

**VILLAGE OF LINCOLNWOOD
PRESIDENT AND BOARD OF TRUSTEES
COMMITTEE OF THE WHOLE
INFRASTRUCTURE WORKSHOP
VILLAGE HALL COUNCIL CHAMBERS
NOVEMBER 30, 2017**

Call to Order

President Bass called the Committee of the Whole Infrastructure Workshop meeting of the Lincolnwood Board of Trustees to order at 6:00 P.M., Thursday, November 30, 2017, in the Council Chambers of the Municipal Complex, 6900 North Lincoln Avenue, Village of Lincolnwood, County of Cook and State of Illinois.

Roll Call

On roll call by Deputy Village Clerk Ashley Engelmann the following were:

PRESENT: President Bass, Trustees Ikezoe-Halevi, Patel (6:02 p.m.), Sugarman, Nickell, Spino

ABSENT: None

A quorum was present. Also present: Timothy Wiberg, Village Manager, Ashley Engelmann, Assistant Village Manager; Andrew Letson, Public Works Director; Nadim Badran, Assistant to the Public Works Director; Jim Amelio, Village Engineer; Robert Merkel, Finance Director; Ben Harris, Accountant; Chuck Meyer, Assistant to the Village Manager; Dan Dem, Christopher B. Burke Engineering, LTD.

Regular Business

Infrastructure Workshop

Mr. Wiberg provided a brief introduction as to the purpose of the workshop which is to discuss the Village's long term infrastructure goals, examine the infrastructure assessment for water mains, roadways, sidewalks and alleys and discuss options for improvements, associated costs and funding strategies. A presentation was made using PowerPoint.

Mr. Wiberg provided background on the history of the Village's infrastructure improvements. From 1995-2002 the Village implemented an infrastructure program which included streets, water mains and sewer lining. The total cost for the improvements was \$14.5 million. The program was initiated after a catastrophic roadway failure occurred.

In 2007 an infrastructure workshop was held in which a multi-year improvement plan was approved. The first items to be addressed were the Village's street lights, which included

replacement of existing concrete poles and the installation of new lights on arterial streets where they did not exist. This program is anticipated to be complete in 2018. In 2015, the Village began resurfacing streets that were over 21 years old. Staff was directed to fund the multi-year 2007 plan using existing revenue through a pay-as-you-go method.

Per the 2007 plan once street lights were complete roadways would begin being resurfaced. Staff worked with the Village Engineer to develop an assessment of the roadways in the Village for planning purposes.

It was noted that the 2007 infrastructure plan as contemplated would take 21 years to complete and would require \$1.65 million per year in revenues. If this plan were implemented the oldest street would be 38 years old at the time of resurfacing. Asphalt streets have a design life of 20 years. The Village currently receives approximately \$600,000 in local revenues annually (Motor Fuel Tax and Local Gas Tax). Using existing revenues the program would take 58 years to resurface every local road. The 2007 plan did not include water mains, sidewalks or alleys.

Mr. Wiberg noted that the Village Engineer was tasked with developing a plan that would include roadways, sidewalks, water mains and alleys. The plan makes certain assumptions regarding the percentage of each infrastructure item to be addressed each year as well as funding mechanisms.

The plan includes the following:

Roadways- resurface all over a 10 year period- \$34.7 million
Sidewalks- infill where there is neighborhood support- \$3.2 million
Water mains- replace all "poor" condition- \$7.8 million
Alleys- convert unpaved alleys adjacent to commercial areas to concrete and resurface all other paved alleys

The total cost for the plan is \$47.1 million.

Mayor Bass asked if the Devon/Lincoln Tax Increment Financing (TIF) funds could be utilized for alley resurfacing. Mr. Wiberg noted that there is not a lot of funding in the TIF but that money could be ported from the NEID (Northeast Industrial District) TIF.

Trustee Cope suggested that we begin by looking at the water mains that need to be replaced and correlate that with the streets that need to be repaired. Trustee Cope also asked if we just use annual MFT revenues how much would go towards paying off a bond.

Mr. Wiberg noted that the approach regarding water mains and roads being correlated is the approach that Christopher B. Burke Engineering, LLC. (CBBEL) took.

Mr. Amelio confirmed that the recommendation is to replace the water mains that are in poor condition first and resurface the corresponding streets. At some point the balance of the streets will need to be resurfaced as well.

Trustee Cope asked if there is a breakout of just the water mains and roads that are in poor condition.

Mr. Letson noted that was their original thought. When we began developing the plan the concern was that the other roads that are not being touched are continuing to age. As they continue to degrade it increases the likelihood that a full reconstruction will be necessary which doubles the cost of the project.

Trustee Cope noted that if we do a road now and don't touch the water main we may have to dig up a new road shortly thereafter.

Trustee Patel noted that staff's recommendation stated that a road would not be resurfaced solely unless the water main has a 20 year life expectancy.

Mr. Wiberg noted that a roadway has a shorter life cycle than a water main. The plan starts with replacing the roadways that are associated with problematic water mains. When those are completed there will be roadways where water mains don't need to be replaced but the road condition warrants resurfacing.

Trustee Cope asked what the cost would be to resurface the roads that are above the water mains that need to be replaced.

Mr. Amelio responded that the \$7.8 million in water mains that are recommended for replacement now are associated with approximately \$9 million in road resurfacing costs. IT would be approximately \$17 million total to replace the poor water mains and roadway surfaces associated with them.

Trustee Cope noted that we should be seriously considering those projects.

Mr. Letson noted that only addressing those components does not address the concern of a catastrophic failure of a roadway occurring on roads that require resurfacing now.

Trustee Cope noted that it could be looked at it more incrementally.

Trustee Patel stated that the plan is presented as doing it incrementally.

Trustee Sugarman confirmed that the average life of a resurfaced street is 20 years and asked if we have resurfaced streets in the last 10 years.

Mr. Letson noted that Pratt Avenue has been resurfaced.

Trustee Sugarman asked if that street would be resurfaced again as part of this plan.

Mr. Amelio noted only when it reaches its life cycle.

Trustee Sugarman noted that we should clarify when we say all streets that a street like Pratt Avenue won't be included.

Trustee Hlepas Nickell stated that she recalls from the last time this occurred that a matrix was developed to assess the infrastructure to determine when and what needs to be done.

Trustee Sugarman asked for clarification as to the fact that only Pratt Avenue was resurfaced in the last 10 years.

Mr. Wiberg confirmed this.

Mr. Letson explained that the other streets are just hitting their design life in 2017.

Trustee Hlepas Nickell asked how accurate our historical records are.

Mr. Letson noted that we have all of the project files from Gewalt Hamilton Associates, the Village's prior Village Engineer.

Mr. Amelio presented the roadway evaluation. He noted that CBBEL performed a visual analysis of all Village owned roads using a qualitative analysis. They were rated based on rideability, pavement condition and drainage. Example pictures of condition types for pavements were displayed.

Trustee Sugarman and Cope asked how roads are evaluated to ensure that they will not require more than just resurfacing.

Mr. Amelio explained the process of obtaining pavement cores which are evaluated to understand the condition of the base of the road.

Trustee Cope asked how a roadway is resurfaced when a water main needs to be replaced underneath.

Mr. Amelio explained that the only locations that need to be excavated for water main replacement are where the trench would be located to lay the pipe. This is typically a four foot wide section. He confirmed that is included in the cost estimate.

Trustee Hlepas Nickell noted that the infrastructure improvements have to be done.

Mr. Amelio presented the rating results, which were as follows:

Good- 1.7 miles (4% of the roadways)
Average- 33.2 miles (81% of the roadways)
Fair- 4.4 miles (11% of the roadways)
Poor- 1.7 miles (4% of the roadways)

Mr. Amelio noted that the assessment was completed approximately six months ago.

Trustee Patel stated that in the last 10 years while roads were not ready to be resurfaced street lights, sidewalks and fire hydrants were replaced. The idea 10 years ago was that in 10 years we will need to start replacing streets again.

Trustee Sugarman asked if once we do this will we then not have to do this again for 20 years.

Mr. Wiberg noted that with a cycle there may be a few years where we won't have to do anything but we want to create a cycle.

Trustee Patel noted that plowing and salting operations affect the condition of the roadways.

Trustee Hlepas Nickell noted that the anti-icing operations that are done help by using less salt on the roads.

Mr. Amelio presented a map depicting the condition ratings.

Mr. Amelio presented a summary of items included in a typical replacement section of roadway. It included the following:

- 2" of asphalt surface replacement
- Curb and gutter 30%
- Sidewalk removal and replacement 5%
- ADA sidewalk intersections

Staff is recommending resurfacing of all local roads over 10 years. If roads are not resurfaced they will eventually require reconstruction at double the cost. At the conclusion of the program, the oldest street will be 27 years old.

Mr. Amelio presented examples depicting the improvements that are being proposed.

Mr. Letson discussed options to fund the program. In 2007 the pay-as-you-go method was utilized. Due to the fact that \$600,000 annually is available all of the roads would not be complete until 2077. This would mean that some roads would reach almost four times their life cycle if this schedule was used.

Staff is recommending a combination of bonds and revenue enhancements to fund the proposed 10 year program. The bond would require \$3.47 million per year in debt service. Current revenues would fund a debt service on \$8 million in bonds.

Trustee Sugarman noted that we need to ensure that we get on a cycle of doing the roads over a 20 year period.

Mr. Amelio presented the sidewalk evaluation that was conducted. CBBEL performed a visual analysis of all Village owned sidewalks to determine Americans with Disabilities Act (ADA) compliance. The Village's current practice is to assess the sidewalk need for every proposed

roadway project and adjust as needed. Sidewalks were rated based on compliance, non-compliance, and no existing sidewalk. The Village currently has a program to address trip hazards and deteriorated sections of sidewalk, but there is no program to install new sidewalk or widen existing sidewalk.

Example pictures were presented to depict the different categories of sidewalks.

Mr. Amelio presented the evaluation of intersections within the Village. It was noted that 20% are ADA compliant while 80% are non-compliant. The minimum improvement needed to meet ADA requirements is to bring intersections with existing sidewalks into compliance. This work would be done in conjunction with road resurfacing. The cost of this has been rolled into the overall road program cost.

Mr. Amelio presented an assessment of the mainline sidewalk which is as follows:

- 34% compliant
- 52% non-compliant
- 14% no sidewalk
- The ADA does not require sidewalks to be installed where they do not currently exist

The non-compliant sidewalks are currently too narrow (min. 4 feet). Widening all non-compliant sidewalks would cost \$16.6 million. Widening existing sidewalks would affect the character of the neighborhood.

Mr. Amelio presented several exhibits which depict typical sidewalk examples.

Mr. Wiberg noted that if the Board wants to install sidewalks and move them back from the curb it will most likely be difficult to get all residents on board.

Trustee Cope asked if any infill sidewalks were included in this cost estimate.

Mr. Letson noted that there is a cost estimate included for infill for some areas that would be interested in having this occur.

Trustee Patel stated that the Traffic Commission did look at sidewalk infill in some locations previously.

Mr. Amelio clarified that \$3.2 million is estimated to be spent on infill where needed.

Trustee Hlepas Nickell noted that she recalls the Towers area had been asked previously if they wanted sidewalks and they did not.

Trustee Patel noted that he is more concerned with arterial sidewalks rather than residential.

Mr. Amelio clarified that the Village's responsibility with respect to ADA law is that intersections must be brought into compliance if an adjacent sidewalk is present.

Trustee Hlepas Nickell noted that she would like to see curb replacement considered more than sidewalk infill.

Trustee Sugarman asked Mr. Letson to clarify his statement that most Villages' currently resurface streets annually.

Mr. Letson explained that the goal is to resurface a section annually.

Trustee Sugarman stated that we need to get on a cycle of resurfacing 1/20th per year of the roads.

Mr. Letson stated yes and the reason why our current proposal is not 1/20th per year is that by the time we would hit year 20 the oldest street would be 38 years old which is past their design life. That is why it is recommended to complete it over a 10 year period. The next cycle would extend to 15 or 20 years.

Trustee Sugarman noted that the goal and vision should be to get on a 20 year cycle.

Mr. Amelio began discussing the conditions of the Village's water mains. In 2015, CBBEL updated the Village's existing water system model using WaterGEMS modeling software. CBBEL created a matrix for evaluating the water mains based on the following:

- Number of Breaks
- Pavement Condition
- Age
- Fire Flow
- Size
- Material

Approximately 55% of the Village's water mains were built during the 1920's while the remainder was built from 1950 on. Mr. Letson noted that the water mains that were built in the 1950's and 60's were not from as high of quality material. We are getting to the point that a significant portion of the mains will be 100 years old, therefore we need to start systematically replacing them. Mr. Letson presented a map that depicted the Village's water mains by decade of installation. Mr. Letson went on to explain how water mains begin to weaken and ultimately break. Mr. Letson provided a table which identified how many water main breaks the Village has experienced annually since 2010.

Mr. Amelio provided an explanation of the water main evaluation scale that was used. The assessment found that 40% of the Village's mains are in good condition, 15% in average condition, 27% in fair condition and 18% in poor condition.

Mayor Bass asked if the Village's automated water meter system has the ability to notify the Village of leaks within the system.

Mr. Letson noted that it does not and he further explained how the Public Works Department evaluates and identifies potential water main breaks and leaks.

Mr. Amelio explained how a typical water main is replaced. He noted that a typical replacement section is 8" ductile iron, a new 1" water service up to the B-Box, valves, fire hydrants and an asphalt pavement patch over the trench. Staff is recommending the replacement of all poor mains first.

Mr. Amelio stated that water main replacement projects typically include replacement of the water service line from the main to the property line. The Illinois Environmental Protection Agency (IEPA) strongly encourages that lead service lines be completely replaced. The Village estimates that between 60-80% of homes in Lincolnwood have at least a portion of their service lines that are lead.

Service Line Replacement Options

1. Village replace the entire service line (\$1,500 ea., \$5.7 million for the entire system)
2. Resident replace their section of the service line, using the Village's contractor which is staff's recommendation

It was noted that the contract for the work would be between the property owner and the contractor. Mr. Amelio explained that the IEPA requires a notice to property owners for replacements and when watermain breaks occur a notice is issued to property owners notifying them that it could potentially result in elevated levels of lead in their water and to flush their faucets accordingly.

At this time Mr. Letson stated that we would discuss paving of alleys within the Village and return to funding options.

Mr. Amelio explained that a visual assessment was conducted of the alleys. It was a visual assessment reviewing rideability, pavement condition and drainage. The residential alley assessment results found that 1% is in good condition, 7% in average condition, 9% in fair condition and 83% in poor or unpaved condition. The commercial alley assessment results found that 4% are in good condition, 27% are in average condition, 60% are in fair condition and 9% are poor or unpaved.

Mr. Amelio explained what a typical section of replacement would look like. He noted that a typical replacement section would include excavating 14" of existing gravel alley, installing concrete (8" thick) and stone (6" thick), replacement of 2' of driveway to garages and minor drainage improvements. He noted that asphalt may cost less than concrete, but will require more maintenance, and have a shorter life.

Staff is recommending resurfacing existing asphalt alleys at a cost of \$770,000 and converting existing alleys in commercial areas that are gravel or contiguous to a gravel alley to concrete at a cost of \$634,000. That would include the alley North of Devon from Drake Avenue to McCormick Boulevard and the alley north of Lincoln Avenue from Monticello to Central Park Avenues.

Trustee Cope asked how many of the alleys are actually in use. Mr. Letson noted that if an alley is not in use the Village has vacated it.

Trustee Sugarman asked if the cost estimates include engineering. Mr. Amelio confirmed that they do.

Mr. Wiberg discussed the history of how some alleys ended up being paved and others did not.

Mr. Letson noted that we currently re-grade all stone alleys annually. Mr. Letson further discussed a french drain program that the Public Works Department has been implementing in some of the alleys to help with standing water after storm events in certain alleys.

Trustee Patel noted that the grading is adding stone and we are not engineering the grade. This has added height to all of the alleys and it needs to be addressed.

Mr. Letson gave a brief overview of the Village's sewer program. He noted that since re-lining and pipe bursting can be done without excavating streets it is not as essential to review the sewers as part of the overall infrastructure program and therefore it was not included in the program.

The Village's sewer system was last comprehensively televised in 2009. The inspection identified several areas of concern that were addressed through a four year lining and spot repair program. The system was found to be generally in good condition.

Best practice is to televise sewers every 10 years. Upon completion of the next inspection program, additional lining projects will be identified.

Mr. Wiberg began discussing funding requirements for the proposal presented. If the Village used a pay as you go method \$780,000 per year would be needed, current revenues will not support this amount. A 20 year bond could be utilized which would be four bond issuances. The annual debt service would be \$150,000-\$620,000. The Water Fund currently has a balance of \$1 million. This would be to replace all of the water mains in the Village that have a condition rating of poor.

Mr. Wiberg reviewed what charges are currently on a water bill in the Village.

Mr. Wiberg presented estimated water supply rates from the City of Evanston. The first year supply rate is estimated to be \$1.44/1,000 gallons. The Village currently pays the City of Chicago \$3.88/1,000 gallons.

Mr. Wiberg explained what various savings would look like on a water bill to the average customer.

Mr. Wiberg explained that the total water main replacement cost is \$7.8 million. There are three scenarios concerning the water rate that were considered.

Option 1: Stabilize the rate through 2023

Option 2: Reduce the rate by 5%, and then stabilize through 2023

Option 3: Reduce the rate by 10%, and then stabilize through 2023

Reducing the water rate produces insufficient funds to pay for the debt service.

Option 2: Insufficient revenue in 2025

Option 3: Insufficient revenue in 2022

Mr. Merkel reviewed the proposed bond rates with the Village's financial consultant.

Staff is recommending stabilizing the rate through 2023.

Trustee Sugarman asked for clarification regarding what is being proposed. He asked if the rate we would charge to residents would remain the same as what we charge now.

Mr. Letson reviewed what the maximum reduction would be on the Village's water bill in order to still be able to meet the debt service for the infrastructure improvements that are needed to connect with the City of Evanston. That amount is 87 cents. The additional savings that are contemplated in Options 2 and 3 are the remaining amount of savings after the debt service for the transmission main has been accounted for.

Trustee Patel noted that at a 10% reduction in the water bill the very high user would see a \$10/month savings. However the money needed to pay for the improvements would have to come from somewhere.

Mr. Wiberg explained a graph that shows debt service requirements versus available funds. He noted that a rate reduction could be looked at in 2024. Until then an 8 year rate freeze would occur while the system is updated.

Trustee Sugarman noted that there will be an expectation to lower resident's water rates.

Mr. Wiberg stated that if we reduce the rates we cannot replace any water mains and/or we would have to add another capital fee on the water bill to pay for the infrastructure.

Mr. Wiberg clarified that staff has never stated that the Village was going to reduce water rates if an alternative water supplier was selected.

Trustee Cope stated that it is a fair assumption that if we have these improvements to make they have to be made regardless of if an alternative water supplier was selected.

Trustee Sugarman reiterated that if we were not getting a lower water rate we would still need funds to pay for the improvements.

Mr. Wiberg stated that we may have to raise the rates if that was the case.

Trustee Patel clarified that the misconception is that the move to Evanston was to save customers rates. The move to Evanston was to get out from under the City of Chicago who was not managing their infrastructure and implementing uncontrolled rate increases.

Trustee Patel further noted that when this was discussed in August it was noted that if we reduced water rates we would have to add a charge to the water bill to pay for the infrastructure.

Mayor Bass, Trustee Sugarman and Trustee Cope all noted that we may not be able to pass on the full savings but some savings needs to be passed on to the residents.

Mr. Wiberg stated that if it is the Village Board's desire to reduce the rates then we cannot do any water main replacements or we can float a bond and add a line item to the water bill.

Trustee Patel said it will create an artificial sense of lowering the rate.

Trustee Cope asked how we will pay for all of the infrastructure improvements that need to be completed. If we issued a bond and we lower the water rates what would the Village have to do to pay the debt service?

Mayor Bass asked about the debt service line item that we currently have.

Mr. Merkel noted that the debt service line item on the water bill is for the IEPA loan which still has approximately 11 years left.

Trustee Cope stated that it seems only fair to take the savings from the water rate and pass them along to the residents. Then deal with the infrastructure funding through a bond and use taxes to pay for it.

Trustee Patel stated that he would not be in favor of increasing property taxes to pay for the debt service. He is in favor of including it on the water bill.

Trustee Spino noted that we will be saving the residents money by freezing the rates for 8 years and use that money to pay for the infrastructure improvements.

Trustee Cope stated that if we were going to save \$10 on the water bill but we use it instead to replace water mains we can take it from taxes and they will still be paying the same amount of money.

Trustee Patel noted that water usage and water infrastructure improvements should not be connected with the value of a property on a property tax bill.

Mr. Wiberg stated that we can run scenarios where we have a one year of savings.

Mayor Bass stated that we should run a scenario with a decrease in the rate and accomplish what we need to and how we would.

Mr. Wiberg noted that we may have to extend out the years it takes to replace the water mains.

Trustee Sugarman asked to clarify the Skokie litigation that is currently going on.

Mr. Wiberg clarified that the Skokie litigation with Evanston is a separate matter and the City of Evanston contract that is being negotiated with Lincolnwood will include contractually obligated rates. The Village will be protected for thirty years regarding rates.

Trustee Ikezoe-Halevi stated that what staff presented is extremely reasonable. She believes that Lincolnwood residents can understand this. We will have infrastructure replaced and a water rate frozen.

Mayor Bass stated that he agrees but he believes that we still need to show some savings to the residents, even if this means extending the timeline.

Mr. Wiberg stated that the direction he is hearing is for the water aspect of the improvements we need to demonstrate a water rate decrease when our rates go down and stretch out the time to accomplish the goals. It is important to note that there will be an increase after the decrease in order to pay for the infrastructure.

Trustee Patel stated that he does not agree with that method.

Mr. Wiberg presented the infrastructure program cost summary:

Program	Annual Cost*	Total Cost
Road Resurfacing	\$3,470,000	\$34,700,000
Sidewalk Infill	\$320,000	\$3,200,000
Alley Program	\$140,000	\$1,400,000
<u>Road Funds Total</u>	<u>\$3,930,000</u>	<u>\$39,300,000</u>
Water Main Replacement	\$780,000	\$7,800,000
<u>Total – All Funds</u>	<u>\$4,710,000</u>	<u>\$47,100,000</u>

*Annual costs are an average over 10 years and may be different based on the actual projects selected for each individual year

Water revenues cannot pay for road improvements that do not have a direct nexus to a water project. Water revenue could pay for the road patch over a new water main, but not the resurfacing of the rest of the street. The Village needs \$39.3 million in road funds to pay for the expenditure over 10 years. Staff is proposing five bond issuances - \$8 million each. This would require \$590,000 - \$3,100,000 in debt service. Each bond issuance adds approximately \$600,000 in debt service. Existing revenue cannot support the debt service beyond the first bond issuance.

Mr. Wiberg presented revenue enhancement alternatives.

Option	Current	Proposed Increase	Estimated Annual Additional Revenue
Home Rule Sales Tax	1%	0.25%	\$600,000
Local Gas Tax	\$0.05	\$0.01 per gallon	\$140,000
Food and Beverage Tax	1%	1%	\$480,000
Refuse Service Fee	Paid for with General Fund revenue	\$75 per quarter, phased in over four years	\$1,140,000 (after the fourth year)
Total Additional Revenue			\$2,360,000

- \$2.5 million additional revenue needed for Road Fund
 - Each bond adds \$600,000 in debt service
 - 5 bonds are needed for all of the required improvements

Mr. Merkel noted that homes rule sales tax, local gas tax and food and beverage taxes are paid by non-residents as well.

Mayor Bass asked how the local gas tax compares to the Village of Skokie.

Mr. Wiberg provided a comparison chart of neighboring community's local gas tax rates.

Community	Rate
Chicago	0.25%
Evanston	n/a
Glenview	n/a
Lincolnwood	1.00%
Morton Grove	1.00%
Niles	1.00%
Skokie	2.00%

Mayor Bass stated that we may want to look at increasing it a half percent and not a full percent.

Mr. Wiberg then showed a comparison of the food and beverage tax.

Community	Rate
Chicago	\$0.05
Evanston	\$0.04
Glenview	\$0.04
Lincolnwood	\$0.05
Morton Grove	\$0.04
Niles	\$0.04
Skokie	\$0.05

Mr. Wiberg and Mr. Merkel noted that when past increases were discussed there was minimal attendance at the public meetings. Affected businesses were notified of the meeting to discuss the issue.

Mr. Wiberg explained that currently the Village's general fund covers the cost for refuse services. It was noted that most communities charge a separate fee for refuse. A survey of neighboring communities' was presented.

Mr. Wiberg presented the concept of implementing a fee using a phased in approach to impose a fee.

Mr. Wiberg showed a graphic that compares the debt service vs. the revenue enhancement options that were presented.

Mr. Wiberg explained staff's recommendation to pay the debt service. He stated that in 2019, the Village will have enough in existing revenues to pay the bond issuance up until 2020. In 2020 another bond would need to be issued. If the Village imposed an adjustment to the home rule sales tax we could accomplish this with the revenues from it. In 2023 we would need to issue another bond. At that point the Village would need to add one cent to the gas tax and a one percent increase to the food and beverage tax. In 2025 another bond issue would need to occur. At this point the Village could use a portion of the fund balance which is currently over the maximum excess fund balance policy. In 2027 the last bond would need to be issued. In order to pay the debt service the Village could phase in refuse collection costs. The first year staff would recommend imposing half of the cost of fees and then the second year the full cost would be passed through. This would pay for the entire infrastructure plan.

At this point Mayor Bass polled the Board.

Trustee Ikezoe-Halevi stated that she likes what was presented, that it was thought out. It is not going to affect everyone with everything all at once. She hopes that the Purple Hotel development will come to fruition and then we could potentially scale back the revenue enhancements to pay the debt service.

Trustee Patel agrees with paying for the things that we need to do.

Trustee Sugarman stated that it is clear to him that we need to make these improvements, the question is how we pay for it. He thinks that most of the ideas are acceptable; however he has an issue with respect to the water bill. People will think that they are going to get a savings. He noted that we need to restructure the water concept to allow for a year or two to see a reduction in resident's water bills. He noted that in general the funding options are good.

Trustee Sugarman stated that he believes that the workshops should occur more than every 10 years so that we can think about funding earlier. Planning for how to fund these issues needs to be addressed.

Trustee Patel noted that we have spent approximately \$20 million over the last 10 years on infrastructure.

Trustee Spino asked Trustee Sugarman what he would have preferred with respect to planning for funding for the improvements.

Trustee Sugarman stated that he would have preferred that meetings on the subject happened more frequently to plan for the infrastructure needs.

Trustee Patel noted that there have been infrastructure meetings in the last 10 years.

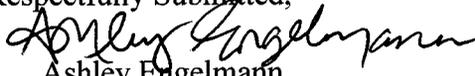
Trustee Spino stated that regarding the debt service table she has no issue and thinks it's a good forward thinking path.

Mayor Bass stated that in terms of the model presented he feels that we need to look at spreading out the costs a little longer and in terms of water we need to look at a model that will add some savings. He noted that the infrastructure model has potential.

Adjournment

At 8:48 PM Trustee Spino moved to adjourn Committee of the Whole, Infrastructure Workshop, seconded by Trustee Patel. The motion passed with a Voice Vote.

Respectfully Submitted,


Ashley Engelmann
Deputy Village Clerk