



AGENDA

Special Executive Committee

Thursday, June 14, 2016

@ 4:30 p.m.

Peoria County Courthouse, Conference Room 402

1. Call to Order

2. Resolution

- Prioritization of road construction projects to be funded by the Special Retailers' Occupation Tax for Transportation

3. Executive Session

- Potential Sale or Lease of Real Estate and Collective Bargaining

4. Miscellaneous

5. Adjournment

AGENDA BRIEFING

COMMITTEE: Executive Committee
MEETING DATE: June 14, 2018

LINE ITEM: N/A
AMOUNT: N/A

ISSUE:

For RESOLUTION: Prioritize Road Construction Projects to be Funded by the Public Transportation Sales Tax Initiative

BACKGROUND/DISCUSSION:

In a separate Resolution, the Board is taking action to potentially place on the November 6, 2018 General Election ballot a referendum question related to funding for roads. Specifically, the referendum question asks the voters to approve a 1/2% sales tax increase for a maximum of 12 years, and the proceeds of such can only be used for county highway road projects.

The attached resolution and exhibit are a statement of policy of the Peoria County Board. The purpose of this policy statement is to be able to educate Peoria County voters on which county highways will be improved and approximately when they will be improved should the referendum be successful. Across the entire 315-mile network of county highways, there are 111.5 miles (35%) that need life cycle replacement. The total estimated value of those life cycle replacements is \$191.3 Million. To put into context, the following table breaks down the 111.5 miles by urban and rural; and unincorporated, City of Peoria, and Other Municipalities.

| | Project Length (Miles) | Average PCI | Average ADT | Total Project Cost |
|----------------|---------------------------|----------------|----------------|-----------------------|
| Urban | 13.75 | 49.23 | 6,088 | 58,110,000 |
| Rural | 97.75 | 50.70 | 1,605 | 133,220,000 |
| Unincorp | 76.40 | 51.52 | 2,034 | 129,815,000 |
| City of Peoria | 11.50 | 52.90 | 6,185 | 42,710,000 |
| Other Muni | 10.85 | 51.33 | 2,483 | 23,700,000 |

As part of the analysis for determining what sales tax rate the County Board should ask of the voters, multiple funding scenarios were evaluated. These included evaluating a focus on all the county highways within municipalities; a focus on rural roads; a focus on the urbanized area (both inside and outside municipalities); and a focus on county highways with a combination of the highest traffic volume and worst Pavement Condition Index rating. A funding model was also given consideration, where several were evaluated. These included a single 12-year bond issuance combined with MFT infused cash and sales tax receipts leftover after the bond payments (residual); issuing 2 bonds – 6 years each – plus the MFT infused cash and residual; issuing 2 bonds – 5 years and 7 years - plus the MFT infused cash and residual; and issuing 2 bonds – 5 years each – plus the MFT infused cash and residual and years 11 and 12 of the sales tax receipts.

Based on the analysis, the recommended funding model is as follows. This model assumes the direct projections for sales tax revenues over its 12-year life, \$7.2 Million per year (\$3.6 Million per 1/4%). This model gives the County Board great flexibility. If the Board so chooses, it has the ability to turn the tax off early in year 11. Conversely, there will be an estimated \$19.4 Million dollars available in years 11 and 12 of the tax which will present a good argument to the voters should the County Board ask the voters

to renew the sales tax. A 12-year bond is not recommended because there are likely construction capacity issues; there is no opportunity to turn the sales tax off early; because we would need to stagger the work based on construction capacity there is a chance that the County would have to pay arbitrage, thus reducing funds available for projects; and all the work is completed early in the sales tax's life, leaving little activity in the second half of the 12 years.

- ★ Debt Issuance #1: 5-year term in Year 1 of the tax
- ★ Debt Issuance #2: 5-year term in Year 6 of the tax
- ★ Paygo Cash: \$300,000 / yr of County MFT infusion (12 years) + Years 11 and 12 of sales tax receipts.

This funding model generates the maximum amount of total spend on projects during the sales tax's 12-year life. The maximum amounts listed here are critical to the process of prioritizing the project list.

- ★ Debt #1: Max bonding capability of \$31.0 Million
- ★ Debt #2: Max bonding capability of \$31.0 Million
- ★ Paygo: Max of \$19.4 M
- ★ Total Investment: \$81.4 M (40% of the total need)

The exhibit attached to the Resolution considers the funding model parameters, and prioritizes the projects to be funded and in which phase they would be funded. The recommended list of projects considers the following in order of importance:

1. Maximize highest traveled roads with worst PCI rating
2. Balance "in the City" with "out of the City"
3. Greatest impact to voters
4. County Board Member Districts
5. Urbanized area vs. Rural area

COUNTY BOARD GOALS:



FINANCIAL STABILITY



INFRASTRUCTURE STEWARDSHIP



EFFECTIVE SERVICE DELIVERY



HEALTHY VIBRANT COMMUNITIES



WORKFORCE DEVELOPMENT



COLLABORATION

STAFF RECOMMENDATION:

BASED ON THE MODELING COMPLETED BY STAFF, THE COUNTY ADMINISTRATOR **RECOMMENDS** THE FUNDING MODEL ABOVE, AND FURTHER RECOMMENDS THE PROJECT LIST IN THE EXHIBIT ATTACHED TO THE RESOLUTION.

COMMITTEE ACTION:

PREPARED BY: Scott A. Sorrel, County Administrator
DEPARTMENT: County Administration

DATE: June 11, 2018

EXHIBIT 1

| Funding Type | Jurisdiction | Urban / Rural | Road Name | Project Description | Project Termini | Project Length (Miles) | PCI | ADT | Total Project Cost |
|--------------------------|---------------|---------------|----------------------------|--|--|------------------------|-----------|--------------|--------------------|
| Debt #1 | City | Urban | Lake Street | Reconstruct Roadway | Sheridan to Knoxville | 0.50 | 13 | 7,800 | 3,060,000 |
| | County | Rural | Cameron Lane | Structural Overlay and Paved Shoulders | IL 116 to US 24 | 8.00 | 61 | 4,400 | 8,800,000 |
| | City | Urban | Gale Ave. | Reconstruct Roadway | Forrest Hill to Sterling | 0.50 | 45 | 7,500 | 3,060,000 |
| | City | Urban | Radnor Road | Reconstruct Roadway | Willow Knolls to Alta Lane | 2.50 | 50 | 2,950 | 13,350,000 |
| | City | Urban | Koerner Road | Structural Overlay and Paved Shoulders | Charter Oak to US 150 | 2.00 | 70 | 7,300 | 2,300,000 |
| Debt #2 | County | Urban | Maxwell Road / Middle Road | Reconstruct Roadway | Fauber to Middle Road to Dirksen Parkway | 1.00 | 25 | 3,450 | 5,500,000 |
| | City | Urban | Sheridan Road | Reconstruct Roadway | Northmoor to Glen | 0.75 | 42 | 12,100 | 4,300,000 |
| | City | Urban | Willow Knolls Road | Reconstruct Roadway | University St to Allen Road | 0.50 | 53 | 9,450 | 3,000,000 |
| | County | Urban | Old Galena Road | Reconstruct Roadway | IL 29 to Boy Scout Road | 0.75 | 47 | 7,500 | 6,700,000 |
| | City | Urban | Trigger Road | Structural Overlay and Paved Shoulders | US 150 to Grange Hall Road | 2.25 | 69 | 1,950 | 2,650,000 |
| | County/Dunlap | Rural | Grange Hall Road | Structural Overlay and Paved Shoulders | Princeville Jubilee to IL 91 | 5.00 | 51 | 1,100 | 5,550,000 |
| | West Peoria | Urban | Swords Hill | Reconstruct Road and Rehabilitate Bridge | Farmington Road to Rohmann Avenue | 0.50 | 39 | 4,850 | 3,200,000 |
| DEBT ISSUE TOTALS | | | | | | 24.25 | 47 | 5,863 | 61,470,000 |

| Funding Type | Jurisdiction | Urban / Rural | Road Name | Project Description | Project Termini | Project Length (Miles) | PCI | ADT | Total Project Cost |
|---------------------|--------------|---------------|-----------------|--|---|------------------------|-----------|--------------|--------------------|
| Paygo | County | Rural | Taylor Road | Structural Overlay and Paved Shoulders | IL 116 to IL Route 8 | 3.50 | 47 | 4,150 | 3,875,000 |
| | County | Rural | Truitt Road | Structural Overlay and Paved Shoulders | Route 40 to Chillicothe City Limits | 5.00 | 36 | 1,900 | 5,500,000 |
| | County | Rural | Akron Road | Structural Overlay and Paved Shoulders | Princeville Jubilee to IL 40 | 7.50 | 55 | 4,950 | 8,400,000 |
| | City | Urban | Park Road | Mill and Overlay | Farmington Road to Nebraska | 0.50 | 41 | 4,300 | 520,000 |
| | City | Urban | Sterling Avenue | Reconstruct Roadway | MLK Drive to Manor Parkway (Madison Golf Crse.) | 0.25 | 84 | 2,050 | 1,020,000 |
| PAYGO TOTALS | | | | | | 16.75 | 53 | 3,470 | 19,315,000 |

| Funded / Unfunded Totals | | Proj Length (Miles) | Ave PCI | Ave ADT | Total Project Cost |
|--------------------------------|--------------|---------------------|--------------|--------------------|--------------------|
| Funded | 41.00 | 49 | 5,159 | 80,785,000 | |
| Unfunded | 70.50 | 51 | 1,493 | 110,545,000 | |
| URBAN - Funded | 12.00 | 48 | 5,933 | 48,660,000 | |
| RURAL - Funded | 29.00 | 56 | 5,500 | 32,125,000 | |
| City of Peoria - Funded | 9.75 | 52 | 6,156 | 33,260,000 | |
| Other Muni - Funded | 5.50 | 45 | 2,975 | 8,750,000 | |
| Unincorp - Funded | 25.75 | 45 | 4,392 | 38,775,000 | |

EXHIBIT 1

| Funding Type | Jurisdiction | Urban / Rural | Road Name | Project Description | Project Termini | Project Length | | PCI | ADT | Total Project Cost | | |
|------------------------|--------------|---------------|----------------------------------|--|---|----------------|--|----------------------------------|--------------|--------------------|--------------|--------------------|
| | | | | | | (Miles) | | | | | | |
| Unfunded | County | Rural | Hanna City - Glasford Road | Structural Overlay and Paved Shoulders | IL 116 to Glasford Village Limits | 9.00 | | 62 | 2,200 | 9,900,000 | | |
| | County | Rural | Smithville Road | Structural Overlay and Paved Shoulders | Airport Road to Cameron Lane | 3.00 | | 59 | 2,950 | 3,400,000 | | |
| | County | Rural | Princeville Jubilee Road | Structural Overlay and Paved Shoulders | US 150 to BNSF Railroad | 9.00 | | 65 | 3,800 | 9,900,000 | | |
| | County | Rural | Old Galena Road | Structural Overlay and Paved Shoulders | Cedar Hills Drive to Truitt | 5.00 | | 31 | 3,150 | 5,550,000 | | |
| | County | Rural | Maher Road | Overlay | IL 8 to I-74 | 2.50 | | 81 | 2,150 | 1,400,000 | | |
| | County | Rural | Glasford Road | Reconstruct Roadway | Glasford Canton to US 24 | 2.25 | | 37 | 2,000 | 8,000,000 | | |
| | Princeville | Rural | Princeville Jubilee Road | Reconstruct Roadway | BNSF Railroad to IL 90 | 0.50 | | 38 | 1,900 | 2,600,000 | | |
| | City | Urban | Richwoods Boulevard | Reconstruct Roadway | Sterling to RxR | 1.75 | | 62 | 1,700 | 9,450,000 | | |
| | County | Rural | Smithville Road | Structural Overlay and Paved Shoulders | Cameron Lane to Stone School Road | 11.50 | | 49 | 1,600 | 12,650,000 | | |
| | County | Rural | Rome West Road | Structural Overlay and Paved Shoulders | Old Galena Road to IL 29 | 3.00 | | 62 | 1,250 | 3,500,000 | | |
| | County | Rural | Cottonwood Road | Reconstruct Roadway | McAllister Road to IL 8 | 2.50 | | 42 | 850 | 9,360,000 | | |
| | County | Rural | Mapleton Road | Reconstruct Roadway | Maple Ridge Road to 1st Street | 1.60 | | 37 | 800 | 5,850,000 | | |
| | County | Rural | Brimfield Road | Reconstruct Roadway | US 150 to North Brimfield Village Limits | 0.75 | | 60 | 800 | 3,100,000 | | |
| | County | Rural | Stone School Road | Structural Overlay and Paved Shoulders | Fulton County Line to Graham Chapel Road | 9.50 | | 55 | 750 | 10,400,000 | | |
| | County | Rural | Wiley Road | Structural Overlay and Paved Shoulders | Graham Chapel Road to Elmwood City Limits | 1.25 | | 55 | 650 | 1,585,000 | | |
| | Mapleton | Rural | Mapleton Road | Reconstruct Roadway | 1st Street to US 24 | 0.40 | | 37 | 600 | 1,950,000 | | |
| | County | Rural | Cottonwood Road | Structural Overlay and Paved Shoulders | McAllister Road to Texas Road | 3.50 | | 54 | 550 | 3,900,000 | | |
| | County | Rural | Graham Chapel Road | Structural Overlay and Paved Shoulders | Stone School Road to Wiley Road | 2.00 | | 40 | 400 | 2,400,000 | | |
| | County | Rural | Hakes / Main / Third (Edelstein) | Reconstruct Roadway | IL 90 to IL 40 | 1.50 | | 52 | 275 | 5,650,000 | | |
| UNFUNDED TOTALS | | | | | | 70.50 | | 51 | 1,493 | 110,545,000 | | |
| | | | | | | | | URBAN - Unfunded | 1.75 | 62 | 1,700 | 9,450,000 |
| | | | | | | | | RURAL - Unfunded | 68.75 | 51 | 1,482 | 101,095,000 |
| | | | | | | | | City of Peoria - Unfunded | 1.75 | 62 | 1,700 | 9,450,000 |
| | | | | | | | | Other Muni - Unfunded | 0.90 | 38 | 1,250 | 4,550,000 |
| | | | | | | | | Unincorp - Unfunded | 67.85 | 53 | 1,511 | 96,545,000 |

TO THE HONORABLE COUNTY BOARD)
)
COUNTY OF PEORIA, ILLINOIS)

Your Executive Committee does hereby recommend passage of the following Resolution.

Re: Statement of Policy Establishing A Funding Model and Project Prioritization to be Funded
by A Special County Retailers' Occupation Tax for Transportation

RESOLUTION

WHEREAS, the Illinois Compiled Statutes (55 ILCS 5/5-1006.5) enables counties to ask their voters to create a special retailer's occupation sales tax dedicated to either public safety, public facilities or transportation, and;

WHEREAS, the Peoria County Board will be asking voters to establish such a sales tax at 1/2% for a maximum of 12 years on the November 6, 2018 ballot, and;

WHEREAS, it is important to the Peoria County Board to establish a funding model and a prioritization of future roads projects for the purposes of educating the voters because not all 36 projects are capable of being funded, and;

WHEREAS, the funding model creates an opportunity for the greatest amount of investment in replacing and repairing county highways while giving a future Peoria County Board the flexibility to remove the sales tax before the 12 years expires, and;

WHEREAS, the funding model is critical to establishing the parameters for which road projects get both funded and prioritized.

NOW, THEREFORE, BE IT RESOLVED that the Peoria County Board declares as its policy that it will use revenues generated by the Special Retailer's Occupation Sales Tax for Transportation to issue a 5-year bond in the first year of the tax; issue a 5-year bond in the sixth year of the tax; use any residual sales tax revenues after the bond payments, the complete sales tax revenues in Years 11 and 12 of the tax, and an annual infusion of \$300,000 of County Motor Fuel Tax revenues to fund approximately \$81.4 Million of the \$191 Million in needed improvements to the Peoria County Highway network, and;

BE IT FURTHER RESOLVED that the Peoria County Board declares as its policy that the road projects identified in the attached Exhibit 1 will be the projects funded by the Special Retailer's Occupation Sales Tax for Transportation.

RESPECTFULLY SUBMITTED,
EXECUTIVE COMMITTEE