

## **BUDGET RESPONSES – INFRASTRUCTURE AND FACILITIES**

*Can we delay infrastructure for 2-3 years and shift resources to operations?*

The proposed FY10 budget calls for the continued investment in Village infrastructure including key components such as streets, sidewalks, stormwater and the water system. Dedicated revenue sources have been identified to fund the infrastructure investment. Major dedicated revenue sources include Home Rule sales tax, property tax, Motor Fuel Tax, and telecommunications tax. The proposed investment in infrastructure is consistent with the dedicated funding sources.

The Village could delay infrastructure investment and shift the resources made available to operations. However, staff would not recommend this course of action. “Top Quality Infrastructure and Facilities” has been identified consistently as a strategic goal for the Village. Shifting funds from capital to operations would result in continued deterioration of the Village’s existing infrastructure. This continued deterioration would result in increased capital and infrastructure maintenance costs for the Village in future years. As a result of these increased capital and maintenance costs, the Village would be limited in the number of infrastructure projects which it could address with available resources.

*CIP how much is budgeted for bike ways in 2010? Some of this is from grants can we just spend the grant \$\$?*

In FY2010, \$326,000 of Village cost is budgeted in the Capital Project Fund for completion of two grant-supported bikeway projects (BW-003 and BW-004). The grant-funded portion of these projects totals \$508,000. The grant agreements require a local match component, which means that the Village cannot just spend the grant funding.

*Can staff provide information regarding the life of the Automated Meter Reading system for the water system? How much would it cost to replace the system?*

Yes, over the next five years, staff will begin to explore options for the Village's next generation of the AMR system. The initial cost of the project was \$4,125,767 at which time AMR was a cutting edge technology. Due to technology improvements and more vendor options, staff does expect this cost to be much less and spread across multiple years. The MTU battery (boxes on outside of buildings that transmit signal to Village) has a life of about 15 years and a plan for replacement will need to be implemented beginning in about 2015.

*Is there a sunset clause on the property tax and HRST dedicated to the stormwater bonds?*

No, there is no sunset clause on the property tax and Home Rule Sales Tax dedicated to the stormwater bonds.

*Can staff provide a list of the anticipated grants?*

A list of the anticipated grants to be received by the Village is provided in the table below:

Project	Fund	Amount	Grant
Bikeways	220	\$508,800	CMAQ
Civic Center Roof	220	\$120,000	IL Capital Bill
Ogden Sidewalk	220	\$500,000	IL Capital Bill
Ogden Sidewalk	220	\$744,000	IL Capital Bill
CBD Crosswalk	220	\$130,000	IL Capital Bill
Intersection Improvements	220	\$75,000	IL Capital Bill
CBD Traffic Signal Upgrade	220	\$35,000	IL Capital Bill
Intersection Improvments	220	\$350,000	IL Commerce Commission
Parking Study	471	\$45,000	Metra
CNG Fueling Station	531	\$65,500	Dept of Energy
Parking Deck Grant	338	\$500,000	IL Capital Bill

*How will these grants be disbursed (up-front, reimbursement, etc.)? What assurances do we have that all awarded grant funding will in fact be received by the Village?*

Grant awards for capital projects are typically disbursed through one of two methods, either a reimbursement or an upfront payment. In cases of reimbursement, the Village submits an application to the granting agency for a project and if all the specifications of the grant are met, a reimbursement is provided to the Village. Regarding upfront grant disbursements, the Village submits a grant application and, if approved, the granting agency will send a check to the Village upon agreement execution. The Village is then responsible for any remaining costs. In the cases of CMAQ/STP funding, IDOT conducts the letting and reimburses the contractor directly. Even though the Village is awarded funding, the Village doesn't receive its funding dollars because IDOT uses the Village's awarded amount to pay contractors.

The \$500,000 grant for the construction of the Parking Deck is the only instance in which the Village did not receive funds for a project after a grant was awarded. This grant was awarded through a program instituted by the State of Illinois. After the Village received notification of the grant award, the State then withdrew the grant. Staff believes this was a unique occurrence and feels that in the future the Village should expect to receive future grant funds when awarded.

*Can staff provide a list of streets that we will not be maintaining?*

The Village's roadway maintenance plan will be presented when staff completes the paver rating system process later this year. The current CIP outlines the schedule for addressing various street groups and subdivisions.

*What percent of program revenue sources are locked into the specific infrastructure?*

The following chart indicates the funds which are dedicated to specific infrastructure programs:

Project Type	Source	Total Cost	"Locked in" Funding	% Dedicated to Program	Notes
Stormwater	Property taxes,	16,560,000	16,560,000	100%	
Streets	MFT, capital,	7,345,000	3,550,000	48%	
Water	Fees	2,225,000	2,225,000	100%	
Sidewalk	Capital, Ogden TIF, grants	2,014,375	1,604,000	78%	New sidewalk program and sidewalk repair are not "locked in"
Bikeways	Capital, grants	835,000	835,000	100%	Grants and matching grant components
Parking	Fees, grants	150,000	150,000	100%	
Major Buildings	Capital, grants	145,000	120,000	83%	\$120,000 is earmarked grant funding.
Public Safety	Capital	116,000	0	0%	This purchase is necessary to equip all staff as regulated. See project PS-002.
Traffic	Grant	35,000	35,000	100%	
Street Lights	Capital	35,000	0	0%	
<b>TOTAL</b>		29,469,375	25,079,000	85%	

*Is it possible to allocate \$100,000 in the FY10 budget to traffic calming?*

Yes, the Village Council could allocate \$100,000 of the FY10 budget to traffic calming initiatives. If so, staff recommends that funding for traffic calming be provided by re-allocating funds from the sidewalk or streets program. This would result in a \$100,000 reduction in from the sidewalk or streets program. In addition, staff recommends that the Village pursue a neighborhood approach to traffic calming. This approach calls for a traffic engineering consultant to prepare a traffic management plan for a selected neighborhood. The Village could implement the improvements recommended by the consultant. This would be a cost-effective, more comprehensive approach to traffic management.

*If capital projects come in below budget in 2010, could the Village use the money for traffic calming projects? (Durkin)*

Yes. Staff will monitor actual capital project contract amounts in 2010 along with the revenue for the projects and provide reports to the Village Council on a regular basis. To the extent that actual expenses fall below the amount budgeted in the Capital Projects Fund and there is ample revenue, Council can direct staff to use the remaining resources to fund other capital projects, including traffic calming initiatives.

*If the bids for new sidewalks in 2010 come in under budget, can we add additional sidewalk segments for construction? (Durkin)*

Yes, in the event that sidewalk bids are under budget, staff could look at the remaining segments in the matrix to determine if any segment could be completed with the remaining allotted budget.