost per Mile
County				
Madison	438.5		$10,958,249	$24,990
City				
Oneida		37	$1,806,771	$48,832
Town				
Brookfield		91.3	$714,045	$7,821
Cazenovia		57.9	$910,089	$15,718
De Ruyter		30.3	$309,787	$10,224
Eaton		55.6	$538,994	$9,694
Fenner		43.2	$490,384	$11,351
Georgetown		33.8	$327,684	$9,695
Lebanon		42.8	$512,119	$11,965
Lenox		33.4	$400,661	$11,996
Lincoln		32	$275,354	$8,605
Madison		53.8	$699,763	$13,007
Nelson		51.3	$578,323	$11,273
Stockbridge		34.4	$398,265	$11,577
Sullivan		93.5	$1,144,688	$12,243
Total miles		653.3		
Town Average				**$11,167**
Town High				**$15,718**
Town Low				**$7,821**
Village				
Canastota		18.9	$617,895	$32,693
Cazenovia		7.2	$457,582	$63,553
Chittenango		20.7	$598,470	$28,912
De Ruyter		1.8	$44,055	$24,475
Hamilton		9.4	$412,977	$43,934
Morrisville		3.3	$49,262	$14,928
Munnsville		0.8	$2,949	$3,686
Wampsville*		1.8	$20,000	$11,111
Total miles		63.9		
Village Average				**$27,911**
Village High				**$63,553**
Village Low				**$3,686**
All Municipalities		**1192.7**	**$22,268,366**	**$18,671**

Source: Financial Data for Local Governments, New York State Office of the State Comptroller

Note: Does not include municipalities who did not report in 2007 or 2008.

* denotes 2007 expenditure data. 2008 data not available.

Montgomery Municipalities - Cost per Mile in 2008				
Municipal	County Owned Mileage	Municipality owned Mileage	2008 Highway Expenditures	Cost per Mile
County				
Montgomery	394.1		$8,426,009	$21,380
City				
Amsterdam		75.9	$2,041,618	$26,899
Town				
Amsterdam		19.8	$541,714	$27,359
Canajoharie		35.5	$551,930	$15,547
Florida		41	$619,258	$15,104
Glen		26.4	$451,261	$17,093
Minden		33.9	$516,587	$15,239
Mohawk		31.8	$565,342	$17,778
Palatine		27	$451,597	$16,726
Root		35.4	$961,413	$27,159
St. Johnsville		14.7	$207,924	$14,144
Total miles		265.5		
Town Average				**$18,461**
Town High				**$27,359**
Town Low				**$14,144**
Village				
Canajoharie		11	$175,973	$15,998
Fonda		3.4	$94,353	$27,751
Fort Johnson		4.1	$33,272	$8,115
Fort Plain		9.6	$89,835	$9,358
Fultonville		4.4	$172,561	$39,218
Hagaman		8.2	$199,516	$24,331
Nelliston*		2.7	$98,602	$36,519
Palatine Bridge		1.4	$29,853	$21,324
St Johnsville		7.2	$154,547	$21,465
Total miles		52		
Village Average				**$22,675**
Village High				**$39,218**
Village Low				**$8,115**
All Municipalities		**787.5**	**$16,383,165**	**$20,804**

Source: Financial Data for Local Governments, New York State Office of the State Comptroller

Note: Does not include municipalities who did not report in 2007 or 2008.

* denotes 2007 expenditure data. 2008 data not available.

Otsego Municipalities - Cost per Mile in 2008				
Municipal	County Owned Mileage	Municipality owned Mileage	2008 Highway Expenditures	Cost per Mile
County				
Otsego	477.3		$7,875,571	$16,500
City				
Oneonta		41.1	$2,407,296	$58,572
Town				
Burlington		65.9	$507,435	$7,700
Butternuts		66.3	$596,084	$8,991
Cherry Valley		44.4	$444,303	$10,007
Decatur		30.1	$252,752	$8,397
Edmeston		54.6	$375,230	$6,872
Exeter		29.9	$313,440	$10,483
Hartwick		57.7	$532,417	$9,227
Laurens		51.2	$771,807	$15,074
Maryland		61.3	$435,890	$7,111
Middlefield		74.2	$606,402	$8,173
Milford		58.8	$490,093	$8,335
Morris		49.3	$444,751	$9,021
New Lisbon		66.5	$645,984	$9,714
Oneonta		42.3	$555,041	$13,122
Otego		38.7	$643,250	$16,621
Otsego		75.6	$705,241	$9,329
Pittsfield		45.4	$333,426	$7,344
Richfield		35.1	$595,052	$16,953
Roseboom		36.1	$251,450	$6,965
Springfield		46.5	$479,498	$10,312
Unadilla		59.3	$641,934	$10,825
Westford		49.2	$294,528	$5,986
Worcester		67.9	$750,003	$11,046
Total miles		1206.3		
Town Average				**$9,896**
Town High				**$16,953**
Town Low				**$5,986**
Village				
Cherry Valley		2.7	$17,453	$6,464
Cooperstown		13.9	$1,071,930	$77,117
Gilbertsville		2.5	$8,191	$3,276
Laurens		0.4	$6,670	$16,675
Milford		1.4	$128,940	$92,100
Morris		3.5	$418,064	$119,447
Otego		4.8	$104,746	$21,822
Richfield Springs		7.2	$141,435	$19,644
Unadilla		7.5	$67,639	$9,019
Total miles		43.9		
Village Average				**$40,618**
Village High				**$119,447**
Village Low				**$3,276**
All Municipalities		**1768.6**	**$23,913,946**	**$13,521**

Source: Financial Data for Local Governments, New York State Office of the State Comptroller

APPENDIX D: BRIDGE INVENTORY

The listing below shows the sufficiency and condition ratings for bridges throughout Herkimer County. Sufficiency ratings of less than 50 mean the bridge qualifies for replacement. Condition ratings less than 4.5 mean the bridge is deficient.

County and Local Bridge Data

BIN	Carried	Bridge Length	Sufficiency	Condition	Town	Owner	Year
1002720	MAIN STREET	61	57.7	3.933	Village of Ilion	Village of Ilion	1937
1002730	WEST MAIN STREET	84	77.6	4.484	Village of Mohawk	Village of Mohawk	1964
2204570	CASLER ROAD	42	77.9	6.634	Town of Columbia	Town of Columbia	1920
2204590	TIBBITTS ROAD	85	42.8	5.034	Town of Danube	Town of Danube	1955
2204600	OLD CITY ROAD	64	67.7	4.057	Town of Fairfield	Town of Fairfield	1895
2204610	FARRINGTON ROAD	50	28.3	5.176	Town of Fairfield	Town of Fairfield	1900
2204620	SHELLS BUSH ROAD	345	81.6	6.31	Town of Herkimer	Town of Herkimer	1989
2204630	FIDDLETOWN ROAD	63	56.9	4.579	Town of Herkimer	Town of Herkimer	1970
2204660	WOODCHUCK HILL RD	52	34.2	4.519	Town of Newport	Town of Newport	1990
2204670	TEA CUP STREET	27	54.1	5.512	Town of Ohio	Town of Ohio	1920
2204680	AMBERG ROAD	40	82.5	6	Town of Ohio	Town of Ohio	1920
2204690	BILLY HAMLIN ROAD	35	49.2	4.514	Town of Ohio	Town of Ohio	1965
2204700	REINHARDT ROAD	54			Town of Ohio	Town of Ohio	1910
2204730	HASKELL ROAD	39	67.4	6.057	Town of Ohio	Town of Ohio	1900
2204740	HARVEY BRIDGE RD	248	27.1	4.085	Town of Ohio	Town of Ohio	1895
2204750	FARR ROAD	68	74	5.8	Town of Ohio	Town of Ohio	1895
2204760	FARR ROAD	39	72	5.429	Town of Ohio	Town of Ohio	1895
2204780	KINGSLEY ROAD	52	39.2	4.574	Town of Salisbury	Town of Salisbury	1931
2204790	FAIRVIEW ROAD	48	22	6.362	Town of Salisbury	Town of Salisbury	1875
2204800	MANG RD	37			Town of Salisbury	Town of Salisbury	1909
2204810	RED MILL ROAD	68			Town of Salisbury	Town of Salisbury	1900
2204820	BINGHAM MILL ROAD	31	84.2	5.965	Town of Salisbury	Town of Salisbury	1982
2204830	BINGHAM MILL ROAD	32	63	5.143	Town of Salisbury	Town of Salisbury	1963
2204840	BINGHAM MILL ROAD	29	45.6	5.5	Town of Salisbury	Town of Salisbury	1977
2204850	JAMES ROAD	32	30	5.048	Town of Salisbury	Town of Salisbury	1950
2204890	MOYER ROAD	44	47.4	4.653	Town of Stark	Town of Stark	1930
2204900	HOPKINS RD	26			Town of Warren	Town of Warren	1920
2204920	BULLOCK ROAD	95	96	5.545	Town of Webb	Town of Webb	1991
2204930	GREENBRIDGE ROAD	104	83.4	6.283	Town of Webb	Town of Webb	1985
2204940	RONDAXE ROAD	72	80.9	5.561	Town of Webb	Town of Webb	1910
2204950	COVEY ROAD	52	87.2	6.024	Town of Webb	Town of Webb	1950
2204980	DOYLE ROAD	32	97	5.714	Town of Winfield	Town of Winfield	1990
2204990	JONES ROAD	30	71.3	5.286	Town of Winfield	Town of Winfield	1976
2205000	SALE ROAD	32	96	5.571	Town of Winfield	Town of Winfield	1977
2255530	HANSEN AVENUE	144	63.2	3.844	City of Little Falls	City of Little Falls	1939
2255540	SOUTH ANN STREET	150	31.9	3.266	City of Little Falls	City of Little Falls	1933
2255580	BRICE ROAD	41	29.3	4.49	Town of Frankfort	Town of Frankfort	1930
2263570	SNOWMOBILE TRAIL	103	21	5.019	Town of Webb	Town of Webb	1895
2263590	BLACK CREEK ROAD	103	48.2	4.642	Town of Russia	Town of Russia	1940
2263610	FAIRVIEW ROAD	24	29.4	4.391	Town of Salisbury	Town of Salisbury	1920
2263620	OLD STATE RTE 5S	38	81	5.333	Town of Frankfort	Town of Frankfort	1948
2263710	HILLTOP ROAD	55	66	4.797	Village of Frankfort	Village of Frankfort	1932
2263720	WEST MAIN STREET	40	64.2	4.857	Village of Frankfort	Village of Frankfort	1933
2263730	EAST STEELE ST	57	71.6	5.4	Village of Herkimer	Village of Herkimer	1970
2263740	PERRY STREET	48	37.9	5.635	Village of Herkimer	Village of Herkimer	1970
2263750	EAST SMITH STREET	48	59.7	5.055	Village of Herkimer	Village of Herkimer	1920
2263760	EASTERN STREET	40			Village of Herkimer	Village of Herkimer	1900
2266820	WEST GERMAN ST	31	39.4	4.29	Village of Herkimer	Village of Herkimer	1920

2266830	MAPLE GROVE AVE	27	25.4	3.387	Village of Herkimer	Village of Herkimer
2266840	RICHFIELD STREET	58	42.6	3.98	Village of Ilion	Village of Ilion
2266850	PHILIP STREET	33	21.4	3.367	Village of Ilion	Village of Ilion
2266860	THIRD STREET	30	92.5	7	Town of German	Town of German
2266870	SECOND STREET	50	63.6	4.435	Town of German	Town of German
2266880	WILLIAM STREET	215			City of Little Falls	City of Little Falls
2267890	EATONVILLE ROAD	31	48.3	5.02	Town of Little Falls	Town of Little Falls
2267970	WHEELERTOWN ROAD	68	68.8	5.082	Town of Russia	Town of Russia
2268960	MILITARY ROAD	24	95.8	5.737	Town of Salisbury	Town of Salisbury
2269130	ATWOOD LAKE ROAD	40	96	6.429	Town of Ohio	Town of Ohio
2269140	ATWOOD LAKE ROAD	43	96	5.429	Town of Ohio	Town of Ohio
3307530	COUNTY ROAD 85	32	85	5.714	Town of Columbia	Herkimer County
3307540	COUNTY ROAD 136	40	87	5.966	Town of Danube	Herkimer County
3307550	JOHNNY CAKE ROAD	44	54.7	4.407	Town of Danube	Herkimer County
3307570	NEWVILLE ROAD	83	89.5	6.542	Town of Danube	Herkimer County
3307580	COUNTY ROAD 102	99	48.2	4.508	Town of Danube	Herkimer County
3307590	COUNTY ROAD 102	62	97.7	7	Town of Danube	Herkimer County
3307600	COUNTY ROAD 102	104	98	7	Town of Danube	Herkimer County
3307620	COUNTY ROAD 7	88	83.3	7	Town of Fairfield	Herkimer County
3307630	COUNTY ROAD 13	35	74.8	5.951	Town of Frankfort	Herkimer County
3307640	COUNTY ROAD 13	30	82.4	6.109	Town of Frankfort	Herkimer County
3307660	COUNTY ROAD 37	324	90.1	6.338	Town of Schuyler	Herkimer County
3307680	SPINNERVILLE ROAD	42	97	6.829	Town of German	Herkimer County
3307690	COUNTY ROAD 68	30	88	5.976	Town of German	Herkimer County
3307700	WEST END ROAD	301	92.7	6.761	Town of Herkimer	Herkimer County
3307720	COUNTY ROAD 246	45	64.7	4.898	Town of Manheim	Herkimer County
3307730	DOCKEY ROAD	53	58.3	5.033	Town of Manheim	Herkimer County
3307740	INGHAM MILLS ROAD	106	97	7	Town of Manheim	Herkimer County
3307750	MURPHY ROAD	33	61.8	5.163	Town of Manheim	Herkimer County
3307760	BROCKETT ROAD	24	66.4	4.759	Town of Manheim	Herkimer County
3307770	PECKVILLE ROAD	44	64	5.407	Town of Manheim	Herkimer County
3307790	NEWPORT ROAD	30	95.4	5.727	Town of Newport	Herkimer County
3307800	NEWPORT ROAD	33	24.2	6.488	Town of Newport	Herkimer County
3307810	NEWPORT ROAD	64	88.6	6.805	Town of Newport	Herkimer County
3307820	NEWPORT ROAD	32	49.9	4.633	Town of Newport	Herkimer County
3307830	OLD STATE ROAD	233	62.6	5.523	Town of Newport	Herkimer County
3307840	OLD STATE ROAD	310	94.3	6.821	Town of Newport	Herkimer County
3307850	WHITE CREEK ROAD	44	65.8	5.683	Town of Newport	Herkimer County
3307860	ELM TREE ROAD	27	69.9	5.4	Town of Norway	Herkimer County
3307880	NEWPORT-GRAY	39	75.8	6.065	Town of Norway	Herkimer County
3307890	COUNTY ROAD 111	64	83.3	7	Town of Norway	Herkimer County
3307900	BLACK CREEK ROAD	50	69.1	5.082	Town of Norway	Herkimer County
3307910	GRAY WILMURT ROAD	45	49.7	4.959	Town of Norway	Herkimer County
3307920	GRAY WILMURT ROAD	47	98.9	6.739	Town of Ohio	Herkimer County
3307930	GRAY WILMURT ROAD	40	99	6.478	Town of Ohio	Herkimer County
3307940	GRAY WILMURT ROAD	66	97	6.754	Town of Ohio	Herkimer County
3307950	GRAY WILMURT ROAD	109	100	7	Town of Ohio	Herkimer County
3307960	COUNTY ROAD 73	70	49	5.382	Town of Ohio	Herkimer County
3307970	SANTMIRE ROAD	21	81.2	4.857	Town of Ohio	Herkimer County
3307980	GRAVESVILLE ROAD	24	96.9	6.526	Town of Russia	Herkimer County

3307990	COUNTY ROAD 47	28	94.9	5.643	Town of Russia	Herkimer County
3308000	COUNTY ROAD 247	230	85.2	6.528	Town of Russia	Herkimer County
3308010	COUNTY ROAD 113	50	61.7	5.024	Town of Russia	Herkimer County
3308030	HINCKLEY ROAD	153	95.8	6.397	Town of Russia	Herkimer County
3308040	STORMY HILL ROAD	66	54.2	4.854	Town of Russia	Herkimer County
3308050	COUNTY ROAD 164	86	55.7	5.207	Town of Salisbury	Herkimer County
3308060	COUNTY ROAD 164	23	65.8	4.567	Town of Salisbury	Herkimer County
3308080	EMMONSBURG ROAD	100	96.7	7	Town of Salisbury	Herkimer County
3308090	COUNTY ROAD 221	57	90.4	6.561	Town of Salisbury	Herkimer County
3308120	COSBY MANOR ROAD	23	79.8	5.829	Town of Schuyler	Herkimer County
3308130	SHORTLOTS ROAD	103	96.4	7	Town of Schuyler	Herkimer County
3308140	COUNTY ROAD 180	65	55.3	4.855	Town of Schuyler	Herkimer County
3308150	MOWERS ROAD	62	68.1	4.725	Town of Schuyler	Herkimer County
3308160	HAWTHORNE ROAD	54	60.6	4.333	Town of Schuyler	Herkimer County
3308190	N WINFIELD ROAD	22	92.9	6.267	Town of Winfield	Herkimer County
3308200	N WINFIELD ROAD	23	90.9	6.567	Town of Winfield	Herkimer County
3308210	BIG MOOSE ROAD	50	27.2	4.727	Town of Webb	Herkimer County
3308220	SOUTH SHORE ROAD	44	61.8	5	Town of Webb	Herkimer County
3366130	COUNTY ROAD 37	30	97.7	5.947	Town of Frankfort	Herkimer County
3366140	SLEEKER ST EXTEN	28	54.5	3.571	Town of Frankfort	Herkimer County
3366150	COUNTY ROAD 141	28	85.9	4.857	Town of Winfield	Herkimer County
3366940	COUNTY ROAD 37	88	94.3	6.125	Town of Frankfort	Herkimer County
3369210	EMMONSBURG ROAD	22	92.2	6.316	Town of Salisbury	Herkimer County
4423040	RAILROAD STREET	479	79.7	5.606	Town of Frankfort	Herkimer County
4423060	DYKE RD CO RD 37	305	94.3	6.145	Town of Schuyler	Herkimer County
7307650	COUNTY ROAD 37	176	95.4	5.797	Town of Schuyler	NYS Thruway
7714340	ARAN EX-NYC R R	53			Town of Frankfort	NYS Thruway

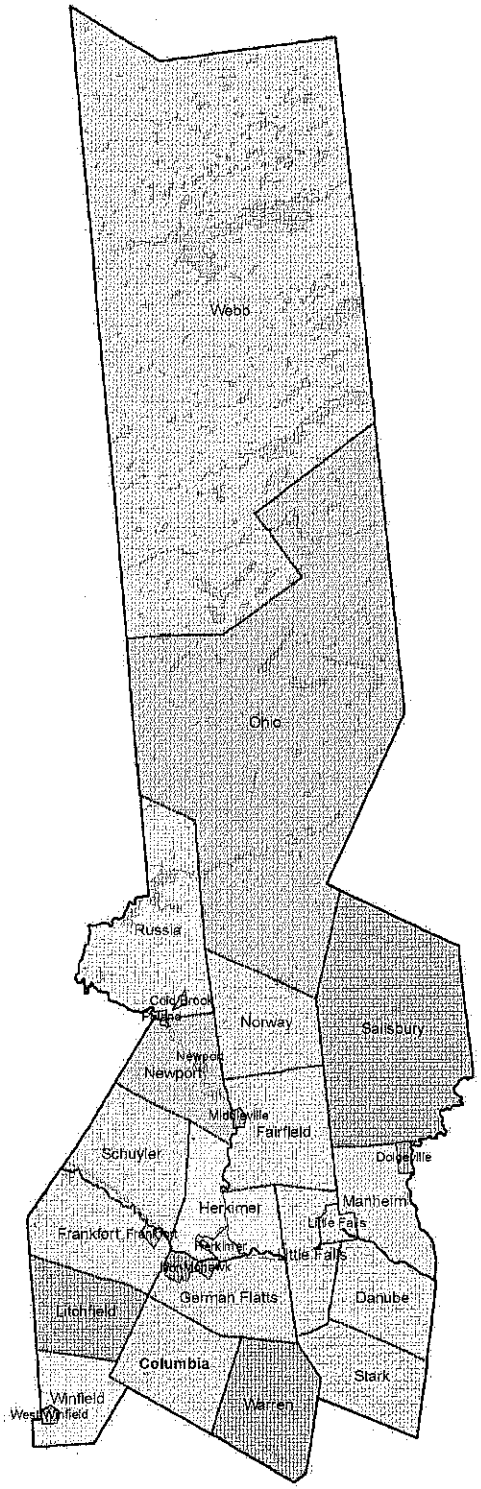
APPENDIX E: SHARED SERVICE MAPS

The following maps show relationships and shared-service arrangements currently in place.

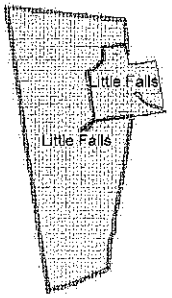
Shared Services - Equipment

Baseline Report January 2010

The following maps show groups of municipalites that engage in some sharing of equipment.

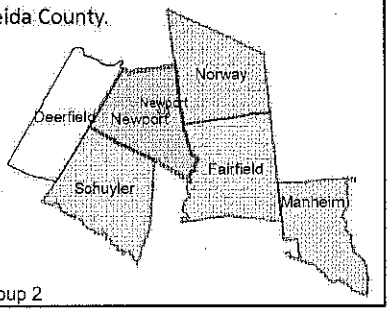


Information provided by the Town of Little Falls. Also works with the County of Herkimer.



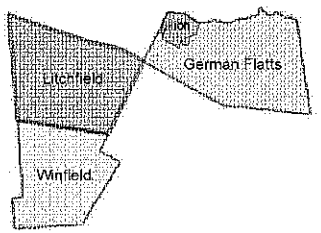
Group 1

Information provided by theTown of Norway. Also works with the Town of Deerfield in Oneida County.



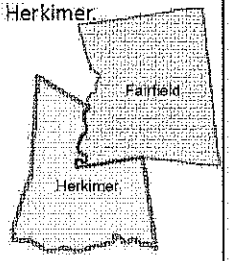
Group 2

Information provided by the Town of Litchfield. Also works with the County of Herkimer



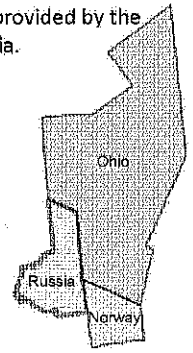
Group 3

Information provided by the Town of Herkimer. Also works with the County of Herkimer.



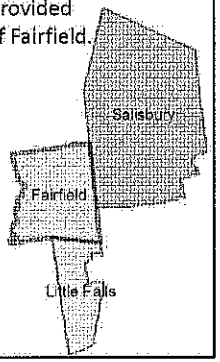
Group 4

Information provided by the Town of Russia.



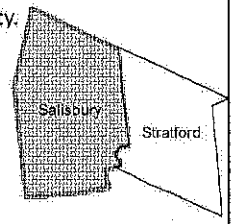
Group 5

Information provided by theTown of Fairfield.



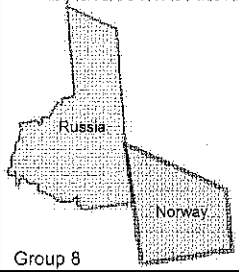
Group 6

Information provided by the Town of Salisbury. Also works with the Town of Stratford in Fulton County.



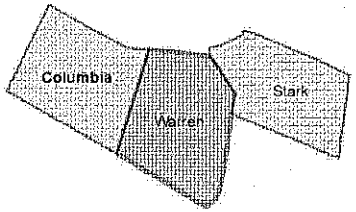
Group 7

Information provided by the Town of Norway



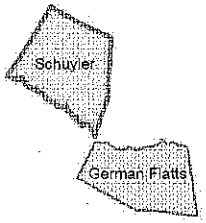
Group 8

Information provided by the Town of Warren



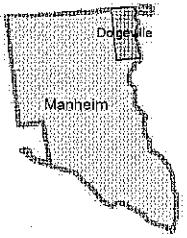
Group 9

Information provided by the Town of Schuyler. Also works with the County of Herkimer.



Group 10

Information provided by the Town of Manheim.



Group 11

DRAFT 12/15/09 CGR

Map created for planning purposes only.

Data Inventory for Shared Services - Equipment

GROUP 1

	Budget	Equipment	Personnel
Town of Little Falls	Y	Y	Y
City of Little Falls	Y	N	Y

GROUP 2

	Budget	Equipment	Personnel
Town of Newport	Y	Y	Y
Village of Newport	N	N	Y
Town of Norway	Y	Y	Y
Town of Fairfield	Y	Y	Y
Town of Manheim	Y	Y	Y
Town of Schuyler	Y	Y	Y
Town of Deerfield	N	N	N

GROUP 3

	Budget	Equipment	Personnel
Town of Litchfield	Y	Y	Y
Village of Ilion	Y	Y	Y
Town of German Flatts	Y	N	N
Town of Winfield	Y	Y	Y

GROUP 4

	Budget	Equipment	Personnel
Town of Herkimer	Y	N	Y
Town of Fairfield	Y	Y	Y

GROUP 5

	Budget	Equipment	Personnel
Town of Russia	Y	Y	Y
Town of Ohio	Y	Y	Y
Town of Norway	Y	Y	Y

GROUP 6

	Budget	Equipment	Personnel
Town of Fairfield	Y	Y	Y
Town of Salisbury	Y	Y	Y
Town of Little Falls	Y	Y	Y

GROUP 7

	Budget	Equipment	Personnel
Town of Salisbury	Y	Y	Y
Town of Stratford	N	N	N

GROUP 8

	Budget	Equipment	Personnel
Town of Norway	Y	Y	Y
Town of Russia	Y	Y	Y

GROUP 9

	Budget	Equipment	Personnel
Town of Warren	Y	Y	Y
Town of Columbia	Y	Y	Y
Town of Stark	Y	Y	Y

GROUP 10

	Budget	Equipment	Personnel
Town of Schuyler	Y	Y	Y
Town of German Flatts	Y	N	N

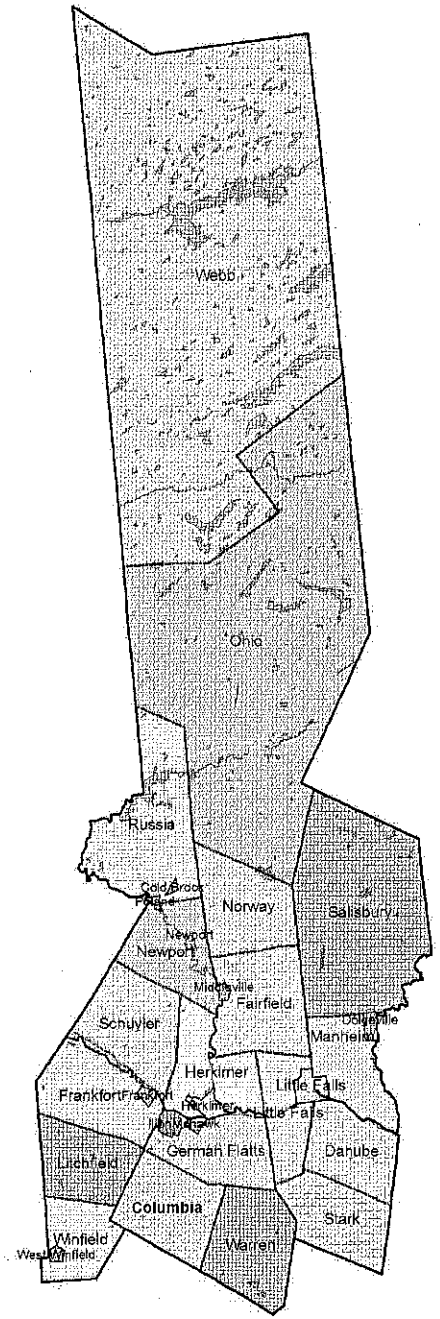
GROUP 11

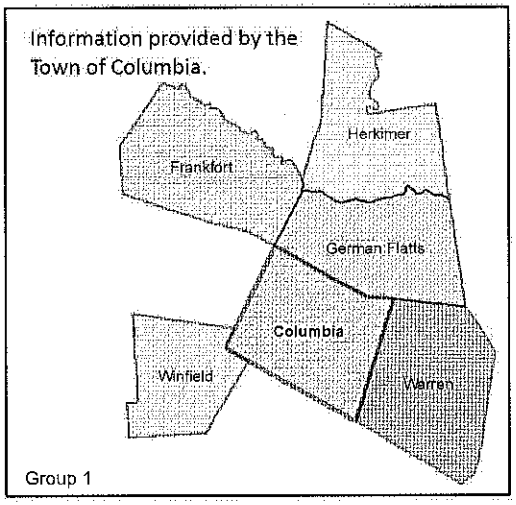
	Budget	Equipment	Personnel
Town of Manheim	Y	Y	Y
Village of Dolgeville	Y	N	Y

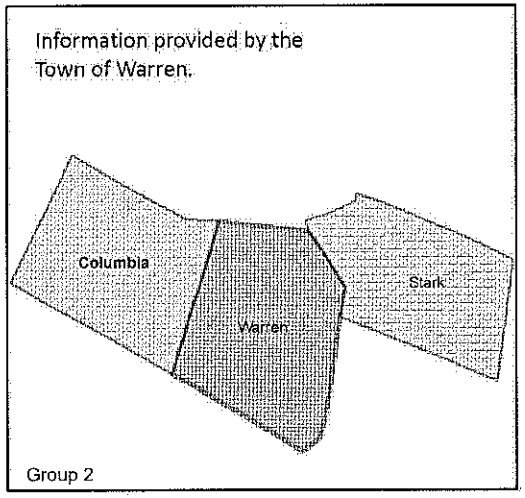
Shared Services -Summer Roads Projects

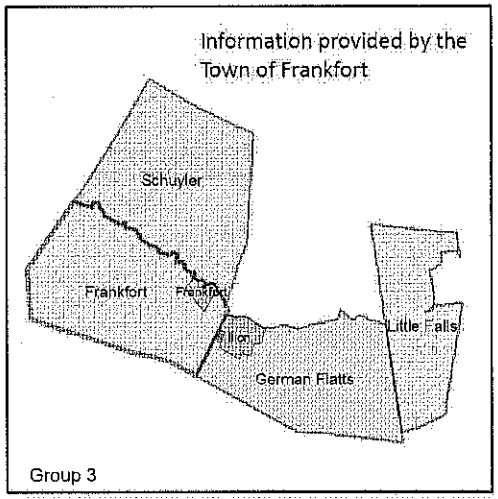
Baseline Report January 2010

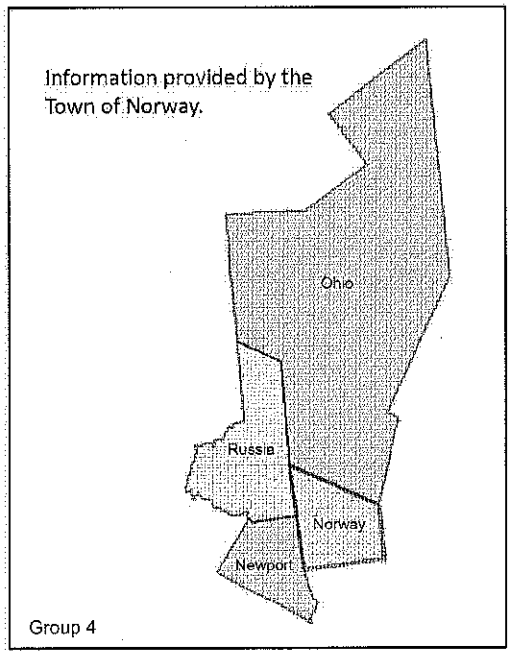
The following maps show groups of municipalities
that engage in some joint activities around summer road projects.

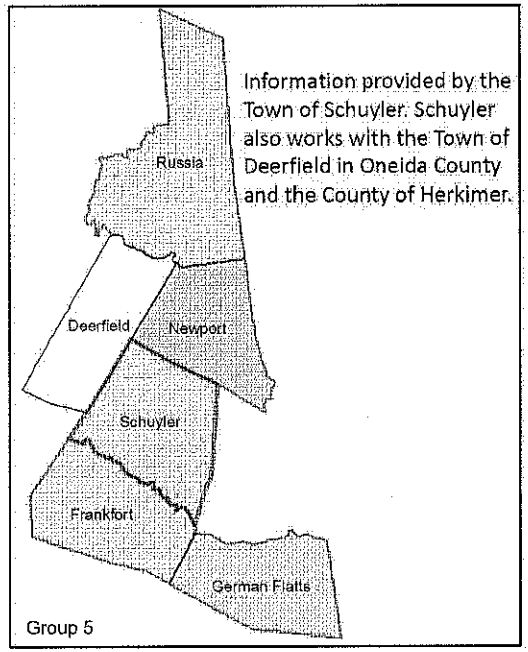


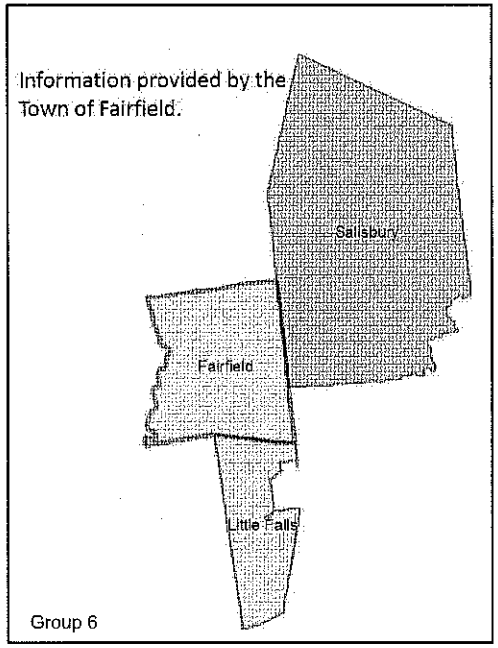












DRAFT 12/15/09 CGR

Map created for planning purposes only.

Data Inventory for Shared Services - Summer Roads

GROUP 1

	Budget	Equipment	Personnel
Town of Columbia	Y	Y	Y
Town of Warren	Y	Y	Y
Town of Winfield	Y	Y	Y
Town of German Flatts	Y	N	N
Town of Herkimer	Y	N	Y
Town of Frankfort	Y	Y	Y

GROUP 2

	Budget	Equipment	Personnel
Town of Warren	Y	Y	Y
Town of Columbia	Y	Y	Y
Town of Stark	Y	Y	Y

GROUP 3

	Budget	Equipment	Personnel
Town of Frankfort	Y	Y	Y
Village of Frankfort	Y	Y	Y
Village of Ilion	Y	Y	Y
Town of German Flatts	Y	N	N
Town of Schuyler	Y	Y	Y
Town of Little Falls	Y	Y	Y

GROUP 4

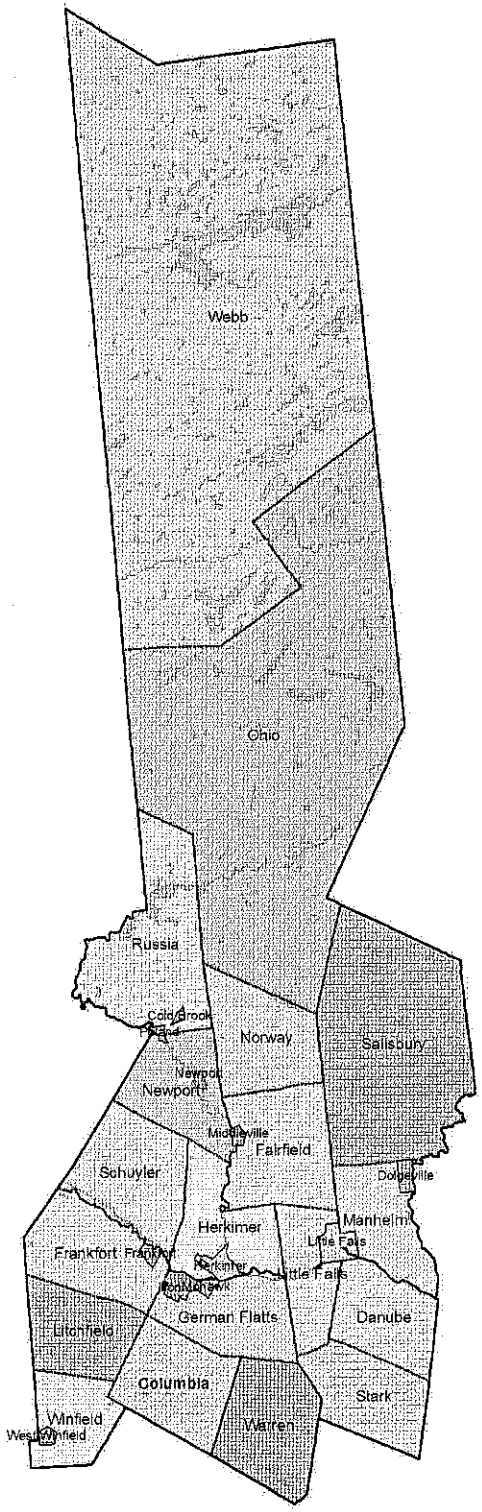
	Budget	Equipment	Personnel
Town of Norway	Y	Y	Y
Town of Russia	Y	Y	Y
Town of Newport	Y	Y	Y
Town of Ohio	Y	Y	Y

GROUP 5

	Budget	Equipment	Personnel
Town of Schuyler	Y	Y	Y
Town of Frankfort	Y	Y	Y
Town of German Flatts	Y	N	N
Town of Newport	Y	Y	Y
Town of Russia	Y	Y	Y
Town of Deerfield	N	N	N

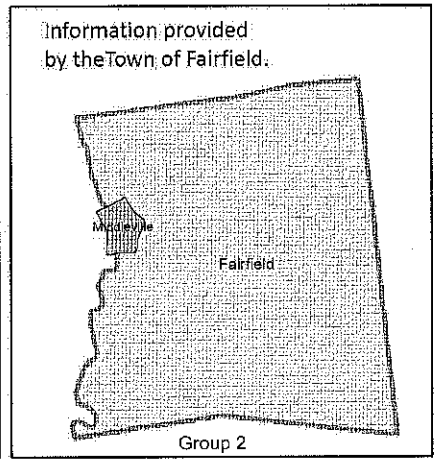
GROUP 6

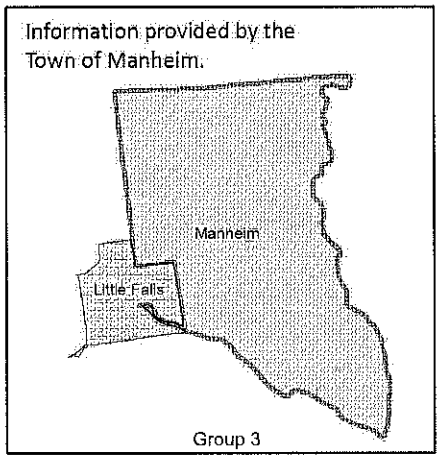
	Budget	Equipment	Personnel
Town of Fairfield	Y	Y	Y
Town of Salisbury	Y	Y	Y
Town of Little Falls	Y	Y	Y



Shared Services - Snowplowing

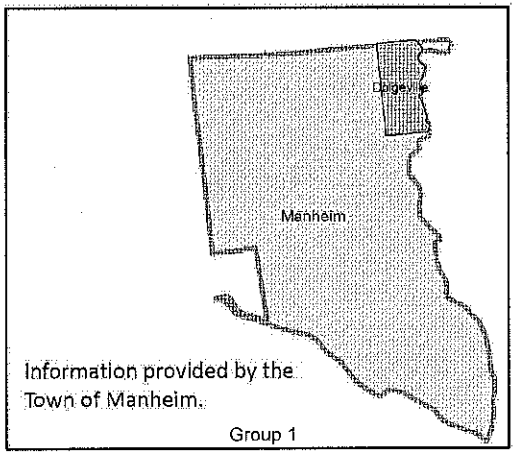
The following maps show groups of municipalites that engage in some sharing of snowplowing.





Shared Services - Share Facilities & Materials

The following maps show groups of municipalites that engage in some sharing of facilities and materials.



DRAFT 12/15/09 CGR

Map created for planning purposes only.

Data Inventory for Shared Services - Snowplowing

GROUP 1

	Budget	Equipment	Personnel
Town of Russia	Y	Y	Y
Village of Cold Brook	N	N	N
Village of Poland	Y	N	N

GROUP 2

	Budget	Equipment	Personnel
Town of Fairfield	Y	Y	Y
Village of Middleville	Y	N	Y

GROUP 3

	Budget	Equipment	Personnel
Town of Manheim	Y	Y	Y
City of Little Falls	Y	N	Y

Data Inventory for Shared Services - Facilities & Materials

GROUP 1

	Budget	Equipment	Personnel
Town of Manheim	Y	Y	Y
Village of Dolgeville	Y	N	Y

APPENDIX B

ALL SEASONS COUNTY/TOWN WORK AGREEMENT

THIS AGREEMENT, this _____ day of _____, 2006, by and between the COUNTY OF MONROE, a municipal corporation having its office and place of business in the County Office Building, 39 West Main Street, Rochester, New York 14614, hereinafter referred to as the "County", and the Town of _____-a municipal corporation within the County of Monroe, having its office and place of business at «_____», «_____», _____» «_____», hereinafter referred to as the "Town".

WITNESSETH:

WHEREAS, the County owns, operates, and maintains a highway system in the towns and villages of the County, and

WHEREAS, the County Superintendent of Highways has authorized this Intermunicipal Agreement under the provisions of Monroe County Code, Article C6-19(B)(7), and

WHEREAS, the Supervisor of the Town has authorized this Intermunicipal Agreement pursuant to the Town Board Resolution No. _____ of 2006, and

WHEREAS, the County Superintendent of Highways has general charge and supervision of the work of constructing, improving, repairing and maintaining all County roads, and

WHEREAS, the County funds may be expended for maintenance and repair of County roads, and

WHEREAS, the County desires to contract with the Town for planned county road and bridge work, including highway resurfacing and reconstruction, bridge rehabilitation and replacement, and other planned construction work to be paid on an hourly labor and cost of Equipment basis ("Planned Work"), and

WHEREAS, the County desires to contract with the Town for unplanned road repairs and service responses, and snow and ice build-up removal, to be paid on an hourly Labor and Equipment basis ("Unplanned Work"), and

WHEREAS, the parties shall refer to Planned Work and Unplanned Work collectively as "Hourly Work", and

WHEREAS, the County may contract with the Town for roadside mowing, dead animal pickup and right of way/roadside pickup, all of which shall be paid on a unit cost per the rates of Appendix "B" ("MAR Services"), and

WHEREAS, the parties shall refer to Hourly Work and MAR Services collectively as "County Work", and

WHEREAS, the Town represents that it has appropriate equipment, personnel, and support to perform County Work,

NOW THEREFORE, in consideration of the mutual covenants, agreements, and consideration hereinafter set forth, and pursuant to Sections 135,135-a and 142-d of the New York State Highway Law, the parties hereto mutually agree that the Town will perform County Work on County roads, and that the County will reimburse the Town in the manner described herein.

GENERAL CONDITIONS

1. The term of this Agreement shall be January 1, 2007 through December 31, 2007. However, the Agreement may be renewed upon the mutual written consent of the parties for additional one-year terms, for a maximum Agreement term of ten (10) years.

2. The Town hereby agrees to perform County Work on designated County roads according to the terms described herein, and according to project agreements and work orders to be executed between the parties for County Work.

3. The Town in which County work on designated County Roads is required shall have the first right to perform said County Work. In the event the Town is unable or unwilling to perform the necessary County Work the County shall have the right to subcontract with any other town or village it shall choose.

4. From time to time, the parties may use one another's equipment and machinery (hereafter "Equipment") for County Work. In exchange for payment according to the Current New York State Department of Transportation Equipment Rental Rate Schedule ("NYSDOT Schedule"), and subject to availability, the Town agrees to provide the County with Equipment listed on the latest Town Equipment inventory at any time and place within Monroe County, upon reasonable request of the County Superintendent of Highways, or designee. In the event that the Town should request and obtain County Equipment for County Work, the Town shall not be paid rental fees according to the NYSDOT Schedule for such borrowed Equipment. If the Town does not possess Equipment necessary to perform County Work, the Town or County may obtain Equipment from another town or village to complete County Work, and the County shall tender payment to the other town or village for the use of such Equipment.

5. The Town will maintain its Equipment in serviceable condition at its own expense during the term of this Agreement. The Town will furnish and pay for all supplies, including but not limited to petroleum products and tires necessary for the operation of the Equipment. The Town shall utilize the appropriate Equipment for all tasks required to perform the County Work. The County shall have no responsibility for the care, maintenance or repair of such Equipment.

6. The Town shall furnish qualified and licensed operators for such Equipment that require operators, and will provide additional labor as requested and as approved by the County. The operators and other labor shall be paid by the Town, which shall also carry State required workers' compensation insurance for such personnel.

7. The Town shall furnish and make available for the performance of County Work: small tools, including picks, shovels, and other implements necessary for County Work. The use of small tools shall not be the subject of any additional charge to the County.

8. The Town shall mark all sites for County Work with the proper warning lights, barricades and signs in accordance with the most recent ADOPTED MANUAL OF UNIFORM TRAFFIC CONTROL DEVICES BY NEW YORK STATE, or as required by the County Superintendent of Highways, or designee. No work shall commence until required traffic measures and

controls are in place. Signs shall remain in place until directed to be removed by the County Superintendent of Highways or designee.

9. The Town shall equip all trucks, tractors and other vehicles working in or along the roads with hazard or warning signs and/or lights as required by law, and these lights must be used when vehicles are parked or standing, or moving at slow speed along the road.

10. The Town shall equip and require its employees working in or along the County right-of-way to wear long pants, shirts with sleeves, and personal safety protective gear, including but not limited to hard hats, reflective vests, and protective footwear which shall comply with ANSI standards.

11. The Town shall be fully responsible for compliance with all applicable safety rules, regulations, laws, statutes and ordinances which pertain to the performance of County Work, and shall indemnify the County pursuant to paragraph 36 for any failure to so comply.

12. If the Town has insufficient Town labor crews to perform Planned County Work, the Town may sub-contract Planned County Work to another town or village, (hereinafter referred to as "Sub",) in Monroe County to complete a portion of the Planned County Work. However, except as described in paragraph 21, the Town shall remain responsible to the County for the obligations delegated to the Sub under this Agreement.

13. If the parties cannot agree to the terms of a project agreement or work order, the County shall perform the work with County forces or contract with another town or village for such services.

HOURLY WORK

14. The County shall issue a Project Agreement or Work Order for all Hourly Work which shall be paid on an hourly basis (Labor and Equipment) according to rates described in Sections 4 and 23, and in Appendix "A". The Town shall not commence work until a project agreement or work order has been executed by the County and the Town Highway Superintendent or Commissioner of Public Works.

15. The County shall furnish the Town with a list of approved purchase orders in a timely fashion. The Town shall use these purchase orders when obtaining material for authorized Hourly Work. The County shall be responsible for payment to vendors only for authorized purchases by the Town. The County shall not reimburse the Town for unauthorized purchases. In the event material is removed from the Town inventory, the County shall pay the reasonable cost of such material. If the Town must purchase material for Hourly Work, the County shall reimburse the Town at a rate to be agreed upon by the parties.

16. Pursuant to Labor Law Section 220, the normal workday shall be eight (8) hours. In all cases in which the Town performs Hourly Work, the Town shall establish its own hours and procedures subject to the requirements of the New York Labor Law. Travel time up to a maximum of fifteen (15) minutes to and from the work site will be reimbursed by the County for work within the Town, and adjusted accordingly for work in other towns by actual measurement. Any additional travel time shall not be at the County's expense. Except as provided in Section 17, payment shall be made for actual hours worked per day, including authorized travel time. PRIOR APPROVAL FROM THE COUNTY HIGHWAY MAINTENANCE MANAGER IS REQUIRED FOR AUTHORIZATION OF OVERTIME HOURS. In cases in which the Town performs MAR Services, the Town shall establish its own hours consistent with the New York Labor Law.

17. In the event inclement weather disrupts the normal work operations for Hourly Work, the County shall reimburse the Town for labor at the rate of four (4) hours of pay for the first four (4) hours or less of actual work, unless other County Work can be found for Town forces to complete for the remainder of the four hour period. Equipment shall be reimbursed only for actual hours of operation.

18. The Town that executes the project agreement or work order (the "Lead Town"), hereinafter referred to as "Lead", shall collect, organize, code, and provide materials tickets to the County on at least a weekly basis for review and approval by the County Highway Superintendent or designee.

19. The Lead shall complete daily maintenance reports of all authorized projects in process and provide an original on at least a weekly basis to the County for review and approval by the County Highway Superintendent or designee. The daily maintenance reports must indicate daily labor, equipment/machinery, and materials costs, including unit costs, extensions and total costs, and totals costs to date.

20. The County Highway Superintendent or designee shall pick up the materials tickets and the original daily maintenance reports from the Lead on a weekly basis.

21. If the Lead has subcontracted Labor and Equipment to a Sub, the Lead shall include the Sub's daily maintenance reports in the Lead's submittal to the County in accordance with Sections 19 and 20 of this Agreement. If a Lead has subcontracted Labor and Equipment to a Sub, the Sub shall complete the daily maintenance reports and either deliver the original signed daily maintenance report or fax a copy of the report to the Lead for signature by the Lead's foreman.

22. The Lead and Subs are required to produce and submit to the County, a bill/invoice for reimbursement of their Labor and Equipment expenses. In no event shall the Lead be responsible for preparing and submitting a bill/invoice for the work of the Sub. The Sub shall submit its claims to the County in accordance with Section 34 of this Agreement.

23. The County shall reimburse the Lead for labor costs for authorized Hourly Work. Such labor costs shall include the hourly labor rate, increased by an additional amount for fringe rates ("Loaded Labor Rate"). (MAR Services shall be paid on a unit cost basis per the rates in Appendix "B" pursuant to Section 33.)

24. For each year of this Agreement, the County shall pay a fringe benefit rate for all full and part time Town employees working regular and overtime hours for Hourly Work according to the applicable section of Appendix A attached hereto. The Town shall submit fringe benefit information to the County on an annual basis.

25. On an annual basis, the County shall prepare a list of Town employees and submit the list to the Town for corrections. The Town shall review the list, add and delete employees, and update the labor rates. The County shall revise the employee roster and labor rates in accordance with the Town's corrections. The County shall apply a fringe rate to each employee's labor rate and calculate Loaded Labor Rates for each full time and part time employee, including regular and overtime rates. The County shall provide the Town with the updated Loaded Labor Rates.

26. The County shall update the Town labor rates throughout each year of the Agreement to record Town labor rate changes, such as merit increases and cost of living increases. The Town is required to notify the County of changes in the employee roster or labor rates as of the effective date of such roster or labor rate changes.

27. The County shall issue work orders for snow and ice build-up removal when conditions warrant such measures, and only in situations in which the removal was not the result of the Town's failure to properly perform the basic services required under the Agreement between the Town and the County for Snow Removal and Ice control Services dated October 12, 2002.

28. With respect to snow and ice removal, the Town shall push back and haul snow from County highway rights-of-way, remove ice build-ups from pavements, and open culvert crossings or drainage ways obstructed by ice build-ups as authorized by a written work order issued by the County.

29. From time to time, the County may request services of the Town for 'Unplanned Work' such as repair to County roads caused by storms, flooding, or other acts of God, customer services responses and other services requested by the County.

30. All 'Unplanned Work' shall require prior approval by the Monroe County Superintendent of Highways or designee. The County shall orally approve 'Unplanned Work', and shall confirm with a written work order which shall identify the location and scope of work to be performed and which shall be signed by the parties.

31. The Town shall provide daily Labor and Equipment costs of 'Unplanned Work' on the County Daily Maintenance Report form. These time records must include the work order number and the rates for Loaded Labor and Equipment currently in effect, and shall be reported by the Town to the County. The Town shall submit these forms to Monroe County Department of Transportation on a weekly basis.

32. 'Unplanned Work' shall be reimbursed based on actual costs of Town Labor and Equipment used to perform the Work. Payment for 'Unplanned Work' shall require a properly completed County claim voucher, a copy of the issued work order(s) and the daily time and cost records. The County shall reimburse the Town in accordance with the County's payment schedule (bi-weekly) during the term of the Agreement.

MAR SERVICES

33. Dead Animal Pickup shall be paid by the centerline mile according to the rate set forth in Appendix "B". Roadside pickup and roadside mowing shall be paid on a lump sum basis according to Appendix "B". Roadside mowing, roadside pickup and dead animal pickup shall be paid according to the terms of Project Agreements which must be approved and signed between the County and Town prior to the commencement of MAR Services during the term of this Agreement. Rates for roadside mowing, roadside pickup and dead animal pickup shall be negotiated by the parties for any renewal of this Agreement.

GENERAL TERMS

34. Except for MAR Services under paragraph 32, the County shall process Town claims for payment for work performed on a Labor and Equipment basis upon submission (to the Finance Division of the Department of Transportation) of a properly completed Monroe County claim voucher and a Town generated bill/invoice in a form acceptable to the County. The bill/invoice shall include project name and number and daily information regarding Labor and Equipment used.

The suggested format and required information included on the bill/invoice are as follows:

A columnar format with headings for employee number, name, date(s) worked, total hours worked, loaded labor rates, extensions. The Town should record the name and number of each employee working during the claim period, and record corresponding information for the dates and hours worked, total hours worked, loaded labor rates, extensions (total hours X loaded labor rates), and a grand total of the extensions. Overtime hours worked by an employee(s) should be recorded on a separate row with the actual hours worked and the loaded over time rate listed. The extensions should be totaled and recorded as Total Labor Costs at the bottom of the labor bill/invoice.

Town Equipment should also be in a columnar format with headings for Equipment number, date(s) used, total hours used, rental rates, and extensions. The Town should record the Equipment number used during the claim period, and record corresponding information for the dates and hours used, total hours used, rental rates for the piece of Equipment, extensions (total hours X rental rates), and a grand total of the extensions. The extensions should be totaled and recorded as Total Equipment Costs at the bottom of the Equipment bill/invoice. The County shall pay no overtime costs for Equipment.

35. In the event the Town receives through this Agreement, directly or indirectly, any funds of or from the United States Government, Town agrees to comply fully with the terms and requirements of Federal Single Audit Act [Title 31 United States Code, Chapter 75], as amended from time to time. The Town shall comply with all requirements stated in Federal Office of Management and Budget Circulars A-102, A-110 and A-133, and such other circulars, interpretations, opinions, rules or regulations that may be issued in connection with the Federal Single Audit Act.

If on a cumulative basis the Town expends Five Hundred Thousand and no/100 Dollars ($500,000.00) or more in federal funds in any fiscal year, it shall cause to have a single audit conducted, the Data Collection Form (defined in Federal Office of Management and Budget Circular A-133) shall be submitted to the County; however, if there are findings or questioned costs related to the program that is federally funded by the County, the Town shall submit the complete reporting package (defined in Federal Office of Management and Budget Circular A-133) to the County.

If on a cumulative basis the Town expends less than Five Hundred Thousand and no/100 Dollars ($500,000.00) in federal funds in any fiscal year, it shall retain all documents relating to the federal programs for three (3) years after the close of the Town's fiscal year in which any payment was received from such federal programs.

All required documents must be submitted within nine (9) months of the close of the Town's fiscal year end to:

Monroe County Internal Audit Unit
304 County Office Building
39 West Main Street
Rochester, New York 14614

Monroe County Department of Transportation
CityPlace, Suite 6100
50 West Main Street
Rochester, New York 14614

The Town shall, upon request of the County, provide the County such documentation, records, information and data and response to such inquiries as the County may deem necessary or appropriate and shall fully cooperate with internal and independent auditors designated by the County and permit such auditors to examine and copy all records, documents, reports and financial statements that the County deems necessary to assure and monitor payments to the Town under this Agreement.

The County's right of inspection and audit pursuant to this Agreement shall survive the payment of monies due to Town and shall remain in full force and effect for a period of three (3) years after the close of the Town's fiscal year in which any funds or payment was received from the County under this Agreement.

36. The Town shall, at its own expense, indemnify and hold harmless the County, its officers, agents and employees from any and all fines, fees, penalties, attorney's fees, liabilities, judgments, costs, claims, causes of action, damages and expense arising out of the Town's negligence in performance of such work, labor or services by the Town, its agents, servants or employees under this Agreement, PROVIDING, however, that timely notice shall be given to the Town by the County of any claim, action or proceeding which may be filed or commenced against the County by reason of the performance of such work.

As a part of its obligation to indemnify and hold harmless the County, its officers, agents and employees, as set forth above, the Town agrees to obtain and maintain in full force and effect, for the term of this Agreement, insurance coverage as described below:

A. Workers' Compensation Insurance: A policy covering the operations of the Town in accordance with the provisions of Chapter 41 of the Laws of 1914, as amended, known as the Workers' Compensation Law, covering all operations under the Agreement, whether performed by the Town or by its subcontractors. The Agreement shall be void and of no effect unless the Town making or executing same shall secure workers' compensation coverage for the benefits or, and keep insured during the life of said Agreement, such employees in compliance with the provisions of the Workers' Compensation Law. A certificate of insurance or other proof that workers' compensation coverage is in effect shall be provided before the start date of this Agreement.

B. Liability And Property Damage Insurance:

1. Contractor's Liability Insurance issued to the Town and covering the liability for damages imposed by law upon the Town with respect to all work performed by the Town under this Agreement naming the County as additional insured and in the amount of $2,000,000 for each occurrence is required. All of the following coverage shall be included:

   Comprehensive Form
   Premises Operations
   Products Completed Operations
   Contractual Insurance covering the Hold Harmless Provision
   Broad Form Property Damage
   Independent Contractors
   Personal Injury

2. Owner's and Contractor's Protective Liability Insurance Policy issued to the Town and naming Monroe County as an additional insured and covering the liability for damages imposed by law upon the Town for the acts or neglect of each of the Town subcontractors with respect to all work performed by said subcontractors under the Agreement.

3. Unless otherwise specifically required by special specifications, each policy shall have limits of not less than the following:

BODILY INJURY LIABILITY Single Limit	PROPERTY DAMAGE Single Limit
$2,000,000 each person $2,000,000 each occurrence	$2,000,000 each occurrence
OR COMBINED SINGLE LIMIT	
$2,000,000	

4. The limits of liability set forth above shall be per occurrence. A claims made policy is not acceptable.

C. Motor Vehicle Insurance:

Motor Vehicle Insurance issued to the Town and covering public liability and property damage on the Town's vehicles in the amount of:

BODILY INJURY LIABILITY	PROPERTY DAMAGE
$2,000,000 each person $2,000,000 each occurrence	$2,000,000 each occurrence
OR COMBINED SINGLE LIMIT	
$2,000,000	

D. A currently and properly executed County-provided Certificate of Insurance, naming Monroe County as additional insured under the general liability policy covering all services to be provided by the Town pursuant to the Work Agreement, shall be submitted prior to issuance of payments, to the Office of the Monroe County Director of Transportation. This Certificate of Insurance shall be subject to the approval of the County Attorney.

All said insurance policies and certificates shall contain the following clause:

"In the event of any change or a cancellation of this policy, at least thirty (30) days notice thereof shall be given to the County Director of Transportation, at the Director's office."

E. In the event a Certificate of Insurance is not available, the County will accept a self-insurance document on appropriate letterhead containing the following language:

"This is to advise you that the Town of _____is self-insured for worker's compensation, general liability and auto liability insurance and therefore cannot provide a certificate of insurance. If there is a change in the self-insured status of the Town of _____, the County of Monroe will be notified.

In any contract requiring indemnification of the County by the Town of _____, this letter is to represent that the Town of _____will hold harmless and indemnify the County for losses sustained resulting from such contracts.

The Town of _____will defend and indemnify the County for each such contract, for the period _____, 200___ through _____, 200___, through the Town of _____'s self-insurance reserve.

F. The initial term of this Agreement is one (1) year, January 1, 2007 through December 31, 2007. For every required insurance coverage that is for a period of time less than the full term, the Town shall provide proof of adequate insurance coverage at least forty-five (45) days before the expiration of the previous coverage.

37. The Town recognizes the continuing commitment on the part of the County to assist those receiving temporary assistance to become employed in jobs for which they are qualified, and the County's need to know when jobs become available in the community.

The Town agrees to notify the County when the Town has or is about to have a job opening within Monroe County. Such notice shall be given as soon as practicable after the Town has knowledge that a job opening will occur. The notice shall contain information that will facilitate the identification and referral of appropriate candidates in a form and as required by the Employment Coordinator. This would include at least a description of conditions for employment, including the job title and information concerning wages, hours per work week, location and qualifications (education and experience).

Notice shall be given in writing to:

Employment Coordinator
Monroe County Department of Social Services
111 Westfall Road
Rochester, New York 14620
Fax: (585) 753-6322
Telephone: (585) 753-6308

The Town recognizes that this is an opportunity to make a good faith effort to work with Monroe County for the benefit of the community. Nothing contained in this provision, however, shall be interpreted as an obligation on the part of the Town to employ any individual who may be referred by or through the above notice. Any decisions made by the Town to hire any individual referred by or through the County shall be voluntary and based solely upon the Town's job requirements and the individual's qualifications for the job, as determined by the Town.

APPENDIX C

HERKIMER COUNTY
COST SUMMARY BY OPERATION WITHIN TOWN 1/02/09

TOWN: LITCHFIELD

OPERATION	LABOR HOURS	LABOR COST	EQUIPMENT COST	MATERIAL COST	TOTAL BY TOWN
CULVERTS	98.00	1547.22	693.09	1980.53	4220.84
FROST BOILS	34.00	503.22	178.00	618.26	1299.48
DITCHES & SHOULDERS	2764.00	41874.09	19810.50	4347.15	66031.74
MOWING	171.50	2527.91	788.00		3315.91
PICKING UP DEAD DEER	2.50	42.50	12.50		55.00
GUIDE POST & RAILING	45.00	675.01	123.50	76.89	875.40
POT HOLES	58.50	909.65	177.50	363.05	1450.20
SIGNS	237.00	3719.30	662.74		4382.04
CHECK HIGHWAYS	3.50	49.01	7.00		56.01
SWEEPING	81.50	1176.85	629.50		1806.35
SWEEPING - PATCHING	1.50	21.56	12.00		33.56
BRUSH	136.00	2140.30	931.50		3071.80
TREES	369.50	5715.12	3445.50		9160.62
MISC	73.00	1058.44	101.50		1159.94
MOVING EQUIPMENT	16.00	254.24	71.00		325.24
	4091.50	62214.42	27643.83	7385.88	97244.13