

Testimony by Michael A. Milone  
Town Manager, Town of Cheshire  
State Labor Committee  
Tuesday, February 24, 2015  
Middletown City Hall

**Re: Proposed S.B. No. 114 An Act Increasing the Prevailing Wage Threshold for Municipal Projects**

Honorable Committee Members, good evening and thank you for allowing me to testify. I am Michael A. Milone, the Town Manager for the Town of Cheshire, and I am here to speak in support of Proposed S.B. No. 114 which would increase the prevailing wage thresholds for municipal projects.

The thresholds that trigger the State-mandated prevailing wage application, \$100,000 for renovation construction projects and \$400,000 for new construction projects, have not been adjusted since 1991. During that time frame, the rate of inflation in this part of the country has been approximately 74%.

Municipal governments in this State have been experiencing immense fiscal challenges as a result of the recession of 2008. We have been faced with reductions in State Aid, significantly rising pension costs and medical benefit expenses, and major infrastructure expenses. These and other cost increases have forced local tax increases, service cuts, and reductions in personnel.

Cheshire and many other municipalities are actively involved in numerous necessary construction projects. The costs for these infrastructure maintenance and enhancement projects are being driven up by the outdated thresholds for the prevailing wage mandate, adding one more avoidable financial burden on our municipalities and our local taxpayers.

I ask for your committee's support to increase the unrealistically low prevailing wage limits by at least the rate of inflation, and to then index each threshold to the rate of inflation thereafter.

Thank you for allowing me to testify before you and I wish you well in your deliberations during this legislative session.