

AGENDA  
COMMITTEE OF THE WHOLE  
SPECIAL MEETING  
February 1, 2022  
2200 Harnish Drive  
Village Board Room  
7:30 P.M.

Trustee Brehmer- Chairperson  
Trustee Auger  
Trustee Spella  
Trustee Glogowski  
Trustee Dianis  
Trustee Smith  
President Sosine

- AGENDA -

1. **Roll Call – Establish Quorum**
2. **Public Comment – Audience Participation**  
*(Persons wishing to address the Committee must register with the Chair prior to roll call.)*
3. **Community Development**
4. **General Administration**
  1. Presentation of Capital Improvement Budget for Fiscal Year 2022/2023
    - a. Proposed Water and Sewer Improvement and Construction Fund
    - b. Proposed Motor Fuel Tax Fund
    - c. Proposed Street Improvement Fund
    - d. Proposed Park Improvement Fund
    - e. Proposed Natural Area and Drainage Improvement Fund
  2. Review of Home-Rule Sales Tax for Funding Capital Improvements
5. **Public Works & Safety**
6. **Executive Session** (If needed)
7. **Other Business**
8. **Adjournment**



**VILLAGE OF ALGONQUIN**  
*GENERAL SERVICES ADMINISTRATION*

**- M E M O R A N D U M -**

DATE: January 25, 2022  
TO: Committee of the Whole  
FROM: Tim Schloneger, Village Manager  
SUBJECT: Proposed Capital Budget – 2022/2023 Water & Sewer Improvement Fund

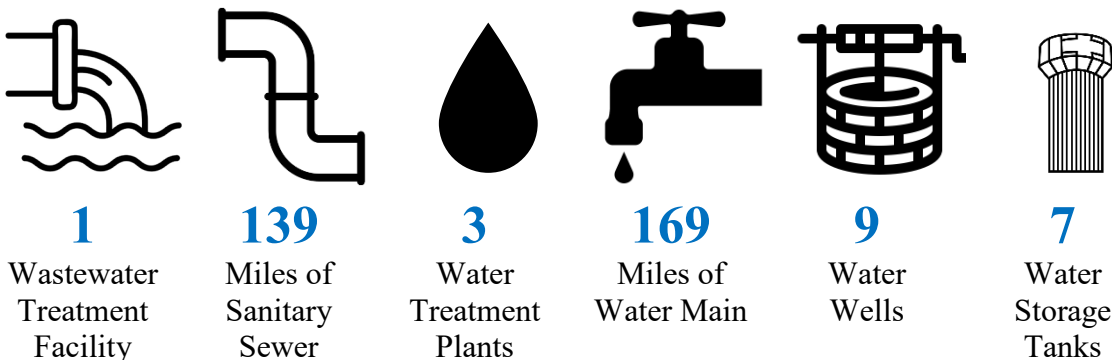
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**OVERVIEW**

Attached is the proposed budget for the Water and Sewer Improvement and Construction Fund. This fund is intended for the larger capital improvements such as expansion of the water and sewer treatment plants, distribution systems, and smaller expenditures that improve or enhance the existing water and sewer distribution systems overall. The Water and Sewer Improvement and Construction Fund is a capital account with cash reserves that can be accumulated from year to year.

The revenue estimated for this fiscal year is \$4,240,400 (including a transfer of \$3,489,900 from the Water & Sewer Operating Fund), and expenses are budgeted at \$6,523,000.

**Village of Algonquin Water and Sewer System**

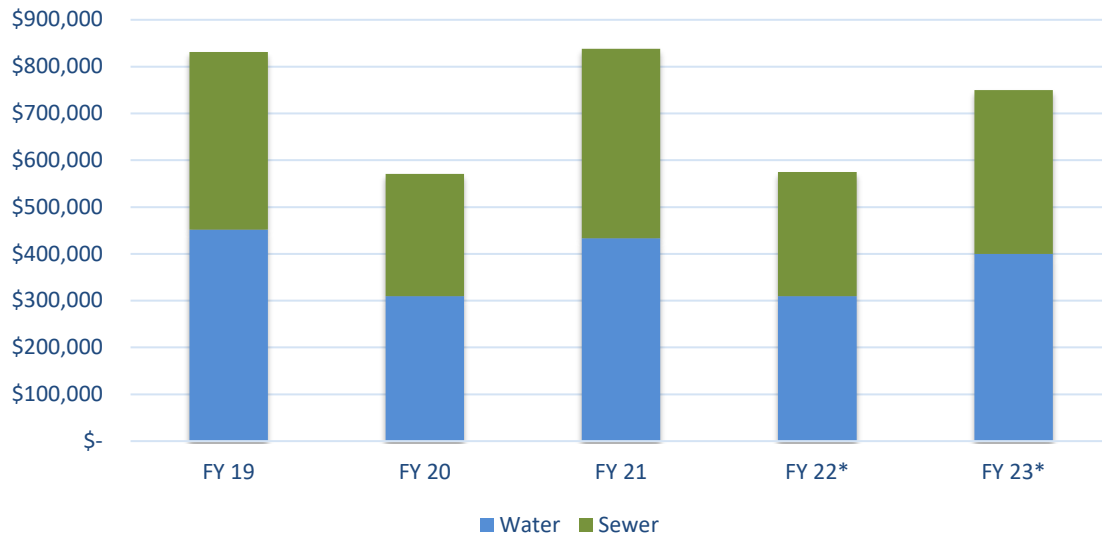


**REVENUES - \$4,240,400**

Maintaining safe drinking water and environmentally sound sewer services is one of the most important responsibilities of the Village of Algonquin. As providing water and sewer services becomes more expensive, the village is faced with the constant challenge of balancing our interest in offering a fundamental public health service at an affordable price against the necessity of managing our systems in a financially sustainable manner. Water,

sewer and all other utilities are businesses, regardless of who owns them. The village's water and sewer utilities are businesses that just happen to be owned by government.

### Water/Sewer Connection Fee History



**EXPENSES - \$6,523,000**

ACCOUNT 42230 - LEGAL SERVICES - \$10,000 - This line item covers services required for legal matters associated with water and sewer improvement projects.

ACCOUNT 42232 - ENGINEERING - \$1,223,000 - This line item provides payment for engineering services for the design, construction oversight, and inspection of projects planned in this fund. Projects include the following:

- Boyer and County Line Road Watermain - \$120,000 is provided for water service and capacity to areas of future development in the Longmeadow Parkway area. This water main extension includes a new 16-inch water main that will be an important hydraulic link between Jacobs Water Tower and the new Longmeadow Water Tower.
- Huntington to Countryside 16" Watermain West - \$500,000 is provided in this line for phase 1 engineering on the Westside section of 16" watermain that starts from the bypass to Huntington Standpipe.
- PRV Replacement Program Year 2 & 3 - \$145,000 is provided to evaluate and replace PRV's. Replacement was defined in the Water System Master Plan.
- Ratt Creek Reach 5 (High Hill Dam Area) - \$3,000 is provided in this line item to final out this project.
- Water System Master Plan Update - Our current Master Plan was done in 2012. It is suggested that these master plans be updated every 10 years to keep abreast of additions and changes in the water system and EPA regulations. Having current plans and costs also helps to get low interest loans from the IEPA. \$150,000 is provided for this initiative.

- WTP 1&2 Aerator Replacement - \$100,000 is provided in this line for engineering services to replace the aging aerators.
- WTP 3 PFAS Mitigation Study - \$20,000 is provided in this line to perform an overall study at WTP #3 for PFAS.
- WWTP Phase 6B Improvements - \$30,000 is provided for this work which will involve the Phase 3 Construction Services to oversee the construction of several large maintenance projects necessary to upgrade the existing WWTF to more manageable and serviceable conditions. The work includes complete upgrades to the anaerobic digestion system, expansion of the aerobic digestion system, replacement of the gravity belt thickeners, modernization of the Primary Clarifiers, electrical and SCADA upgrades, emergency power generation, and a new roof on the entire main complex.
- Contract Engineer - \$120,000 is provided to contract for onsite engineering services to assist staff in managing the large number of RFPs and contracts that will be flowing through the Public Works Administration offices over the next several years. The scope of services for this individual may include generation of RFPs for design and field services, plan review and comment, customer service and correspondence, and contract administration. The contract engineer will be under the direction of the Public Works Director and will work jointly to assist the Project Manager.
- PR Firm - \$35,000 is provided to hire a public relations firm to address our desire for more, and better, communication about infrastructure improvements projects within the Village They will assist with public meetings in advance of construction, project brochures, social media updates, email list blasts, individual project websites with updated schedules, traffic pattern information, project updates and photos.

#### ACCOUNT 43370 – INFRASTRUCTURE MAINTENANCE - \$20,000

- WWTP 6B Naturalization Maintenance (Year 1 of 3) - \$20,00 is provided for the year-1 of annual maintenance.

#### ACCOUNT 44416 – COLLECTION SYSTEM MAINTENANCE - \$200,000

- Sanitary Sewer Rehabilitation - \$200,000 is provided for this ongoing program to identify and correct failures in the sanitary sewer collection system derived from sanitary sewer studies in order to prolong the life cycle and reduce routes of inflow and infiltration. Work includes potential manhole rehabilitation, sanitary sewer line replacements, and CIPP (Cured in Place Pipe), or lining of sanitary sewer pipe.

#### ACCOUNT 45520 – WATER TREATMENT PLANT - \$215,000

- WTP 2 Water Softener Media Replacement - \$215,000 is provided for the water softener media that needs replacement as it has reached its useful lifespan; these monies will cover the cost of the media replacement and the interior coating.

#### ACCOUNT 45526 – WASTEWATER COLLECTION - \$480,000

- Ratt Creek Reach 5 (High Hill Dam Area) - \$30,000 is provided to final out this project.
- Souwanas & Schuett Streets - \$450,000 is provided for this project. It is being partially funded by Surface Transportation fund through CMAP and the McHenry Council of Mayors in the amount of \$1.5M, with the difference to complete the work being funded through local Street Improvement funds. The project involves narrowing the existing roadway, replacement of all curb & gutter, partial replacement of sanitary sewer on Souwanas, and watermain replacement on Schuett (which will be budgeted in W&S Improvement Fund), storm sewer repair, and replacement of the failed box culvert on Souwanas. The project also includes upgrading Souwanas between Scott and the Fox River from a rural cross section to an urban cross section with curb and gutter and proper drainage. Pedestrian sidewalks will be installed on the entire length of Souwanas, between Sandbloom and Oceola.

#### ACCOUNT 45565 – WATER MAIN - \$1,975,000

- PRV Replacement Program Year 2 - \$350,000 is provided for this plan which includes the Removal of Zange PRV and the installation of a prefabricated station, SCDA integration for the new station, water main improvements, the removal of the PRV at Arquilla at Hanson Rd, water main improvements including a flushing device for the dead end water main, install individual in-building PRVs, eliminate the PRV at Eastgate and Webster will include, removal of the existing PRV, water main improvements including water main looping to eliminate dead ends or install a flushing device.
- Souwanas & Schuett Streets - \$450,000 is provided for this project. It is being partially funded by Surface Transportation fund through CMAP and the McHenry Council of Mayors in the amount of \$1.5M, with the difference to complete the work being funded through local Street Improvement funds. The project involves narrowing the existing roadway, replacement of all curb & gutter, partial replacement of sanitary sewer on Souwanas, and watermain replacement on Schuett (which will be budgeted in W&S Imprv Fund), storm sewer repair, and replacement of the failed box culvert on Souwanas. The project also includes upgrading Souwanas between Scott and the Fox River from a rural cross section to an urban cross section with curb and gutter and proper drainage. Pedestrian sidewalks will be installed on the entire length of Souwanas, between Sandbloom and Oceola.
- Victoria Court Watermain Replacement - \$15,000 is provided to final out this emergency project that was substantially completed last year. There were numerous breaks on this section of watermain in a very short period of time leading to a possible catastrophic failure so we initied an emergency replacement of this line.
- Randall Road Water Main Relocation - \$1,160,000 is provided to final out this project which was performed by the McHenry County Division of Transportation.

ACCOUNT 45570 – WASTEWATER TREATMENT FACILITY - \$2,400,000

- WWTP Phase 6B Improvements - \$2,400,000 is provided for this project which involves the construction of several large maintenance projects necessary to upgrade the existing WWTF to more manageable and serviceable conditions. The work includes complete upgrades to the anaerobic digestion system, expansion of the aerobic digestion system, replacement of the gravity belt thickeners, modernization of the Primary Clarifiers, electrical and SCADA upgrades, emergency power generation, and a new roof on the entire main complex. These expenses are included as part of the work scope in the IEPA Low Interest Loan Program.

**SUMMARY OF WATER AND SEWER CAPITAL IMPROVEMENT BUDGET**

The projects covered in this memo for water and sewer improvements are recommended for approval based on continued implementation of the multi-year Water/Sewer Capital Improvement Plan. These recommended expenditures continue the implementation of our capital utility planning and add reliability to the water and sewer system for the residents of the village.

Attachment

# Water and Sewer Improvement and Construction Fund

# Revenues

			FY 18/19 Actual	FY 19/20 Actual	FY 20/21 Actual	FY 21/22 Q2	FY 21/22 Budget	FY 22/23 Budget
12000400	33035	Donations - Operating W&S	\$ 140.00	\$ -	\$ -	\$ -	\$ -	\$ -
12000400	33055	Donations - Capital W&S	145,382.00	-	459,855.00	-	-	-
12000400	33252	Donations - Capital Public Works				2,100,134.12	-	-
12000400	34800	Water Tap-On Fees	451,800.00	309,801.00	433,243.00	499,118.00	310,000.00	400,000.00
12000400	34810	Sewer Tap-On Fees	379,519.00	260,906.00	404,790.00	480,798.00	265,000.00	350,000.00
12000500	36001	Interest	386.08	328.58	326.81	76.05	100.00	100.00
12000500	36020	Interest - Investment Pools	95,871.12	244,484.11	2,324.34	347.43	2,900.00	400.00
12000500	38007	Transfer from W&S Operating	1,324,647.00	6,012,776.00	1,335,927.40	670,303.22	1,320,000.00	3,489,900.00
<b>Water &amp; Sewer Imp. &amp; Const. Fund Total</b>			<b>\$ 2,397,745.20</b>	<b>\$ 6,828,295.69</b>	<b>\$ 2,636,466.55</b>	<b>\$ 3,750,776.82</b>	<b>\$ 1,898,000.00</b>	<b>\$ 4,240,400.00</b>

# Water and Sewer Improvement and Construction Fund

# Expenses

			FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 21/22	FY 22/23	FY 22/23	FY 22/23
			Actual	Actual	Actual	Q2	Budget	Dept.	Manager	Budget
<b>Nondepartmental</b>										
12900400	42230	Legal Services	\$ 2,231.25	\$ 1,706.25	\$ 962.25	\$ 4,781.25	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ -
12900400	42232	Engineering Services	22,210.23	235,333.42	263,739.27	430,959.48	1,605,000.00	1,268,000.00	1,223,000.00	-
12900400	43348	Meters & Meter Supplies	1,901,759.88	1,858,506.24	-	-	-	-	-	-
12900400	43370	Infrastructure Maintenance	700.00	600,808.80	262,056.63	201,043.60	500,000.00	-	20,000.00	-
12900400	44416	Collection System Maintenance	99,463.38	91,374.00	85,884.26	-	600,000.00	200,000.00	200,000.00	-
<b>Subtotal</b>			<b>\$ 2,026,364.74</b>	<b>\$ 2,787,728.71</b>	<b>\$ 612,642.41</b>	<b>\$ 636,784.33</b>	<b>\$ 2,715,000.00</b>	<b>\$ 1,478,000.00</b>	<b>\$ 1,453,000.00</b>	<b>\$ -</b>
<b>Capital Expenditures</b>										
12900400	45520	Water Treatment Plant	\$ 653.34	\$ -	\$ -	\$ -	\$ -	\$ 215,000.00	\$ 215,000.00	\$ -
12900400	45526	Wastewater Collection	-	-	18,552.43	1,365,564.07	3,285,000.00	480,000.00	480,000.00	-
12900400	45565	Water Main	-	-	18,674.24	138,342.79	820,000.00	815,000.00	1,975,000.00	-
12900400	45570	Wastewater Treatment Facility	-	-	-	2,224,981.06	6,900,000.00	2,400,000.00	2,400,000.00	-
<b>Subtotal</b>			<b>\$ 653.34</b>	<b>\$ -</b>	<b>\$ 37,226.67</b>	<b>\$ 3,728,887.92</b>	<b>\$ 11,005,000.00</b>	<b>\$ 3,910,000.00</b>	<b>\$ 5,070,000.00</b>	<b>\$ -</b>
<b>Water &amp; Sewer Imp. &amp; Const. Fund Total</b>			<b>\$ 2,027,018.08</b>	<b>\$ 2,787,728.71</b>	<b>\$ 649,869.08</b>	<b>\$ 4,365,672.25</b>	<b>\$ 13,720,000.00</b>	<b>\$ 5,388,000.00</b>	<b>\$ 6,523,000.00</b>	<b>\$ -</b>
Actual figures have been adjusted to reflect capitalization of fixed assets, per auditor.										
Capital expenditures are transferred to and capitalized in the Water & Sewer Operating Fund.										





**VILLAGE OF ALGONQUIN**  
*GENERAL SERVICES ADMINISTRATION*

**- M E M O R A N D U M -**

DATE: January 21, 2022

TO: Committee of the Whole

FROM: Tim Schloneger, Village Manager

SUBJECT: Proposed Capital Budgets – 2022/2023 – Motor Fuel Tax (MFT)

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**OVERVIEW**

Attached is the proposed fiscal year 2022/2023 budgets for the Motor Fuel Tax (MFT) Fund. The projects recommended continue the village's commitment to the maintenance, repair and rehabilitation of existing infrastructure. Preventive maintenance is key to controlling long-term costs. The MFT budget assumes a \$440,000 drawdown in reserves to balance the budget.

**MFT FUND REVENUES - \$1,510,000**

Under the MFT Fund, the primary revenue sources are the Motor Fuel Tax allotments provided by the State of Illinois and interest income on accumulated cash reserves.

**MFT FUND EXPENDITURES - \$1,950,000**

ACCOUNT 42232 - ENGINEERING/DESIGN - \$0

ACCOUNT 43309 - MATERIALS - \$330,000

- \$280,000 - Road Salt is used for general deicing of roadways during snow and ice removal operations. This is applied to make sure that any ice on the road surface is melted, therefore making the road less slippery and reducing the probability of a vehicular accident for the traveling public.
- \$25,000 - New wave deicers and brines are applied to road salt to increase its effectiveness as an ice melting product in severely cold conditions.
- \$25,000 - We are providing money to purchase asphalt material so our in-house crews can patch failing sections of pavement.

#### ACCOUNT 43370 - INFRASTRUCTURE MAINTENANCE - \$400,000

- Bike Path Repair - We have been inspecting our trail system every year in order to keep the paths in a safe and useable condition. \$50,000 is allocated for contract services to repair any path that we deem necessary in our inspections.
- Asphalt Patching - \$250,000 is allocated to contract out our asphalt patching program. In this program we patch Village owned roads that are deteriorating and are not yet in the capital budget for a full grind an overlay or rehabilitation. The patching allows the roadways to stay in safe and drivable condition until funding is available for a more permanent fix.
- Tree Removal - \$100,000 is allocated to cover contracted tree removal services to maintain our urban forest.

#### ACCOUNT 44427 – MAINTENANCE – CURB/SIDEWALK - \$600,000

- \$600,000 is allocated for contracted curb, sidewalk and driveway removal and replacement. Each year we inspect approximately 1/5th of the Village's sidewalks, curb and driveway aprons for any deviations or structural issues. A contractor is then hired to remove and replace anything noted in our inspections.

#### ACCOUNT 44428 – MAINTENANCE – STREETS - \$260,000

- Pavement Marking - \$90,000 has been provided for both thermoplastic and paint pavement marking to be done by a contractor. Each year the Village participates in a joint bid with the McHenry County Highway Department as well as other McHenry County communities to provide this service. We try to cover about 1/4 of the village each year so that markings stay visible and clean in directing the motoring public.
- Street Sweeping - \$150,000 is provided for 13 cycles of contracted service of the Village throughout the year, as well as 2-3 extra sweepings in the fall to cover leaves. A contingency cost is also provided for special event and emergency call out sweeping services.
- Crack Sealing - \$20,000 is provided to continue our program of asphalt roadway preservation techniques to maximize the useful life of our quality roadways and maintain a high-level PCI (pavement condition index) rating on our recently improved road surfaces. Crack sealing involves routing out the crack to open up the void and then filling that void with a resilient rubberized crack fill material that prevents excessive water intrusion into the crack, preventing the crack from worsening, and eventually forming potholes due to winter and spring freeze-thaw cycles.

#### ACCOUNT 44429 – MAINTENANCE – STREET LIGHTS - \$160,000

- \$160,000 has been provided for contract maintenance for Village owned street lighting. This cost covers a monthly inspection by a hired contractor of all Village owned street lights and parking lot lights as well as any routine maintenance items

that need to be done to keep the lights working. This budget item also covers any major repairs such as replacement of a light pole or fixture due to traffic accidents or other circumstances.

ACCOUNT 44431 – MAINTENANCE – STORM SEWER - \$200,000

- \$200,000 is provided in this line item to pay a contracted service to do storm sewer cleaning as required by the MS4 Regulations laid down by the IEPA. This contracted service will allow us to get this routine maintenance activity on a regular schedule so that we can cover the entire system in a reasonable time frame. Removing solids from the storm sewer system prevents these materials from being deposited in the Fox River.

ACCOUNT 45593 – CAPITAL IMPROVEMENTS – \$0

- No funds are allocated for capital improvements this fiscal year.

Attachments

# Motor Fuel Tax Fund

# Revenues

			FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 21/22	FY 22/23
			Actual	Actual	Actual	Q2	Budget	Budget
03000300	33015	MFT Allotments	\$ 762,705.97	\$ 1,108,747.13	\$ 626,276.12	\$ 355,678.22	\$ 615,000.00	\$ 680,000.00
03000300	33018	MFT Transportation Renewal	-	-	738,570.76	354,609.99	450,000.00	500,000.00
03000300	33016	MFT Capital Program	-	352,928.24	700,997.47	330,024.94	-	330,000.00
03000300	33017	High Growth Allotment	36,827.00	9,162.00	66,146.67	61,566.00	36,000.00	-
03000300	33052	Donations - Capital	-	-	-	-	-	-
03000500	36020	Interest - Investment Pools	56,019.05	38,478.79	4,495.78	364.45	4,000.00	-
<b>Motor Fuel Tax Fund Total</b>			<b>\$ 855,552.02</b>	<b>\$ 1,509,316.16</b>	<b>\$ 2,136,486.80</b>	<b>\$ 1,102,243.60</b>	<b>\$ 1,105,000.00</b>	<b>\$ 1,510,000.00</b>

# Motor Fuel Tax Fund

# Expenditures

			FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 21/22	FY 22/23	FY 22/23	FY 22/23
			Actual	Actual	Actual	Q2	Budget	Dept.	Manager	Budget
03900300	42232	Engineering/Design Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
03900300	43309	Materials	375,727.88	330,552.43	263,282.27	11,807.99	380,000.00	350,000.00	330,000.00	-
03900300	43370	Infrastructure Maintenance	113,501.70	145,633.90	251,413.20	156,854.21	350,000.00	450,000.00	400,000.00	-
03900300	44427	Maintenance - Curb/Sidewalk	494,778.95	451,065.15	454,232.05	516,347.00	700,000.00	600,000.00	600,000.00	-
03900300	44428	Maintenance - Streets	129,707.19	218,803.41	183,220.85	113,702.69	240,000.00	280,000.00	260,000.00	-
03900300	44429	Maintenance - Street Lights	48,661.09	66,999.93	41,850.14	45,871.38	220,000.00	160,000.00	160,000.00	-
03900300	44431	Maintenance - Storm Sewer	48,304.76	180,800.00	200,200.00	-	200,000.00	200,000.00	200,000.00	-
03900300	45593	Capital Improvements	13,148.19	-	-	-	-	-	-	-
<b>Motor Fuel Tax Fund Total</b>			<b>\$ 1,223,829.76</b>	<b>\$ 1,393,854.82</b>	<b>\$ 1,394,198.51</b>	<b>\$ 844,583.27</b>	<b>\$ 2,090,000.00</b>	<b>\$ 2,040,000.00</b>	<b>\$ 1,950,000.00</b>	<b>\$ -</b>



**VILLAGE OF ALGONQUIN**  
*GENERAL SERVICES ADMINISTRATION*

**– M E M O R A N D U M –**

DATE: January 21, 2022

TO: Committee of the Whole

FROM: Tim Schloneger, Village Manager

SUBJECT: Proposed Capital Budget – 2022/2023 - Street Improvement Funds

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**OVERVIEW**

Attached is the proposed fiscal year 2022/2023 budgets for the Street Improvement Fund. The recommended projects continue the village's commitment to implementation of the multi-year street improvement program.

The Street Improvement Funds budget assumes carryover projects from the current fiscal year, outstanding monies to be paid to the state of Illinois for previously completed projects, a draw down in cash reserves, grants, future tax increment financing (TIF) fund reimbursements and the possibility of revenue enhancements and the future issuance of debt. These factors will allow expenditures of road projects to exceed revenues by \$7,976,000. The projected revenue totals \$10,138,000 (including a \$633,000 General Fund transfer and a \$3,150,000 Downtown TIF Fund transfer/reimbursement), and the proposed engineering, road construction and maintenance expenditures total \$18,114,000.

**CAPITAL IMPROVEMENT PLANNING**

A Capital Improvement Plan (CIP) is a multi-year plan identifying capital projects to be funded during the planning period. The CIP identifies each proposed capital project to be undertaken, the year the assets will be acquired or the project started, the amount of funds expected to be expended in each year of the CIP, and the way the expenditure will be funded. A CIP is not a static document. It is reviewed every year to reflect changing priorities and unexpected events and opportunities. A CIP includes the maintenance, repair and rehabilitation of existing infrastructure as well as the construction of new infrastructure.

There are three (3) basic methods of financing capital requirements:

1. funding from current revenues/grants
2. funding from fund balance/working capital
3. funding through the issuance of debt

When possible, the Village uses cash for capital improvements within the financial affordability of each fund rather than issuing debt. Debt financing is used when the capital assets or projects cannot be funded prudently from current revenues or fund balances. Debt

financing is also utilized to better ensure inter-generational equity by spreading payments for assets and infrastructure over their useful lives. This is similar to taking out a mortgage to purchase a home that you intend to live in for a long time rather than emptying your savings to pay cash. When debt financing is being considered as a tool for implementation of the CIP, it is important that the time horizon of the CIP be adjusted to match the debt repayment period of the note(s) to ensure adequate financial capacity in future years.

Infrastructure deterioration continues at a constant pace, regardless of revenues or economic conditions. All roads eventually reach the end of their useful life. As the physical condition of the asset declines, deferring maintenance and/or replacement increases long-term costs and liabilities. Our goal is to manage the village's roads in order to minimize the total cost of owning and maintaining them while continuously delivering the standard that the community expects.

Preventive maintenance is key to controlling long-term costs. It costs less in the long run to have good roads than bad roads--if you continuously keep up with preventive maintenance. Deferred maintenance drives up long-term costs; it shortens the cycle for rehabilitation which is four times as costly. Deferred rehabilitation compounds the problem, often leading to pavement failure and the need to reconstruct the whole roadbed, at ten times the cost.

Continued investment in village infrastructure is critical to avoid major structural failures in our road and drainage network in the near future. The capital expenditures for roads and drainage proposed in these funds continue to address the aged and deteriorating infrastructure of the community.

### **PAVEMENT CONDITION INDEX (PCI) RATING UPDATE**

In 2021 the Village partnered with the Chicago Metropolitan Agency for Planning (CMAP), to hire the firm APTEch to update the Village's pavement management program.

Pavement management is the process of planning the maintenance and repair of a network of roads or other paved facilities to optimize pavement conditions over the entire network. The process of pavement management includes creating a network inventory, measuring the condition of each roadway, defining treatment strategies, establishing models to predict performance over time, and performing analyses to predict budget needs and create a work plan that will make the most efficient use of resources to achieve agency goals. Pavement management supports accountable, performance-based, goal-oriented decision making, and presentation of information to stakeholders clearly and effectively. Pavement management allows the Village to move from worst-first, reactive planning to proactive, performance-based planning to make the most effective use of available funds over time.

The Village road network includes about 134 centerline-miles (over 19.6 million ft<sup>2</sup>) of roads, divided into 1,605 pavement management sections. The network is surfaced primarily with Asphalt Concrete (99.25 percent), although there are very small sections of Gravel, Brick, and Portland Cement Concrete (PCC) roads. The network is divided into three functional classes; Major Arterials making up 1 percent of the area, Minor Arterials and Collectors making up 36 percent of the area, and Local roads make up 63 percent of the road surface area.

APTEch collected pavement condition data in the Village in Spring 2021. Pavement distress was summarized to calculate Pavement Condition Index (PCI) values for each street in accordance with ASTM Specification D6433, Standard Practice for Roads and Parking Lots Pavement Condition Index Surveys. Overall, the area-weighted average PCI of the Village-

maintained roadway network is 50. This puts the area-weighted average PCI for the Village in the *Poor* condition category.

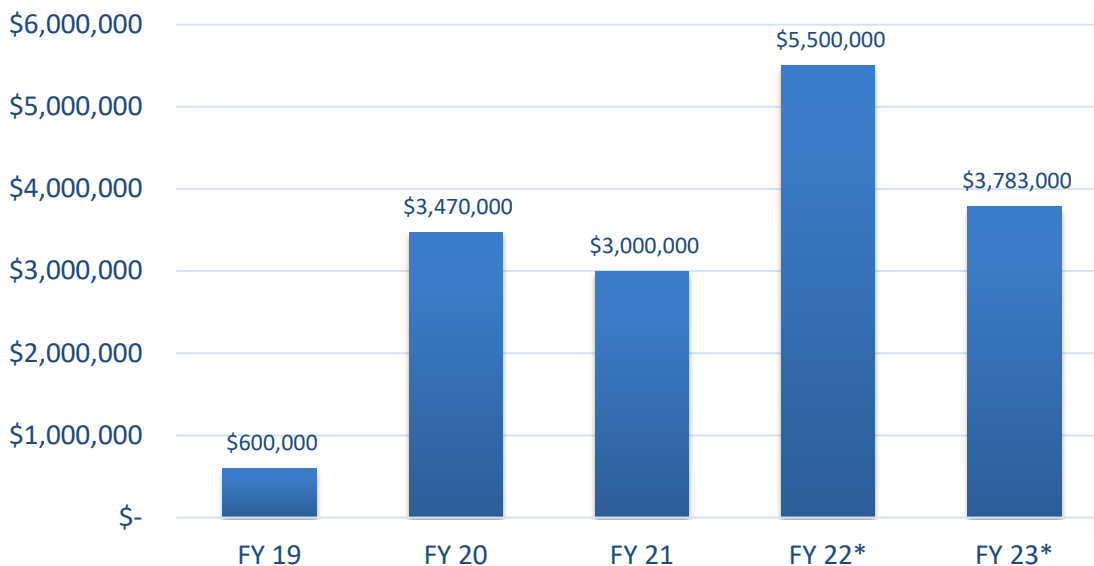
APTech performed a comprehensive pavement condition survey and evaluated the impact of the Village’s existing funding level on future pavement conditions. The resulting outputs were used by the Village to determine funding levels required to: maintain current pavement conditions, improve current pavement conditions, eliminate rehabilitation and reconstruction backlog, and recommend pavement preservation and rehabilitation projects.

The Street Improvement Fund budget is implementing the recommendations of the report by taking an aggressive plan to address maintenance and rehabilitation needs. The models show that substantial upfront investments result in much lower life cycle costs. Once the road network is dramatically improved, the Village will transition to a less intense, and less expensive, program of maintenance and preservation treatments to keep the roads in good condition.

### **STREET IMPROVEMENT FUND REVENUES - \$10,138,000**

The estimated revenues for the Street Improvement Fund include the utility tax receipts, telecommunications tax, 100% of the home rule sales taxes, \$400,000 American Rescue Fund money, interest estimated for this fiscal year, a \$633,000 inter-fund transfer from the General Fund, and a \$3,150,000 inter-fund transfer/reimbursement from the Downtown TIF Fund. In the five-year period shown below, approximately \$16.4 million of one-time transfers have been made available to finance projects in the Street Improvement Fund.

### **Transfers from General and Downtown TIF Fund**



### **STREET IMPROVEMENT FUND EXPENDITURES - \$18,114,000**

ACCOUNT 42230 - LEGAL SERVICES - \$15,000 – This line item covers legal services associated with street improvement projects such as right-of-way and easement research. Additional monies are budgeted for permanent easement acquisition within this fiscal year.

ACCOUNT 42232 - ENGINEERING DESIGN SERVICES – \$1,554,000 - The professional services anticipated in this item include construction oversight and inspection services for projects to be built during the next 3 years:



- 20 Washington & Existing Washington Street Parking Lots - \$30,000 is provided for the design and installation of a parking area on the Northeast corner of S. Harrison St. and Washington St. The project will include drainage improvements and a simple parking area. In conjunction with this project we are also proposing to re-surface the existing municipal lot on Washington.
- Algonquin Lakes Section 1 - \$10,000 is provided for construction oversight to final out this project. The work in the Algonquin Lakes Subdivision involved curb and driveway patching, minor drainage system repairs and roadway repair and resurfacing.
- Boyer and County Line Roads - \$80,000 total is provided for these two projects which have significant issues related to geometric, drainage and pedestrian access to meet ADA regulations. Additionally, future utility improvements must now be considered prior to moving forward. These 2 projects were originally combined and we are planning on submitting this project to the McHenry County Council of Mayors for Federal funding. Now that we are in the middle of the design, we realize that both roads are eligible for federal funding. Therefore, by breaking it into two separate projects, we have the opportunity for receiving funding for both.
- Downtown Streetscape Main Street & Harrison Street Bike Path & Roundabout - \$300,000 is provided for this project which involves the construction of a modern Round-a-Bout (RAB) at the intersection of North Main Street and Cary-Algonquin Rd., the reduction of overall vehicular pavement on North Main St. between the RAB and Riverview Ln., the installation of an off-pavement Bike Path on North Main St. to Riverview Ln., On-pavement Bike path down Park St. and North Harrison, continuing to the MCCD Bike path on South Harrison. There will also be Streetscape improvements along North and South Harrison with Brick pavers and speed tables. The project is funded through several grants and funding from McHenry County.
- Downtown Streetscape Washington & South Harrison Streetscape & Utility Lowering - \$50,000 is provided for this project which is another continuation of the Downtown Streetscape multi-phased plan. The scope of this project takes the downtown streetscape enhancements, using all the same design elements of Main Street, and extends work on S. Harrison Street, from Algonquin Road to Washington Street, the intersection of Washington Street and S. Harrison, and the public plaza area on Washington, from S. Harrison to Main Street. The intersection at Washington and S. Harrison will be a brick intersection (similar to Main Street). The public plaza will be a curbless section that can be closed for public events, allowing pedestrians and patrons to gather safely in that area to enjoy entertainment without worrying about tripping on curbs. Walkways will be protected from traffic on normal days by planters, seat-walls, bollards and lighting standards. Tivoli lighting and pedants hung from cabling will light the area and create a very inviting atmosphere for the area businesses and customers.
- Harnish Drive - \$10,000 is provided for construction oversight for to final out this project. The work involved curb and driveway patching, drainage system repairs, compliant ADA pedestrian street crossings, and roadway repair and resurfacing.

- High Hill Subdivision - \$200,000 is provided in this line for construction oversight on this project. The work in the High Hill Subdivision will involve curb and driveway patching, minor drainage system repairs and pavement resurfacing and repair, as necessary. The work will involve improvements to Winchester, Sussex, Jester, Kirkland, Majestic, Chatham, Bristol and Regal Drive.
- Lake Drive South - \$10,000 is provided for construction oversight services to final out this project. The work involved improvements to Lake Drive South, from Algonquin Road to Huntington Drive N, including the adjacent cul-de-sacs of Lake Drive Court and Falcon Ridge Ct.
- North River Road - As this roadway nears its next cycle of reconstruction, \$180,000 is provided for phase one engineering which will begin the tedious project that must be done relative to this roadway prior to its next reconstruction, right of way delineation and acquisition. The historic documents relative to this roadway do not clearly define full and clear Village ownership of the right of way in which the road resides. The project will work to bring this roadway in to clear legal definitions and ownership as well as begin the design process for its next repair cycle.
- Randall Road Wetland Complex - \$25,000 is provided for this project which includes improving the existing wetland complex between Randall Road & Stonegate Road including a berm and water control structure to enhance upland water features and provide on-line detention for several contiguous public and private development projects. An existing turf grass detention will be retrofitted and shaped to provide additional storm water capacity, a portion of Ratt Creek will be stabilized, and invasive species will be physically and chemically removed.
- Ratt Creek Reach 5 - \$50,000 is provided for this creek which is experiencing heavy erosion and down cutting causing siltation to build up behind the dam. This area is identified in the Jelkes Creek-Fox River Watershed Plan as a critical area for water quality protection
- Scott Street - \$10,000 is provided to final out this project. The work involved curb and driveway patching, drainage system repairs, compliant ADA pedestrian street crossings, and roadway repair and resurfacing. The work will occur between Souwanas Tr. and Webster St.
- Souwanas & Schuett Streets - \$224,000 is provided to complete phase 2 engineering, preparing the plans and specs for a June IDOT letting, for this project which involves narrowing the existing roadway, replacement of all curb & gutter, partial replacement of sanitary sewer (which will be budgeted in W&S Imprv Fund), storm sewer repair, and replacement of the failed box culvert on Souwanas. The project also includes upgrading Souwanas between Scott and the Fox River from a rural cross section to an urban cross section with curb and gutter and proper drainage. Pedestrian sidewalks will be installed on the entire length of Souwanas, between Sandbloom and Ocoola.
- Terrace Hill - \$10,000 is provided for this project which involved the rehabilitation of all the severely failed local roads in the Terrace Hill subdivision. Money is provided to final out the project.

- Wecks Subdivision - \$210,000 is provided in this line item for Phase 1 and Phase 2 design services for Weck's Subdivision. The area proposed to be constructed is the entire road network of Weck's Subdivision south of Algonquin Road, east of Longwood Drive, including Longwood Drive, and south to, and including, Washtenaw Lane. These road sections are between 25 to 26 years old and are in significantly deteriorated condition. The project scope will include topographical survey, geotechnical analysis of subbase conditions, select curb and gutter removal and replacement, sidewalk repair (per the Public Works Department survey results) bike path replacement, storm structure assessment and repair/replacement, and subbase repair and new asphalt driving surface. The scope of services provide will get us complete bidding documents, plans and specifications, and bidding services, including contract preparation with the selected low bidder. The engineering for this subdivision is being budgeted in this fund, but the construction will be funded with Rebuild Illinois money that is included in the MFT fund and needs to be expended by the end of 2024.
- Contract Engineer - \$120,000 is provided here to contract for onsite engineering services to assist staff in managing the large number of RFPs and contracts that will be flowing through the Public Works Administration offices over the next several years. The scope of services for this individual may include generation of RFPs for design and field services, plan review and comment, customer service and correspondence, and contract administration. The contract engineer will be under the direction of the Public Works Director and will work jointly to assist the Project Manager.
- PR Firm - Public Works will again hire a public relations firm for \$35,000 to address the desire for more, and better, communication about infrastructure improvements projects within the Village They will assist with public meetings in advance of construction, project brochures, social media updates, email list blasts, individual project websites with updated schedules, traffic pattern information, project updates and photos.

ACCOUNT 43370 – INFRASTRUCTURE MAINTENANCE - \$3,220,000 – The anticipated projects include the following:

- 20 Washington & Existing Washington Street Parking Lots - \$150,000 is provided for the project which will include drainage improvements and a simple parking area at the Northeast corner of Washington St. and S. Harrison St. This project will also include the resurfacing of the existing municipal lot on Washington Street.
- Algonquin Lakes Section 1 - \$100,000 is provided to final out this project.
- Brick Paver Maintenance - \$200,000 is provided in this line item to repair failed brick pavers.
- Harnish Drive - \$50,000 is provided to final out this project.
- High Hill Subdivision - \$2,300,000 is provide for the work in the High Hill Subdivision will involve curb and driveway patching, minor drainage system repairs and pavement resurfacing and repair, as necessary. The work will involve

improvements to Winchester, Sussex, Jester, Kirkland, Majestic, Chatham, Bristol and Regal Drive.

- Lake Drive South - \$110,000 is provided to final out this project.
- Reclamite Treatment. \$160,000 is provided for this product which we apply on all our roads within a year after they are constructed. It is an asphalt rejuvenator that helps to extend the life of asphalt pavement.
- Retaining Wall Maintenance - \$150,000 is provided for the 25-year-old concrete segmental block walls on Edgewood Drive, between Main Street (Rte 31) and West End Drive have failed significantly over the past several years due to aging, weathering and salt damage from snow and ice removal. Failure of these walls would be catastrophic, as they hold up the bluffs on the north side of the road. These walls must be replaced. We will propose to do this as a Design Build project with Burke LLC to get this done quickly and efficiently with a team that is capable of handling this difficult project, in a confined area with high traffic.

ACCOUNT 45593 – CAPITAL IMPROVEMENTS - \$13,325,000 – the anticipated projects include the following:

- Downtown Streetscape - Crystal Creek Bridge Replacement - \$415,000 is provided for the Main Street Bridge over Crystal Creek is being replaced in conjunction with the Downtown Streetscape Stage 1A project. IDOT will bill us for our portion of the cost.
- Downtown Streetscape Main Street & Harrison Street Bike Path & Roundabout - \$2,930,000 is provided for the project which involves the construction of a modern Round-a-Bout (RAB) at the intersection of North Main Street and Cary-Algonquin Rd., the reduction of overall vehicular pavement on North Main St. between the RAB and Riverview Ln., the installation of an off-pavement Bike Path on North Main St. to Riverview Ln., On-pavement Bike path down Park St. and North Harrison, continuing to the MCCD Bike path on South Harrison. There will also be Streetscape improvements along North and South Harrison with Brick pavers and speed tables. The project is funded through several grants and funding from McHenry County.
- Downtown Streetscape North Harrison Streetscape, Seat Walls & Landscaping - \$100,000 is provided.
- Downtown Streetscape Riverwalk & South Harrison Street Bridge - \$5,900,000 is provided for this project which is a continuation of the Village's Downtown Streetscape multi-phased improvement plans. The scope of the project involves the total replacement of the S. Harrison Street Bridge (wider and less restrictive to the high flows of Crystal Creek), regrading and natural/hardscape reinforcement of the creek bed thereby lowering the surrounding flood elevations and making Village-owned lands marketable for redevelopment, trail/walkway enhancements connecting Towne Park and Cornish Park via an attractive pedestrian link to downtown that will include lighting, architectural railings, and other visually pleasing amenities to compliment the area.
- Downtown Streetscape Utility Lowering - \$650,000 is provided.

- Highland Avenue - \$100,000 is provided for the amount we are still waiting to be billed from IDOT.
- Randall Road Improvements - \$605,000 represents the portion due to McDOT.
- Randall Road Wetland Complex - \$450,000 is provided for the project which includes improving the existing wetland complex between Randall Road & Stonegate Road including a berm and water control structure to enhance upland water features and provide on-line detention for several contiguous public and private development projects. In stage 1, an existing turf grass detention will be retrofitted and shaped to provide additional stormwater capacity, a portion of Ratt Creek will be stabilized, and invasive species will be physically and chemically removed.
- Ratt Creek Reach 5 - \$1,000,000 is provided for this project now that the Harper Drive bike path connection has been constructed. We would like to clean up and restore the creek and the High Hill Dam detention area. This will make a much more pleasurable experience off the natural area for people using the path. This creek is also experiencing heavy erosion and down cutting causing siltation to build up behind the dam. This area is identified in the Jelkes Creek-Fox River Watershed Plan as a critical area for water quality protection
- Scott Street - \$60,000 is provided to final out this project.
- Souwanas & Schuett Streets - \$1,050,000 is provided for this project which his being partially funded by Surface Transportation fund through CMAP and the McHenry Council of Mayors in the amount of \$1.5M, with the difference to complete the work being funded through local Street Improvement funds. The project involves narrowing the existing roadway, replacement of all curb & gutter, partial replacement of sanitary sewer on Souwanas, and watermain replacement on Schuett (which will be budgeted in W&S Improv Fund), storm sewer repair, and replacement of the failed box culvert on Souwanas. The project also includes upgrading Souwanas between Scott and the Fox River from a rural cross section to an urban cross section with curb and gutter and proper drainage. Pedestrian sidewalks will be installed on the entire length of Souwanas, between Sandbloom and Oceola.
- Terrace Hill - \$65,000 is provided to final out this project.

### **SUMMARY OF STREET IMPROVEMENT BUDGET**

By implementation of the Street Improvement Budget, the village can continue to accomplish major road improvements in many areas. Planning and engineering of future road projects and preparing for an opportunity for additional grant funding will help maintain the growing road infrastructure needs for the next several years.

Note: Natural Area and Drainage projects that were in progress prior to the establishment of the Natural Area and Drainage Improvement Fund will remained budgeted in the Park Improvement Fund until their completion.

Attachments

# Street Improvement Fund

# Revenues

			FY 18/19 Actual	FY 19/20 Actual	FY 20/21 Actual	FY 21/22 Q2	FY 21/22 Budget	FY 22/23 Budget
04000500	31011	Home Rule Sales Tax	\$ 4,147,954.22	\$ 3,833,333.16	\$ 3,931,091.31	\$ 2,264,916.48	\$ 3,900,000.00	\$ 4,900,000.00
04000500	31190	Telecommunications Tax	268,779.44	228,372.59	176,225.98	83,003.35	185,000.00	150,000.00
04000500	31495	Utility Tax Receipts	963,975.34	898,906.00	902,073.92	442,073.86	905,000.00	903,500.00
04000500	33012	Intergovernmental Agreement	-	-	-	-	-	-
04000300	33032	Donations - Operating - PW	-	5,226.94	-	-	-	-
04000300	33052	Donations - Capital - PW	-	174,922.00	-	-	-	-
04000300	33252	Grants - Capital - PW	22,068.00	50,000.00	128,403.50	-	-	400,000.00
04000500	36001	Interest	592.63	510.46	257.24	117.82	200.00	100.00
04000500	36020	Interest -Investment Pools	139,787.89	77,680.05	7,455.64	1,053.52	9,800.00	1,400.00
04000500	38001	Transfer - General Fund	600,000.00	3,470,000.00	3,000,000.00	3,000,000.00	5,500,000.00	633,000.00
04000500	38016	Transfer - Special Reveune Fund	-	-	-	-	-	-
		Transfer - Downtown TIF Fund	-	-	-	-	-	3,150,000.00
04000500	38060	Transfer - Special Service Area	201,954.86	-	-	-	-	-
<b>Street Improvement Fund Total</b>			<b>\$ 6,345,112.38</b>	<b>\$ 8,738,951.20</b>	<b>\$ 8,145,507.59</b>	<b>\$ 5,791,165.03</b>	<b>\$ 10,500,000.00</b>	<b>\$ 10,138,000.00</b>

On March 7, 2006, the Village Board approved two ordinances. The first eliminated the utility tax on natural gas and delivery charges for Village residents and businesses. The 4% utility tax related to natural gas no longer applied as of July 1, 2006. A use tax fee of \$0.0103 was implemented as a charge per therm. The second ordinance established a home rule retailers' occupation tax and service occupation tax of three-quarters percent (0.75%). This tax applies to retail and service sales and was effective on July 1, 2006. It does not apply to sales of food for human consumption off the premises where it is sold (i.e., groceries), prescription and non-prescription medicines, or other medical supplies. In addition, it does not apply to sales of tangible personal property that is titled or registered with an agency of this state's government (e.g., cars, trucks, motorcycles, etc.). No change in home rule sales tax allocations is proposed for FY 21/22 with 100% allocations designated to the Street Improvement Fund.

Utility tax receipts are based on use tax charges on energy usage for natural gas (Nicor) and electricity (ComEd). ComEd is based on kilowatt (KW) hours, and Nicor is based on therms.

# Street Improvement Fund

# Expenditures

			FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 21/22	FY 22/23	FY 22/23	FY 22/23
			Actual	Actual	Actual	Q2	Budget	Dept.	Manager	Budget
04900300	42230	Legal Services	\$ 6,428.50	\$ 14,621.25	\$ 9,629.96	\$ 6,173.55	\$ 10,000.00	\$ 15,000.00	\$ 15,000.00	\$ -
04900300	42232	Engineering/Design Services	586,137.79	876,078.56	792,642.39	881,624.82	2,455,000.00	3,761,400.00	1,554,000.00	-
04900300	43370	Infrastructure Maintenance	1,470,844.21	549,321.67	306,665.91	1,698,640.92	6,500,000.00	12,570,000.00	3,220,000.00	-
04900300	45593	Capital Improvements	173,761.47	4,355,058.71	5,313,256.56	1,135,053.80	7,650,000.00	13,624,022.00	13,325,000.00	-
04900300	45595	Land Acquisition	8,162.50	320.00	2,500.00	339,237.37	-	-	-	-
04900500	48026	Transfer to Nat. Area/Drainage Fun	-	-	-	345,000.00	345,000.00	2,325,000.00	-	-
<b>Street Improvement Fund Total</b>			<b>\$ 2,245,334.47</b>	<b>\$ 5,795,400.19</b>	<b>\$ 6,424,694.82</b>	<b>\$ 4,405,730.46</b>	<b>\$ 16,960,000.00</b>	<b>\$ 32,295,422.00</b>	<b>\$ 18,114,000.00</b>	<b>\$ -</b>



**VILLAGE OF ALGONQUIN**  
*GENERAL SERVICES ADMINISTRATION*

**– M E M O R A N D U M –**

DATE: January 20, 2022

TO: Committee of the Whole

FROM: Tim Schloneger, Village Manager

SUBJECT: Proposed Capital Budget – 2022/2023 – Park Improvement Fund

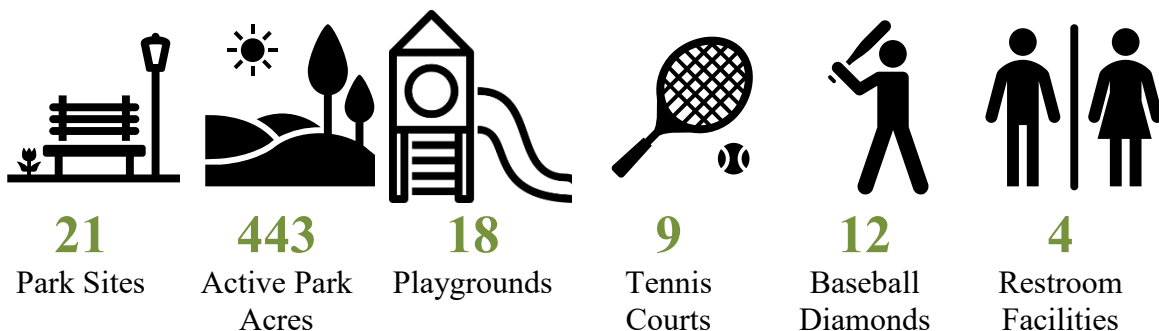
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**OVERVIEW**

The Park Improvement Fund is utilized for the acquisition, development, and improvement to parklands. Through it, the village provides a comprehensive park system that provides recreational opportunities for all residents while protecting assets, natural resources and open space for the benefit of present and future generations.

During the high growth years, park impact fees, paid by developers, financed many new park development and other enhancements. With the evolving market for new construction, the revenue generated from park impact fees has become less predictable and more intermittent. Furthermore, the recreational improvements built during the growth years are substantial and require systematic maintenance. Therefore, the village has dedicated three recurring revenue streams to protect and preserve the standards of excellence expected by the community. First, video gaming revenue received via the state (5% of net terminal income) is deposited into the Park Improvement Fund. Second, “push tax” revenue payable by Video Gaming Terminal Operators, as the designated tax collector, is allocated here. Third, a portion (2.25% tax rate) of the revenue from the village’s telecommunications tax is also dedicated to the fund.

**Village of Algonquin Park System**



A transfer from the General Fund will help finance the projects that are above and beyond the monies generated from the dedicated revenue streams.



## **PARK IMPROVEMENT FUND REVENUES - \$1,642,000**

Revenues include \$150,000 in video gaming terminal tax receipts, \$200,000 from the Video Gaming Push Tax, \$125,000 from the dedicated portion of the telecommunications tax, and \$5,000 in reforestation donations, \$660,000 in American Rescue Plan grants, and \$502,000 from an interfund transfer from the General Fund.

In addition to revenues, a \$241,000 drawdown in fund reserves will balance the fund.

## **PARK IMPROVEMENT FUND EXPENDITURES - \$1,883,000**

### **ACCOUNT 42232 – ENGINEERING AND DESIGN - \$583,000**

- Gaslight Tennis Court Rehab - \$3,000 is provided construction management services to final out reconstruction of the Gaslight Park tennis courts. Due to the age and condition of these facilities, they need to be completely removed and replaced.
- Hill Climb Park Upgrades - \$10,000 is provided to oversee the installation of the new play features at this park.
- Kelliher Park Pickleball Court - \$25,000 is provided to redesign and repurpose the severely failing tennis courts at Kelliher Park on Square Barn Road. We are proposing to convert this under-used tennis facility to two side-by-side pickle ball courts, similar to those at Stonybrook Park. To accomplish this, we will need to re-dimension the facility somewhat to fit the courts in the proper orientation relative to the sun, with proper off-court buffer areas to provide safe play. We will also have to address some questionable subbase issues that have caused the prior courts to settle severely. Moving the courts to the north may allow us to avoid the wet, hydric soils that are encountered at the south end of Kelliher Park. Soils investigation will be part of our engineering services that will be provided.
- Presidential Park - This park has been determined in our Park and Recreation Master Plan to be one of our renovation priorities in the Village. The Park and Recreation Master Plan provided some conceptual options to be considered, and further staff discussions have included a premier baseball facility with proper stands, sound system, lighting, synthetic infield and enhance drainage and irrigation, new washroom and concession facilities, storage, dugouts, home run fencing, storm water management, relocated parking lot and access points, new modern multi-age playground, challenge course for exercise, and improved walking paths. The amount of soccer fields may be reduced, but the one field would be enhanced and improved. Enhanced landscaping and addition trees would also be added to provide a welcoming feel to the site. \$285,000 is provided for what would be the maximum improvement, but we have option that can be trimmed out if the Village decides to cut out certain elements of the design. The Village has an active OSLAD grant application submitted for this project.
- Towne Park - \$180,000 is provided to start phase 1 engineering based off the conceptual plan developed last fiscal year for the redevelopment of Towne Park. This

is one of very impactful pieces of the redevelopment program for Old Town Algonquin.

- Willoughby Farms Park Tennis Court - \$20,000 is provided for the substantial reconstruction of the Willoughby Farms Park tennis courts. Due to the age and condition of these facilities, they need to be completely removed and replaced. In this line item, monies have been provided for construction management services for reconstruction of the Willoughby Farms Park tennis courts.
- Woods Creek Reach 5 Restoration - \$60,000 is provided for to construction management of the next reach of Woods Creek, between just north of Woods Creek to a point just east of Rock River Court. This restoration project will be similar to those completed upstream and will include bank stabilization, opportunistic tree removal, re-establishing the native vegetation, and inclusion of cross vanes and rock riffles to improve habitat. This project will be funded with American Rescue Plan funds.

#### ACCOUNT 43370 – INFRASTRUCTURE MAINTENANCE - \$0

- No projects are planned this fiscal year.

#### ACCOUNT 44402 – REFORESTATION - \$100,000

- Funding is provided for reforestation of parkway planting areas within the Village that have not previously possessed a tree. This funding is provided by the reforestation fee assessed to developers for mitigation of tree loss during development as prescribed in Chapter 5, Section 15 of Village Code.

#### ACCOUNT 44408 – WETLAND MITIGATION - \$0

- No projects are planned this fiscal year.

#### ACCOUNT 44425 – MAINTENANCE – OPEN SPACE - \$0

- No projects are planned this fiscal year.

#### ACCOUNT 45593 – PARK DEVELOPMENT - \$1,200,000

- Gaslight Tennis Court Rehab - \$30,000 is provided to final out reconstruction of the Gaslight Park tennis courts.
- Woods Creek Reach 5 Restoration - \$600,000 is provided for to construction management of the next reach of Woods Creek, between just north of Woods Creek to a point just east of Rock River Court. This restoration project will be similar to those completed upstream and will include bank stabilization, opportunistic tree removal, re-establishing the native vegetation, and inclusion of cross vanes and rock

riffles to improve habitat. This project will be funded with American Rescue Plan funds.

- Hill Climb Park Upgrades - \$180,000 is provided for the installation of the play vehicle features at this park. These were purchased last FY.

Kelliher Park Pickleball Court - \$210,000 is provided to redesign and repurpose the severely failing tennis courts at Kelliher Park on Square Barn Road. We are proposing to convert this under-used tennis facility to two side-by-side pickle ball courts, similar to those at Stoneybrook Park. To accomplish this, we will need to redimension the facility somewhat to fit the courts in the proper orientation relative to the sun, with proper off-court buffer areas to provide safe play. We will also have to address some questionable subbase issues that have caused the prior courts to settle severely. Moving the courts to the north may allow us to avoid the wet, hydric soils that are encountered at the south end of Kelliher Park. Soils investigation will be part of our engineering services that will be provided.

Willoughby Farms Park Tennis Court - \$180,000 is provided for the substantial reconstruction of the Willoughby Farms Park tennis courts. Due to the age and condition of these facilities, they need to be completely removed and replaced. This project is very similar in scope to the Gaslight Tennis Court project that was successfully completed last fiscal year.

Note: Natural Area and Drainage projects that were in progress prior to the establishment of the Natural Area and Drainage Improvement Fund will remain budgeted in the Park Improvement Fund until their completion.

Attachment

# Park Improvement Fund

# Revenues

			FY 18/19 Actual	FY 19/20 Actual	FY 20/21 Actual	FY 21/22 Q2	FY 21/22 Budget	FY 22/23 Budget
06000500	31175	Video Gaming Terminal Tax	\$ 116,645.39	\$ 114,787.26	\$ 90,497.38	\$ 87,649.39	\$ 110,000.00	\$ 150,000.00
06900500	31176	Video Gaming Push Tax	-	-	-	-	-	200,000.00
06000500	31190	Telecommunications Tax	226,969.30	192,847.99	148,813.03	70,091.73	155,000.00	125,000.00
06000300	33052	Donation - Capital - PW	334,608.00	183,963.00	107,911.00	5,928.00	-	-
06000300	33150	Donation - Ecosystem Maint.	-	-	-	-	-	-
06000300	33152	Donation - Reforestation	21,350.00	2,700.00	400.00	106,700.00	5,000.00	5,000.00
06000300	33153	Donation - Watershed	66,723.50	8,935.00	1,900.00	450.00	5,000.00	-
06000300	33155	Donation - Wetland Mitigation	-	2,600.00	-	-	-	-
06000300	33232	Grants - Operating - PW	-	10,000.00	-	-	-	-
06000300	33252	Grants - Capital - PW	-	28,170.00	436,886.25	-	-	660,000.00
06000500	36001	Interest	265.42	266.37	105.20	16.90	100.00	-
06000500	36020	Interest - Investment Pools	19,964.52	13,249.79	770.58	7.23	900.00	-
06000500	38001	Transfer - General Fund	400,000.00	142,500.00	-	-	-	502,000.00
<b>Park Improvement Fund Total</b>			<b>\$ 1,186,526.13</b>	<b>\$ 700,019.41</b>	<b>\$ 787,283.44</b>	<b>\$ 270,843.25</b>	<b>\$ 276,000.00</b>	<b>\$ 1,642,000.00</b>

# Park Improvement Fund

# Expenditures

			FY 18/19 Actual	FY 19/20 Actual	FY 20/21 Actual	FY 21/22 Q2	FY 21/22 Budget	FY 22/23 Dept.	FY 22/23 Manager	FY 22/23 Budget
06900300	42232	Engineering Services	\$ 147,126.04	\$ 113,238.11	\$ 181,146.73	\$ 93,565.55	\$ 170,000.00	\$ 591,000.00	\$ 583,000.00	\$ -
06900300	43370	Infrastructure Maintenance	52,760.80	97,499.81	258,078.85	1,050.00	100,000.00	570,000.00	-	-
06900300	44402	Reforestation <sup>1</sup>	105,223.91	31,381.25	53,795.00	590.00	55,000.00	100,000.00	100,000.00	-
06900300	44408	Wetland Mitigation <sup>1</sup>	11,812.89	4,302.62	-	-	-	-	-	-
06900300	44425	Maintenance-Open Space <sup>1</sup>	3,000.00	13,687.50	15,500.00	-	-	-	-	-
06900300	45593	Capital Improvements	492,520.75	744,367.72	1,059,800.88	50,408.17	550,000.00	960,000.00	1,200,000.00	-
06900300	45595	Land Acquisition	-	-	-	-	-	-	-	-
06900500	48026	Transfer to Nat. Area/Drainage Fund	-	-	-	135,000.00	135,000.00	-	-	-
<b>Park Improvement Fund Total</b>			<b>\$ 812,444.39</b>	<b>\$ 1,004,477.01</b>	<b>\$ 1,568,321.46</b>	<b>\$ 280,613.72</b>	<b>\$ 1,010,000.00</b>	<b>\$ 2,221,000.00</b>	<b>\$ 1,883,000.00</b>	<b>\$ -</b>
<sup>1</sup> - Restricted Funds										



**VILLAGE OF ALGONQUIN**  
*GENERAL SERVICES ADMINISTRATION*

**– M E M O R A N D U M –**

DATE: January 20, 2022

TO: Committee of the Whole

FROM: Tim Schloneger, Village Manager

SUBJECT: Proposed Capital Budget – 2022/2023 – Natural Area & Drainage Improvement Fund

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**OVERVIEW**

The Natural Area and Drainage Improvement Fund is utilized to improve water quality through refined stormwater management, flood reduction, enriched natural area management, groundwater recharge protection, utilization of green infrastructure, and control of invasive species. The goal is to enhance ecosystem benefits within the Village's watersheds and ultimately the Fox River.

Historically, these projects have been financed in both the Street Improvement Fund and the Park Improvement Fund. As these projects have evolved from supplemental infrastructure in our park system and along our roadways to its own distinctive infrastructure type, setting up a framework to put these projects under one budgetary umbrella is long overdue.

**NATURAL AREA & DRAINAGE FUND REVENUES - \$1,330,000**

Revenues include \$5,000 in Watershed Donations, \$860,000 in American Rescue Plan grants, a \$465,000 interfund transfer from the General Fund.

**NATURAL AREA & DRAINAGE FUND EXPENDITURES - \$1,330,000**

**ACCOUNT 42232 – ENGINEERING AND DESIGN - \$260,000**

- Dixie Creek Reach 3 Restoration - \$60,000 is provided for the restoration of the creek and riparian corridor from Wynnfield Drive to the Dixie Briggs Fromm property which was restored by Dundee Township. This is the next portion that is downstream from the recently restored Creek Crossing corridor and represents a green infrastructure link between the two restored properties. This project will correct major erosion of the creek banks behind the homes on Notting Hill Road as well as the restoration of a high-quality fen and detention on White Chapel Drive that is listed as a critical restoration area in the Woods Creek Watershed Plan. This work will be financed utilizing funds from the American Rescue Plan.

- Woods Creek Reach 6&7 - \$120,000 is provided for the restoration of the creek and riparian corridor in the middle section of the Woods Creek Riparian Corridor north of Bunker Hill Drive. This project will correct major erosion of the creek banks as well as the restoration of a high-quality fen and detention area.
- Stormwater Master Plan - To date, the Village has conducted hydrologic and hydraulic analyses for various improvement projects throughout several study areas. Many of the completed analyses focused on storm sewer design, culvert design and streambank restoration activities. CBBEL has developed analyses for the following areas: Terrace Hill, Grand Reserve, Randall Road Wetland, Edgewood and Surrey, Braewood, Copper Oaks.

The Public Works Department and Village Engineer would like to expand these analyses to focus on flood reduction assessments and include the unstudied areas to develop a Stormwater Master Plan, which is budgeted at \$80,000. Staff understands that the focus of the effort will be to identify drainage and flooding problems within the context of structure and street flooding during large storm events. The Plan will include for each study area, an existing condition analysis to determine level of service, recommended improvements and a cost estimate for the identified improvements.

#### ACCOUNT 43370 – INFRASTRUCTURE MAINTENANCE - \$270,000

- Creeks Crossing - \$30,000 is provided for the restoration of this natural area was completed last FY. This now has a 3-year maintenance period on the establishment of the native plantings.
- Grand Reserve Drainage - \$15,000 is provided here to for the 3-year maintenance period to establish the native plantings.
- Holder/Woods Creek Trail Detention Naturalizations - \$25,000 is provided for the 3-year maintenance period.
- Natural Area Maintenance - Each year the Village performs an inspection of our restored natural areas with the Village ecologist. From this inspection, a series of maintenance steps are created, which need to occur in each area on an on-going basis in order to keep the areas in their pristine conditions and to alleviate them from turning to weedy and un-maintained spaces. Keeping these areas maintained is important to keeping the proper habitat allowing wildlife to flourish. This allows our residents a chance to experience this in their own community. Keeping proper vegetation in the natural areas also insures that they function as they were designed. Proper plants and habitat are important for the filtering process. Most of these areas provide improved groundwater infiltration and aid in water quality. \$100,000 is provided for these activities.
- Souwanas Creek Reach 2 - This stream and Oak savannah restoration was completed last FY. \$20,000 is provided here for the 3-year maintenance period.
- Stoneybrook Park Naturalized Detention Maintenance - \$15,000 is provided for the 3-year maintenance period.

- Storm Sewer Lining - \$20,000 is provided to contract storm sewer lining and storm manhole lining to rehabilitate some areas in the drainage system that present problems or failures. These usually come up throughout the year when a sink hole forms on a property or in the road. This money will allow us to do a more permanent fix and extend the life of the pipe or structure before a major excavation project needs to be done.
- Terrace Hill Natural Area Maintenance - \$20,000 is provided for the 3-year maintenance period for the portions of the Terrace Hill project that we naturalized. This includes the detention basin in Wood Park and Woods Creek reconstruction.
- Woods Creek Reach 4 - \$25,000 is provided for construction to improve this next section of the Woods Creek corridor. This section runs front the Spella Park bridge to Woods Creek Lane.

#### ACCOUNT 45593 – CAPITAL IMPROVEMENTS - \$800,000

- Dixie Creek Reach 3 - \$800,000 is budgeted to begin construction for a very failed section of Dixie Creek Reach 3 which is directly downstream from the Creeks Crossing/Dixie Creek Preserve restoration. This section is located between Wynnfield Drive and the Dixie Briggs Fromm Preservation area owned by Dundee Township. The creek drains through here, through Lake Braewood down to Edgewood Road and eventually to the Fox River. This creek makes about a 90-degree turn just south of the township property, which creates uncharacteristic flow patterns downstream that tend to exacerbate erosion to private and public open space property downstream. This section of Souwanas Creek has been blamed for erosion and silt deposits in Lake Braewood and the township property. This work will be financed utilizing funds from the American Rescue Plan.

Attachment



# Natural Area and Drainage Improvement Fund

# Revenues

			FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 21/22	FY 22/23
			Actual	Actual	Actual	Q2	Budget	Budget
26000300	33153	Donation - Watershed	\$ -	\$ -	\$ -	\$ 73.13	\$ -	\$ 5,000.00
26000300	33155	Donation - Wetland Mitigation	-	-	-	-	-	-
	33252	Grants - Capital - PW						860,000.00
26000500	36001	Interest	-	-	-	14.22	-	-
26000500	36020	Interest - Investment Pools	-	-	-	-	-	-
26000500	38004	Transfer - Street Imp. Fund	-	-	-	345,000.00	345,000.00	-
	38001	Transfer- General Fund	-	-	-	-	-	465,000.00
26000500	38006	Transfer - Park Imp. Fund	-	-	-	135,000.00	135,000.00	-
<b>Natural Area and Drainage Improvement Fund Total</b>			<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 480,087.35</b>	<b>\$ 480,000.00</b>	<b>\$ 1,330,000.00</b>





**VILLAGE OF ALGONQUIN**  
*GENERAL SERVICES ADMINISTRATION*

**– M E M O R A N D U M –**

DATE: January 28, 2022

TO: Tim Schloneger, Village Manager

FROM: Michael Kumbera, Assistant Village Manager

SUBJECT: *Home Rule Sales Tax and Capital Improvement Funding Analysis*

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As requested, the following information provides background and analysis on incremental home rule sales tax as an alternative to fund capital improvement and infrastructure projects. This information is intended to augment the presentation of the Fiscal Year 2022-2023 capital improvement and infrastructure funds. The following material assumes a 0.25 percent home rule sales tax increase scenario.

#### **Statutory Background**

The ability to impose home rule taxes is provided by and subject to the provisions of Sections 8-11-1 and 8-11-5, respectively, of the Illinois Municipal Code (65 ILCS 5/8-11-1 and 5/8-11-5). The Village of Algonquin is a home rule municipality and has the ability to enact changes to its home rule sales tax rates by ordinance.

The Village’s current total sales tax rate for general merchandise is 7.75 percent. This total rate can be broken into the following categories:

1. **State Tax:** The State of Illinois rate is 6.25 percent and is broken down as follows:
  - a. 5.00 percent: state portion
  - b. 1.00 percent: local portion
  - c. 0.25 percent: county portion
2. **Regional Transportation Authority (RTA) Tax:** The collar counties of DuPage, Kane, Lake, McHenry, and Will are assessed a 0.75 percent RTA rate.
3. **Home Rule Tax:** In 2005, the Village adopted an ordinance imposing a 0.75 percent home rule sales tax rate.

Home rule sales tax must be set in increments of 0.25 percent, and there is no maximum rate limit.

#### **Tax Rate Structures**

Illinois Sales Tax has three (3) rate structures — one for qualifying food, drugs, and medical appliances; one for items required to be titled or registered; and another for all other general merchandise. Only the “General Merchandise” category will be applicable to home rule sales tax.

Illinois Home Rules Sales Tax Applicability		
Qualifying food, drugs, and medical appliances	Items required to be titled or registered	General Merchandise
NO	NO	YES

The following outlines these rates structures in further detail:

1. **"Qualifying food, drugs, and medical appliances"** include:
  - a. food that has not been prepared for immediate consumption, such as most food sold at grocery stores, excluding hot foods, alcoholic beverages, candy, and soft drinks;
  - b. prescription medicines and nonprescription items claimed to have medicinal value, such as aspirin, cough medicine, and medicated hand lotion, excluding grooming and hygiene products; and
  - c. prescription and nonprescription medical appliances that directly replace a malfunctioning part of the human body, such as corrective eyewear, contact lenses, prostheses, insulin syringes, and dentures.
  
2. **"Items required to be titled or registered"** include motor vehicles, ATVs, watercraft, aircraft, trailers, and mobile homes.
  
3. **"General merchandise"** includes sales of most tangible personal property including sales of:
  - a. soft drinks and candy;
  - b. prepared food such as food purchased at a restaurant;
  - c. photo processing (getting pictures developed);
  - d. prewritten and "canned" computer software;
  - e. prepaid telephone calling cards and other prepaid telephone calling arrangements;
  - f. repair parts and other items transferred or sold in conjunction with providing a service under certain circumstances based on the actual selling price; and
  - g. grooming and hygiene products.

### Tax Incidence

One advantage of sales tax is that it is largely paid for by non-residents. Other taxes such as property tax, utility tax, and telecommunications tax are paid largely by Algonquin residents. In a July 2015 study commissioned by the Village ([Market Reconnaissance of the East Algonquin Road Corridor](#)), Gruen Gruen and Associates noted the following:

*“Significantly more sales are secured from non-residents than sales are lost to retailers outside Algonquin. The sales “surplus” or amount of sales more than the purchasing power of resident and workers can be expected to support is estimated to total \$334.5 million.”*

Comparing the total estimated sales by non-residents of \$334.5 million to the total non-vehicle sales amount \$666.3 million, it is inferred that **non-residents provide 50 percent of local sales tax revenue to Algonquin.**

Currently, 100 percent of Home Rule Sales Tax receipts are dedicated to capital infrastructure expenses, being deposited in the Street Improvement Fund.

## Capital Improvement Planning

Annually, Public Works staff reviews and evaluates infrastructure assets in the community and identifies a list of projects to be funded by the Village's various capital improvement and infrastructure funds through the annual budgeting process. While certain funds have restrictions on use (Motor Fuel Tax → street and right-of-way construction and maintenance; Water/Sewer Improvement Fund → water and sewer infrastructure construction and maintenance), the following three (3) funds have been established and funded by Village policy direction for more general infrastructure-related purposes:



**Street Improvement Fund**



**Park Improvement Fund**



**Natural Area & Drainage  
Improvement Fund**

While these funds are distinguished by project types, their revenue sources are generally able to be moved between funds, if so desired. For FY 22/23, current revenues for these three (3) funds is \$6.5 million, with over 90 percent initially being deposited in the Street Improvement Fund.

Without a more balanced revenue distribution, this causes “leakage” of certain funds. For example, prior to the establishment of the Natural Area & Drainage Improvement Fund in FY 21/22, these projects were funded from the Street Improvement Fund and the Park Improvement Fund.

A recent staff analysis indicated that between FY 14/15 and FY 20/21, \$13.5 million of natural area/stormwater/drainage projects were budgeted in the Street Improvement Fund. This is approximately 25 percent (\$1.9 million annually) of the Street Improvement Fund's expenditures. Additionally, three (3) of the seven (7) projects (43 percent) completed in the Park Improvement Fund during this time period were for natural areas/stormwater/drainage.

While the establishment of the Natural Area and Drainage Improvement Fund addressed the need for an improved method of tracking investment in this type of infrastructure, there is still work to do. Without a better balance of identified projects and financial resources in this fund, as well as the Park Improvement Fund, the “leakage” of resources earmarked for Street Improvement (via interfund transfers) will still occur.

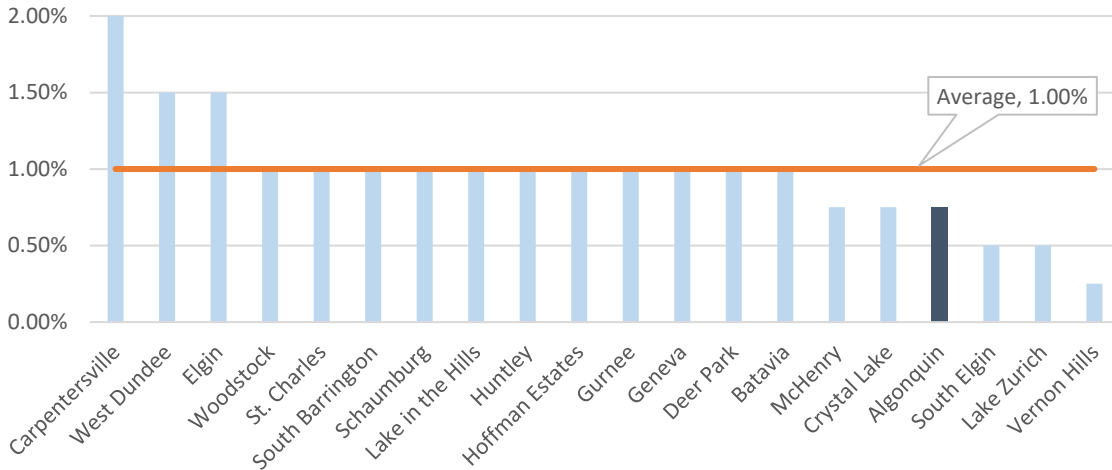
**The current list of identified projects by Public Works in the Street Improvement Fund, Park Improvement Fund, and Natural Area and Drainage Improvement Fund total approximately \$100 million in expense. Current year estimated revenues (excluding grants) is \$6.5 million.**

The impetus of capital improvement planning is to best match the level of service standards of our infrastructure with the community's expectations and willingness to fund such assets. Currently, any new recurring revenues sources would be recommended to be deposited into the Park Improvement and Natural Area and Drainage Improvement Funds to advance the implementation of the recently adopted Parks and Recreation Master Plan and the in-progress Stormwater Master Plan.

## Comparable Community Analysis

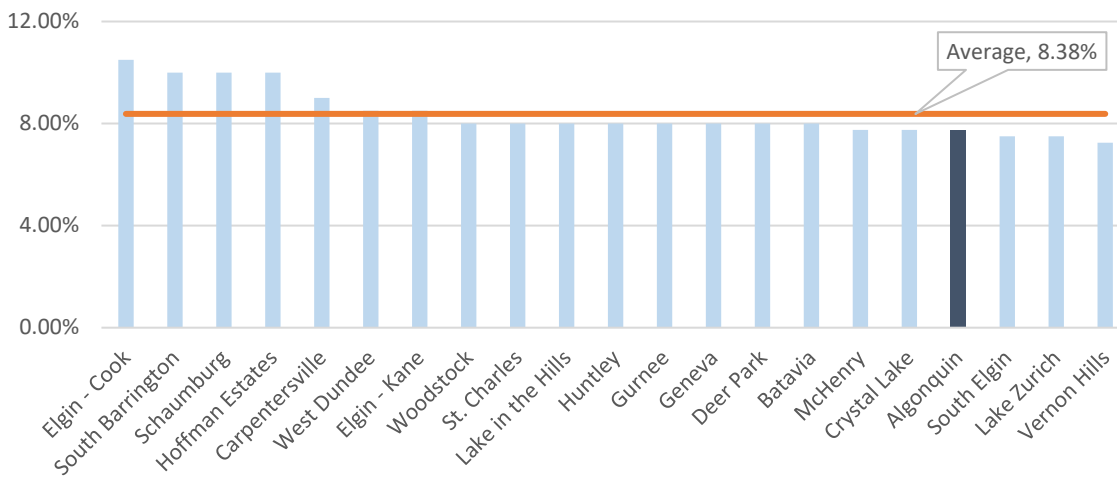
Staff reviewed the total and home rule sales tax rates of multiple northern and western suburban Chicago communities that have a significant commercial base and similar retailers to those found in Algonquin. Of the 20 communities reviewed, the average **municipal home rule sales tax rate** is 1.00 percent, with the highest rate being Carpentersville’s at 2.00 percent and the lowest being Vernon Hills’ at 0.25 percent. Algonquin’s current home rule sales tax rate is 0.75 percent. This is depicted in the following exhibit:

### Home Rule Sales Tax Rate Comparison

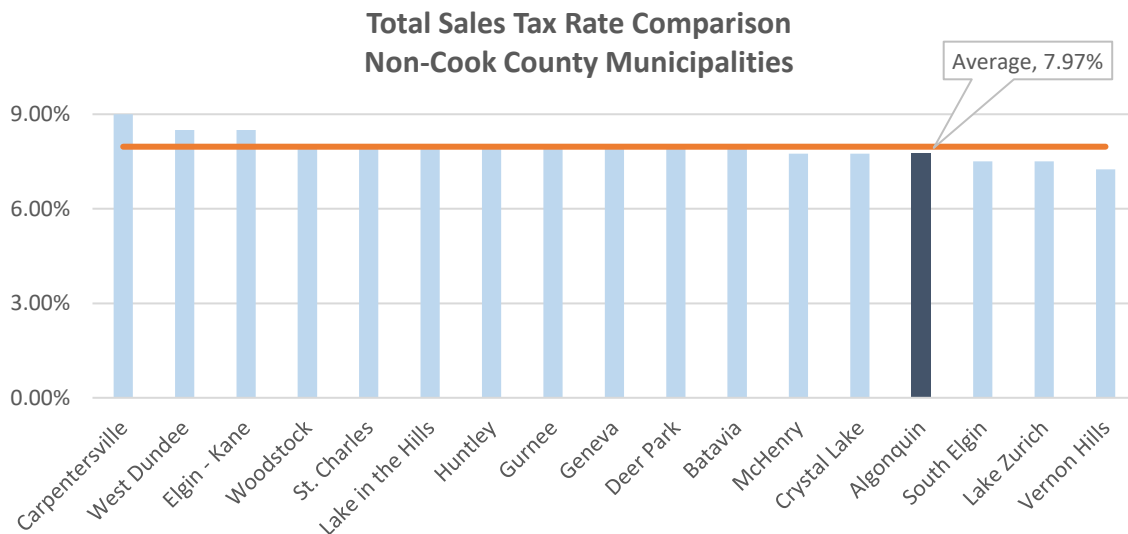


Shifting next to the total sales tax rates, staff added additional data points to incorporate the differing rates in multi-county communities. Of the communities reviewed, the average **total sales tax rate** is 8.38 percent, with the highest rate being Elgin (Cook County portion) at 10.50 percent and the lowest being Vernon Hills’ at 7.25 percent. Algonquin’s current total sales tax rate is 7.75 percent. This is depicted in the following exhibit:

### Total Sales Tax Rate Comparison



Lastly, staff compared the total sales tax rates of non-Cook County communities, as Cook County imposes a 1.75 county home rule tax. Of the communities reviewed, the average **total non-Cook County sales tax rate** is 7.97 percent, with the highest rate being Carpentersville at 9.00 percent and the lowest being Vernon Hills' at 7.25 percent. Algonquin's current total sales tax rate is 7.75 percent. This is depicted in the following exhibit:



### Revenue Projections

Staff has performed long-term financial projections based on a 0.25 percent increase in the home rule sales tax rate. Since 2021, sales tax receipts have been positively impacted due to the Leveling the Playing Field Retail Act, which changed collection practices for online retailers. Conservatively, the annual and 10-year new incremental revenue estimates are as follows:

**\$1.2M**

Annual Revenue Estimate

**\$16.0M**

10-Year Revenue Estimate

The Illinois Department of Revenue assesses a 1.5 percent administrative fee for home rule sales taxes which is already incorporated into the revenue estimates.

### Implementation

To implement a change in the Village's home rule sales tax rate, the following steps would need to occur:

1. The Village Board would have to approve an ordinance changing the tax rate.
2. Once approved, a certified copy of the ordinance must be filed with the Illinois Department of Revenue before the new rate will be administered.

It should be noted that the Illinois Department of Revenue provides two (2) deadlines during the year to enact, repeal or change home rule sales tax rates: April 1 for July 1 implementation, or October 1 for January 1 implementation.

## Next Steps

Should the Committee of the Whole wish to proceed with an adjustment of the Village's home rule sales tax rate, it is recommended that the Village Board take a vote at an upcoming meeting no later than **March 1, 2022** to meet the April 1 Illinois Department of Revenue deadline for July 1, 2022 implementation.

In addition to this memo, representatives of the Public Works Department will be available at Tuesday's meeting to provide an overview of projects that would be advanced and completed as part of this adjustment.

C: Robert Mitchard, Public Works Director  
Michele Zimmerman, Assistant Public Works Director