

Budget Link Committee Members:

Sevigny (Chair)

Gray

LeGris



ENVIRONMENTAL QUALITY & PUBLIC WORKS

FY26 Link Report Out

Budget Committee of the Whole

May 27, 2025



EQPW Link Agenda

- Streets & Roads
- Water Quality
- Environmental Services
- Building Inspection
- Traffic Engineering
- Waste Management
- Engineering
- EQPW Administration



EQPW Fund Overview

Environmental Quality & Public Works	FY26 MPB
General Fund	\$21,191,468
Urban Services Fund	\$56,001,013
Municipal Aid Program Fund	\$7,878,750
Mineral Service Fund	\$300,000
Coal Severance Fund	\$150,000
Misc Special Revenue Fund	\$396,000
2026 Bond Projects	\$7,500,000
Capital Reallocation Fund	\$5,888,630
Sanitary Sewer Fund	\$37,988,675
Sanitary Sewer Construction Fund	\$21,440,000
Water Quality Mgmt Fund	\$9,521,335
Water Quality Construction Fund	\$10,389,318
Landfill Fund	\$6,323,018
Right of Way Fund	\$493,236
Total	\$185,461,443



Streets & Roads

Highlights

- Funding provided for continued and additional snow removal contracts.
- Funding provided for long line striping.
- Increased funding provided for beet heat chemicals and restocking salt barns.
- Funding provided for Paving, Maintenance, Crack Seal, Rejuvenation - \$3mil MAP Fund, \$5.5mil Bond Projects, \$5.5 Gen Fund (Capital Reallocation Fund).
- Funding provided for one new Engineering Tech Sr. position to assist with paving field inspections.

Link Recommendation:

- 1. Accept the FY26 Mayor's Proposed Budget.**
- 2. Process Recommendations:**
 - a. Revisit contract process to integrate language and structure for constituent communication regarding paving, milling, ADA improvements, etc.
 - b. Continue the movement away from Bonded Paving expense in future fiscal years.



Streets & Roads

Funding Source	FY25 Adopted	FY26 MPB	FY26 Link Recs
General Fund	\$4,597,895	\$4,726,342	+ \$0
Urban Services Fund	\$3,067,699	\$2,344,077	+ \$0
Municipal Aid Program Fund	\$2,000,000	\$3,000,000	+ \$0
County Aid Program Fund	\$ -	\$ -	+ \$0
Mineral Severance Fund	\$200,000	\$300,000	+ \$0
Sanitary Sewer Fund	\$75,000	\$40,000	+ \$0
Water Quality Mgmt Fund	\$1,545,524	\$1,555,808	+ \$0
Landfill Fund	\$ -	\$ -	+ \$0
Capital Reallocation Fund*	\$ -	\$5,658,630	+ \$0
2025/2026 Bond Projects**	\$12,000,000	\$6,500,000	+ \$0
TOTAL	\$23,486,118	\$24,124,857	+ \$0

FY26 MPB + LINK = \$24,124,857

*Capital Reallocation Fund, \$5,658,630: NP 56 Paving, Maintenance, Crack Seal, Rejuvenation, NE 15 Asphalt Heater, and Catch Basins & Sidewalks.

**FY25 Adopted Budget included \$12 million dollars in paving bonded, adjusted in Fund Balance to \$10 million. FY26 is \$5.5 million in paving and \$1 million for ADA Ramps. 5



Water Quality

Highlights

- No budget changes.
- Increased funding provided for emergency pump station failures and odor management control.
- Funding provided for Water Quality Building Renovation.
- Multiple EPA Remedial Measures capital projects progressing.
- Division of Water Quality FY25 restructuring included upgrades/reclassifications for various job codes. No funding for new or additional positions requested in FY26.

Link Recommendation:

1. **Accept the FY26 Mayor's Proposed Budget.**
2. **Process Recommendation:** Approve funding for the design and property acquisition of the Mint Lane Pump Station Expansion (a Consent Decree Project) only after a presentation is made and council has approved design alternatives by Director Charlie Martin to the EQPW committee at its August 12, 2025, meeting. Strategies considered must include results from the 2023 Sewer Capacity Study Section 3.2, with considerations made to Expansion Area 1 and Bluegrass Airport's future expansion.



Water Quality

Funding Source	FY25 Adopted	FY26 MPB	FY26 Link Recs
General Fund	\$ -	\$ -	+ \$0
Sanitary Sewer Fund*	\$56,770,672	\$36,056,223	+ \$0
Sanitary Sewer Construction Fund	\$21,053,773	\$21,440,000	+ \$0
Water Quality Mgmt Fund	\$4,362,583	\$4,261,271	+ \$0
Water Quality Construction Fund	\$9,783,910	\$9,839,318	+ \$0
Landfill Fund	\$120,000	\$ -	+ \$0
TOTAL	\$92,090,938	\$71,596,812	+ \$0

FY26 MPB + LINK = \$71,596,812

*\$20 million transfer to FY25 Sanitary Sewer Fund. No transfers for FY26.



Environmental Services

Highlights

- Funding provided for Lex Grow Trees Private Property Planting Program - \$150k.
- Funding provided to expand the panhandler van programming up to five days per week (weather permitting).
- Pre-funding provided for Sidewalk Snow Removal Equipment (\$134k) and Ground Mounted Photovoltaic Racking System (\$40k).
- No allocation for Lex Grow Trees Grant Program Request of \$500k in Mayor's Proposed Budget.
- No allocation for Weatherization Grant Program Request of \$500k and Solarize Lexington Program Request of \$500k in Mayor's Proposed Budget.
- No allocation for Wayfinding or Welcome Signs Request of \$490k in Mayor's Proposed Budget.
- Additional maintenance responsibilities have been added annually, but FY26 Mayor's Proposed Budget does not reflect ongoing demands (four staff positions were requested).



Environmental Services

Link Recommendation:

1. Expand the FY26 Mayor's Proposed Budget to include:

- a. Moving two part-time CERS employees to two full-time CERS employees on 1/1/2026 in requested roles - to support increased corridor, greenway, trail maintenance performed by contractors. Personnel costs offset current operations costs-budget neutral.

2. Other Items to consider Prefund and/or Fund Balance:

- a. Lex Grow Trees Grant program (\$500,000) including codification of grant process to make this grant initiative more sustainable and permanent.
- b. Weatherization Grant Program (\$500,000)
- c. Solarize Lexington Program (\$500,000)
- d. Wayfinding and Welcome Sign Addition (\$490,000)
- e. Program Manager in Public Information and Engagement Section Position and Environmental Initiatives Specialist (\$90,668; \$18,134 Gen. Fund)



Environmental Services

Funding Source	FY25 Adopted	FY26 MPB	FY26 Link Recs
General Fund*	\$3,295,291	\$3,305,141	+ \$ 0
Urban Services Fund	\$1,799,228	\$1,808,861	+ \$0
Sanitary Sewer Fund	\$421,997	\$459,916	+ \$0
Water Quality Mgmt Fund	\$2,481,046	\$2,750,199	+ \$0
Water Quality Construction Fund	\$ -	\$ -	+ \$0
Landfill Fund	\$3,434,376	\$405,242	+ \$0
Coal Severance Fund	\$ -	\$150,000	+ \$0
TOTAL	\$11,431,938	\$8,879,359	+ \$0

FY26 MPB + LINK = \$8,879,359

*Includes funding for Horticulturalist Tech and Horticulturalist beginning January 1, 2026. Includes funding for positions and is budget neutral.



Building Inspection

Highlights

- No significant budget changes.
- No new and expanded or capital funded.
- FY26 Request for an Administrative Officer not funded in Mayor's Proposed Budget. To accommodate, Building Inspection shifted duties of Administrative Specialist.

Link Recommendation:

- 1. Accept the FY26 Mayor's Proposed Budget.**



Building Inspection

Funding Source	FY25 Adopted	FY26 MPB	FY26 Link Recs
General Fund	\$3,869,157	\$3,754,873	+ \$0
TOTAL	\$3,869,157	\$3,754,873	+ \$0

FY26 MPB + LINK = \$3,754,873



Traffic Engineering

Highlights

- Funding for Traffic Signal New and Rebuilds.
- Funding for Fiber Optic & Camera Network Expansion will support list of projects in areas on New Circle Road to Liberty Elementary.
- Funding for new projects from Capital Reallocation and MAP Fund.

Link Recommendation:

- 1. Accept the FY26 Mayor's Proposed Budget**



Traffic Engineering

Funding Source	FY25 Adopted	FY26 MPB	FY26 Link Recs
General Fund	\$5,985,561	\$6,060,743	+ \$0
Urban Services Fund	\$7,621,749	\$7,099,206	+ \$0
Municipal Aid Program Fund	\$1,410,000	\$1,650,000	+ \$0
Misc Special Revenue Fund	\$396,000	\$396,000	+ \$0
Coal Severance Fund	\$ -	\$ -	+ \$0
Capital Reallocation Fund*	\$ -	\$230,000	+ \$0
TOTAL	\$15,413,310	\$15,435,949	+ \$0

FY26 MPB + LINK = \$15,435,949

*Capital Reallocation Fund, \$230,000: NP 169 Bucket Truck (non-CDL)



Waste Management

Highlights

- Funding for waste collection efficiency study that will ensure customer-focused processes and commercial and curb-side service is fully funded, from carts to route efficiency.
- Funding for Transfer station repairs on Old Frankfort Pike.
- Increased funding for new contract for waste hauling with Republic Services - estimated difference is \$5 million.
- Increased funding for training and development of all managers and supervisors in the division.
- Increased funding for refuse carts.
- Estimating use of \$4,136,000 of Urban Services District Fund Balance.
- Previous staffing requests have been filled.

Link Recommendation:

1. **Accept the FY26 Mayor's Proposed Budget.**



Waste Management

Funding Source	FY25 Adopted	FY26 MPB	FY26 Link Recs
General Fund	\$ -	\$ -	+ \$0
Urban Services Fund	\$36,804,640	\$42,572,531	+ \$0
Landfill Fund	\$5,475,931	\$4,981,403	+ \$0
TOTAL	\$42,280,571	\$47,553,934	+ \$0

FY26 MPB + LINK = \$47,553,934



Engineering Highlights

- No significant budget changes.
- No new and expanded funded.
- Focus on Capital Projects, including Corridor Improvements, Shared Path Sections, Intersection Improvements, Trail Sections, and Multimodal Safety Improvements.
- Funded Sidewalk Connectivity Program at \$1,000,000 via 2026 Bond Projects.
- No new personnel requests.

Link Recommendation:

1. **Accept the FY26 Mayor's Proposed Budget.**



Engineering

Funding Source	FY25 Adopted	FY26 MPB	FY26 Link Recs
General Fund	\$1,993,487	\$1,861,043	+ \$0
Municipal Aid Program Fund	\$2,622,750	\$2,903,750	+ \$0
Sanitary Sewer Fund	\$601,891	\$605,493	+ \$0
Sanitary Sewer Construction Fund	\$ -	\$ -	+ \$0
Water Quality Mgmt Fund	\$602,028	\$604,022	+ \$0
Water Quality Construction Fund	\$ -	\$400,000	+ \$0
Right of Way Fund	\$488,573	\$466,030	+ \$0
2026 Bond Projects	\$ -	\$1,000,000	+ \$0
TOTAL	\$6,308,729	\$7,840,338	+ \$0

FY26 MPB + LINK = \$7,840,338



EQPW Admin

Highlights

- Funding for Haley Pike Landfill Solar Phase 2 A/B & Masterplan at \$250,000.
- Funding for Street Sweeper Route Study at \$60,000.
- Funding for Recycling & Yard Waste Contamination Reduction Implementation at \$500,000.
- Administrative Officer - New position in FY25, transferred from Streets & Roads to EQPW.
- Traffic Engineer Sr (Complete Streets Manager) - Funding was transferred to Div. of Planning.

Link Recommendation:

- 1. Accept the FY26 Mayor's Proposed Budget**



EQPW Admin

Funding Source	FY25 Adopted	FY26 MPB	FY26 Link Recs
General Fund	\$501,012	\$1,483,327	+ \$ 0
Urban Services Fund	\$1,794,447	\$2,176,339	+ \$ 0
Municipal Aid Program	\$ -	\$325,000	+ \$ 0
Sanitary Sewer Fund	\$94,204	\$827,043	+ \$ 0
Water Quality Mgmt Fund	\$68,144	\$350,035	+ \$ 0
Water Quality Construction Fund	\$ -	\$150,000	+ \$ 0
Landfill Fund	\$140,083	\$936,373	+ \$ 0
Right of Way Fund	\$ -	\$27,206	+ \$ 0
Coal Severance Fund	\$ -	\$ -	+ \$ 0
TOTAL	\$2,597,890	\$6,275,323	+ \$ 0

FY26 MPB + LINK = \$6,275,233



Questions?