



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