

Sharon K. Williams, District 1
Junior Watkins, District 2
Lynn Scott Pearson, District 3
Chairperson-Andrew A. Rand, District 4
Rachael Parker District 5
G. Allen Mayer, District 6
James C. Dillon, District 7
Phillip Salzer, District 8
Michael Phelan, District 9



Andrew A. Rand - Chairperson
R. Steve Sonnemaker, County Clerk

Vice-Chairperson -Stephen M. Morris, District 10
Mary Ardapple, District 11
Robert Baietto, District 12
James T. Fennell, District 13
Brian Elsasser, District 14
Carol Trumpe, District 15
Brad Harding, District 16
Thomas H. O'Neill, III, District 17
Paul Rosenbohm, District 18

**PEORIA COUNTY BOARD
COMMITTEE OF THE WHOLE
MEETING AGENDA
Monday, March 7, 2016
6:00PM
Peoria Riverfront Museum
222 SW Washington Street**

www.peoriacounty.org/countyboard

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- I. CALL MEETING TO ORDER**
 - II. APPROVAL OF MINUTES**
 - **November 9, 2015**
 - III. DISCUSSION:**
 - **Transportation/Road Funding**
 - IV. MISCELLANEOUS**
-
- V. ADJOURNMENT**

Draft
COMMITTEE OF THE WHOLE
November 9, 2015
@ 4:00 P.M.
Wildlife Prairie State Park

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|--------------------------------------|---|
| COUNTY BOARD MEMBERS PRESENT: | Jimmy Dillon; Land Use and Infrastructure Chairman, Andrew Rand, Carol Trumpe, Robert Baietto, Brian Elsasser, Allen Mayer, Stephen Morris, Rachael Parker, Phil Salzer, Thomas O'Neill, Mary Ardapple, Paul Rosenbohm, James Fennell, Sharon Williams- County Board Members |
| MEMBERS ABSENT: | Brad Harding, Michael Phelan, William Watkins Jr, Lynn Pearson |
| STAFF PRESENT: | Scott Sorrel - County Administrator; Mark Rothert, Kate VanBeek - Assistant County Administrators; Amy McLaren, Jeff Gilles-Highway; Randy Brunner - County Finance; Mark Little - Chief Information Officer; Rick Fuller-ITS; Jenny Fulton- Communications; Dan O'Conner-Facilities; Gene Huber-Health Department; Carol VanWinkle - Auditor; Steve Sonnemaker - County Clerk; Johnna Ingersoll-Coroner; Kristie Engerman-Peoria Area Association of Realtors, Richard Carroll-Peoria County Farm Bureau, Ross Paul, Dawn Harman, Ted Harding, Bertha Harding-Farmers; Clint Drury-West Central IL Building & Construction Trades; Matt Bartolo-LIUNA165; Brett Villarreal-IVOE649; Craig Fink-Illinois Assn of County Engineers; |
| OTHERS PRESENT: | Chris Kaergard-PJS, Tanya Koonie-Peoria Public Radio |

Call to Order

Mr. Dillon, Chairman of Land Use and Infrastructure Committee, called the meeting to order at 4:07pm. Minutes of September 22, 2014 COW meeting were approved on motion by Mr. Baietto and second by Mr. Fennell. Mr. Dillon welcomed the group and turned the meeting over to Mr. Sorrel for the presentation.

Presentation

Mr. Sorrel stated the policy questions for consideration by board members: *(1) consensus that funding for surface transportation is inadequate, (2) consensus that the current condition of the County Highway Network is not acceptable, and (3) how does Peoria County government resolve or make significant progress towards resolving a financially sustainable road improvement program?*

He gave a detailed presentation on *Investing in our Infrastructure* as well as provided background information as follows:

- Graph of emissions for model years 1975-2014 showing both cars and truck emission continue to climb
- Graph of adjusted fuel economy for model years 1975-2014
- Chart showing vehicle models meeting fuel economy thresholds in model years 2009-2014 as well as advanced technology and alternative fuel vehicle models in the same years. Due to more efficient automobile, data shows an increase in vehicle miles traveled but fewer gallons of gasoline purchased. Also, automobile manufacturers have found ways to make vehicles with better performance.
- 2013 report card for America's Infrastructure GPA that covered 16 categories (*i.e. aviation, bridges, dams, ports, rail, roads, schools, etc.*) Each category was evaluated on the basis of capacity, condition, funding, future need, operation and maintenance, public safety, and resilience. Roads show a grade of "D". One of the contributing factors is the lack of available money to improve and maintain our road network. Gas tax has not been increased since 1993.

- Between 2008 and 2028, there is an annual need of \$170 billion/year in investments to improve and maintain our road network. That is more than \$79 billion/year currently spent on a national level. The 2013 economic impact numbers show \$3.7 billion/year in costs to motorists from driving on roads in need of repair which is \$449/year per motorist.
- 2014 report card shows 42% of Illinois' major roads are in poor or mediocre condition. Economic loss related to motor vehicle crashes in Illinois is \$9 billion/year; per capita it is \$723/resident. From 1990 to 2012 interstate traffic volume grew by 25% but population only grew by 13%.
- The volume of roads in Peoria County, by jurisdiction, that must be maintained is:
 - IDOT 264 miles (14%)
 - Peoria County 315 miles (17%)
 - Townships 678 miles (36%)
 - Municipalities 611 miles (33%)
- Peoria County Highway network pavement consist of:
 - 602.93 miles of Sealcoat/Asphalt Combo (seal coating life cycle 6 years/Asphalt 20 years)
 - 19.26 miles of concrete (concrete life cycle 25 years)
- There are 16 municipalities in the County totaling 4.2% of road network (22.6 miles) and 13.1 miles of county highway in the City of Peoria. Pattern of traffic shows more travel near the urbanized area and less traffic in the non-urbanized areas.
- A pavement management contract with Bradley was approved by Peoria County Board for the purpose of reviewing 50% of county roads annually to help identify our pavement condition. As an example, the study shows between Sheridan Road and Knoxville Avenue as the worst rated road. (A graph of pavement conditions on county highways was shown.) If county roads are maintained in the same fashion as in the past, in 5 years our average pavement rating will slip below 50. The ideal standard of road maintenance is 70 point out of 100. To get there, we need to spend roughly \$5 million/year the next 5 years.
- A study by a local engineering firm showed roads where there are significant grain truck traffic and overweight truck travel. These truckers are required to obtain permits from the County. This year we have issued 350 permits generating over \$11,000 in revenue.
- IFTA (Illinois Fuel Tax Association) annual allotment for Peoria County is 8% of the total state payout. A decade ago, the amount was approximately \$2.7 mil annually and the last couple of years it has been slightly under \$2.5 mil.
- Funding sources other than MFT are the highway levy and matching tax levy that generate about \$6 mil. The taxes resulting from the two levies were graphed to show dollars used for road maintenance, snow removal and materials.

Mr. Rand asked if there was information showing what the County spent on capital projects over the last 5 years. Mr. Sorrel said this topic addresses operation and not capital. Capital differs from year to year; however, they are included in 2012-2013 numbers and can be provided. Mr. Rand asked if a particular slide showed capital road repairs. It was explained by Mr. Sorrel that the slide covered some but not all seal coating. Mr. Rand mentioned that the County has been subcontracting itself to township road work; therefore, he questioned whether the dollars for those services and materials were reflected in the chart. Mr. Sorrel said they are in previous years. However, in 2016 the County will not be in that business. The process consists of establishing a wage and material rate to charge the townships and/or the respective governmental entity. Some years, all cost was recovered and other years it was not. However, in the last couple years, the methodology has been changed to a cost recovery model. We have a lack of comparison

to prior to years that we could use to measure our maintenance work. Mr. Sorrel noted the intent was to differentiate the dollars being spent in prior years to maintain roads -- which are different dollars than capital projects dollars. Ms. Sorrel stated that MFT dollars work similar to County Bridge funds. We bank MFT money for large projects and do a *spend-down* and federal dollars go into that bucket. An example is the Northmoor road project done inside the City.

Mr. Dillon asked if any board members disagreed with the first two policy questions if there were...

- A. Consensus that funding for surface transportation is inadequate and
- B. Consensus that the current condition of the County Highway Network is not acceptable

There was no opposition to or disagreement on the above.

Mr. Sorrel continued the discussion and stated the solutions that he would be sharing are not recommendations. The solutions currently possible are:

Solutions - Currently Possible

Federal Excise Tax on Gasoline (*Been 18.4 cents since 1993. Not a lot of support at federal level to increase. LaHood is in favor of raising it*)
 Federal STRR (Surface Transportation Reauthorization & Reform) Act
 Federal STBR (Surface Transportation Board Reauthorization) Act
 Illinois Motor Fuel Tax (*Is 19 cents. Illinois Transportation coalition proposed a solution but receiving no backing*)
 Property Tax within current statutory limits (*Highway Fund recommended at 10 cents which is maximum. Matching Tax has room to be increased.*)

Control

Federal Government

 House of Representatives
 U.S. Senate
 State Government

 Peoria County government

Solutions - Currently NOT Possible

Local Option Motor Fuel Tax Municipal Governments
 Toll Roads

Control

Municipal Governments
 State Government

Solutions - Currently Possible

Take Roads to Gravel (*Decreases maintenance cost*)
 Permanently Close Highways (*Must not take away access to properties*)
 Project Bundling
 Grants - TIGER (*County entered application \$18mil for Old Galena Road*)
 Grants
 - HSIP and Others
 Public Transportation Sales Tax - Voter Approved (*Under the County's Local Occupation Sales Tax statute there is: Public Safety sales tax, Public Facility sales tax and Transportation sales tax {needs voter approval and is the maximum of 2% in 1/4% increments}*)
 Bond Referendum - Voter Approved

Control

Peoria County Government
 Peoria County Government
 Peoria County Government
 US DOT

 State Government
 Peoria County Government

 Peoria County Government

Solutions - Currently NOT Possible

Public Private Partnerships (P3s)
 Local Option Motor Fuel Tax
 Special Service Areas / Special Assessments
 Right-to-Work Zones
 Extend MFT Collections to Farm Vehicles

Control

State Government
 State Government
 State Government
 State Government
 State Government

Mr. Sorrel continued to discuss estimated costs to improve the County's road network. Explaining charts that reflected 2016 budget scenarios and quarter percent public transportation sales tax; he noted that \$150 mil would be needed under the given scenarios for the next 30 years. Approximately \$136,400,000 (roughly \$3 mil/year) would be available from the current MFT allotment providing there are no changes.

This is based on the assumption there would be an annual average EAV growth at 2% over the 30-year span and 1-1/2 penny would be collected during the 30 years.

Mr. Sorrel discussed the option of 1/4% Public Transportation Sales tax. After running the numbers, that percent does not meet the need. Mr. Sorrel estimate 1/3% would get closer to what's needed but the percentage must be an increment of 1/4 or 1/2. To be more cost effective, he asked what if consideration is given to upgrading truck and grain routes to 120,000lbs standard. Also, instead of seal coating all other roads use asphalt. Asphalt is costly but maintenance will be less.

Mr. Sorrel continued with a discussion on project costing. He said 37 road construction projects have been identified at a cost of over \$215 mil.; the largest is Old Galena Road costing almost \$20 mil. and several others around \$10 mil. Further breakdown of the \$215 mil is:

- o 9 grain routes - \$58,535,000
- o 16 projects in municipalities - \$62,960,000
- o 12 projects in the City of Peoria - \$46,775,000

Mr. Sorrel shared numbers from Spear Financial Group on estimated annual bond payment on a \$50 mil Issuance.

Estimated Annual Bond Payment on a \$50Mil Issuance

10 yr - \$5,825,000

15 yr- \$4,330,000

20 yr- \$3,700,000

Information was also provided on the impact of homeowner pertaining to the bond year. Mr. Sorrel posed the third policy question for consideration: *How does Peoria County Government resolve or make significant progress towards resolving a financially sustainable road improvement program?*

Mr. Dillon and other board members voiced their appreciation for Mr. Sorrel's presentation. Ms. Ardapple asked if we are allowed to work with our workforce, contractors, labor, trades, etc, to encourage wages to be spent locally as we move through this venture. Mr. Sorrel answered in the affirmative and stated this could be a job-builder opportunity for the community through partnerships.

Mr. Rand asked about the decrease in cost that is not quantified. As a result of proposed improvements, Mr. Rand said there should be a slide showing the savings. As an example, there is a gain on the other end of reduced maintenance. It should be a bucket of dollars created that offset the *new life* expectancy of the road. In response, Mr. Sorrel said the ROI calculations would have that information but they are not done yet but are forthcoming. Mr. Rand confirmed that in 2016, the \$4.6 mil road and bridge money being spent are for upgrades. Mr. Sorrel confirmed the sources are matching tax, MFT, County highway levy, highway bridge funds and some state allocations for the projects.

Referring to the slide on impact to homeowners, using property tax to back a bond, Mr. Rand asked if there is room within the County's lawful limit to raise the taxes sufficient to float a \$50 or \$100 mil bond issuance. Mr. Sorrel said no. He said the only way to support any of the bond issuance that has been mentioned is by referendum. There would be no cap on the tax, only what the voters approve. In reply to Mr. Rand's question, Mr. Sorrel said the two choices that could be posed to the voters are: (1) a public sales tax in 1/4% increments or (2) a property tax that goes above our current statutory limit. The voters would have to be asked to approve a bond issuance for a specific project and a property tax to support it. The maximum for the bond is 20 years.

Mr. Rand asked if it is doable to ask the voters to bond \$150 mil for road improvements -- which means another 15 cents would be needed. Mr. Sorrel said there is a statute that would allow the County Board to do that. Mr. Rand asked how many cents it would take to finance a \$50 mil project over 15 years. Mr. Sorrel said on principal along, it would be approximately 15 cents. Currently we are at 8.5 cents.

Ms. Trumpe asked how does this impact townships? Mr. Sorrel said the major change is the county no longer in the business of seal coating township roads. Our involvement in helping to improve township roads going forward is a policy question for the County Board. It would be a legal question whether we could include township road improvements on the referendum. Responding to Mr. Dillon's question, Mr. Sorrel said he is not aware of any other county that passed a referendum of this magnitude for this purpose. Mr. Elsasser asked if there has been any legislative movement in Springfield to change the formula for MFT. To Mr. Sorrel's knowledge, there is no active legislation. Mr. Baietto said county board representatives have talked to area legislators about this issue.

Mr. Mayer summarized data needed from staff: (1) ROI calculations, (2) potential savings if roads go back to gravel surface, and (2) savings from maintenance if City roads are brought up to standards and turned over to the City. Mr. Mayer emphasized the importance of adequate public education and a list of specific projects if we go to the voters for a tax increase. Also, that the ideal time is the general election. Other board members agreed on the timeline.

Mr. O'Neill said he doesn't think people want to go back to gravel surfaced roads due to the dust and dirt they produce. Mr. Salzer said he is opposed to going to gravel roads because of the safety factor.

(Mr. Fennell, Mr. Elsasser, and Mr. Rosenbohm left the meeting at 5:18pm).

In regards to a referendum, Mr. Morris said the vision should be clear; the public should have a thorough understanding of cost, timeline, and projects involved.

There were public comments by Mr. Craig Fink, Illinois Association of County Engineers; Ms. Bethea Harding, Harding Farms; and Ms. Dawn Harman, farmer. Ms. VanWinkle commented on the responsibilities of Peoria County's Auditor.

Mr. Dillon said he would like to schedule another COW meeting the first quarter of 2016. The meeting adjourned at 5:31pm.



Andrew A. Rand
County Board Chairman

County of Peoria County Board

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arand@peoriacounty.org

Date: February 25, 2016

PETITION FOR COMMITTEE OF THE WHOLE

We, the undersigned members of the Peoria County Board, request a Committee of the Whole meeting as follows:

Date: Monday, March 7, 2016
Time: 6:00 pm
Place: Peoria Riverfront Museum
222 SW Washington Street

Subject: Transportation Funding
Road

Signed:

Date:

Shelly Arby

02/25/16

[Signature]

2/26/16

George A. Trampe

2/25/16

Michael Yarker

2/25/16

[Signature]

2/25/16

[Signature]

2-26-16

Steph M. Vi

2-26-16