

# CITY OF PROSPECT HEIGHTS

## 2024-2029 Capital Improvement Plan

### Introduction

The City revisits its capital improvements plan and budget annually to provide updated status of upcoming projects, to recognize funding sources, and to estimate project completion.

The Capital Improvement Plan (CIP) is a planning and budgeting tool used to provide a multi-year vision of the City's future capital needs and expenses. Capital projects are typically the largest expenditure in an annual budget, which makes the CIP a critical tool for the City's budget discussions. By outlining future costs for capital projects, the City can plan for funding and project phasing. The ability to envision multi-year capital projects and expenditures also helps the City's ability to prioritize them.

The proposed 2024-2029 Capital Improvement Plan is intended to accomplish the following:

- Outline multi-year planned projects to citizens, the City Council and staff;
- Assist the City Council in prioritizing needs and maximizing limited resources for addressing identified projects;
- Help the City develop a planning tool for future projects;
- Allow the City to phase projects for multi-year tasks (e.g. plan, design, construction);
- Provide a proactive framework for the maintenance and replacement of City infrastructure;
- Attempt to minimize the occurrence of emergency expenses.

The CIP includes fiscal year 2024/2025 budgeted improvements along with projects anticipated to occur over the next five years through FY 2028/2029. Each future project includes a cost estimate that is subject to revision over time. The CIP provides the citizens, City Council and staff, with a plan for future improvements and identifies funding sources. In developing the CIP, City staff have identified critical projects to ensure the City's infrastructure is properly maintained and replaced. Many of these projects have previously been discussed with the City Council. The projects and purchases listed within the CIP are generally over \$25,000 and include expenditures for the following areas:

- Infrastructure (roads and storm water management improvements)
- Sanitary Sewers
- Vehicles and Equipment
- Sidewalks
- Information Technology

The CIP is included as part of the annual budget process and it is again stressed, the CIP is a plan, subject to changing priorities, funding availability and other variables.

The approval of the plan does not constitute approval of any individual project within the CIP. Projects will be reviewed again by the City Council annually during the budget process. Additionally, many projects and expenditures will be reviewed again by the City Council prior to contract award.

## **Major Improvement Projects Planned**

### Willow/Owen Storm Water Management and Construction

This improvement raises the elevation of Willow Road and Owen Street to prevent flooding and closure. Significant rainfall events typically close these streets, creating traffic access and circulation difficulties, as well as fire and police emergency service challenges.

Metropolitan Water Reclamation District Share	\$817,000
Cook County Department of Transportation Share	\$1,800,000
City Share	\$221,000
Motor Fuel Tax	\$665,000
Total	\$3,503,000

As a multi-jurisdictional project, with review and financial support from the Metropolitan Water Reclamation District, Cook county Department of Transportation, and City of Prospect heights, this improvement has experienced multiple reviews and clearances. Additionally, as the City is utilizing State of Illinois Motor Fuel Tax funding, necessary State environmental review has been required. At present, the project is scheduled for a mid-summer 2024 bid letting, with construction to follow in 2024 and 2025.

### Willow Trails Park Area Storm Water Management Improvement

The Willow Trails Park neighborhood in Prospect Heights currently suffers significant flood damages during rainstorm events. This region drains via two primary storm sewer systems that discharge to the Des Plaines River through Levee 37, via lift stations that were designed by the US Army Corps of Engineers and are operated and maintained by the City of Prospect Heights (Pump Station 3) and the Village of Mount Prospect (Pump Station 2).

The City's contracted engineering service, Gewalt Hamilton and Associates, investigated the potential addition of storm water storage at Willow Trails Park. As part of this concept, a diversion from Country Pines across Piper Lane to Willow Trails Park would be required as would a diversion from Tree Lane to Willow Trails Park. Detention storage at Willow Trails Park was lowered to elevation 629 and 9 acre-feet of additional storage was proposed. The storm sewer along the southern parking lot of River Trail Condominiums would need to be replaced with a 4-ft diameter pipe and re-laid at a lower slope from the Willow Woods Condominium pond, which would be lowered 6-inches to elevation 627.5. This concept provides significant improvements to storm events up to the 10-year event but would not solve flooding issues for the 100-year, or Base Flood, event. During the 10-year event Country Pines, Piper Lane, and Tree Lane should not experience flooding. However, during the 25-year event inundation of the roadway will occur, but not to the magnitude as anticipated today.

The City of Prospect Heights, through the sponsorship of U.S. Representative Jan Schakowsky, secured a Federal Community Projects grant in the amount of \$2,417,127, with a required local City match of \$985,358, to provide financial support of the project.

*Project Status:* The intergovernmental agreement between the City and The State of Illinois, Emergency Management Agency and Office of Homeland Security, was executed in March, which greenlights further advancement of the improvement. Bid letting is presently scheduled for January/February, 2025, with a spring, 2025 construction start.

### Wolf Road Sidewalk/Multi-use Path

Preliminary construction work for this project began in March, 2024, with completion anticipated this year.

### Street Maintenance

The expense of resurfacing or, if necessary, reconstructing City streets require the matter be addressed through a public referendum authorizing the sale of bonds for the purpose of resurfacing City streets. At this writing, it is recommended the City have a public referendum for street rehabilitation in April, 2026. This would replace the present road bond, which is scheduled to expire in 2026. This method of debt financing minimizes spikes in property taxes as it essentially replaces the 2011 road bond with another debt issuance for Series 2026 bonds.

The City Engineer's estimate for replacing 60 per cent of the City's streets is \$12,200,000. Spread over four years, there would be a \$3,050,000 project each year from 2026-2029.

The City utilizes a systematic pavement evaluation system to determine the streets most in need of resurfacing. Prior to the public referendum, a listing and cost estimate of the streets recommended for resurfacing will be constructed.

At present, the City is not undertaking street resurfacing projects, but is providing for various pavement segment replacements. This capital budget provides the following budgeted resources for pavement repair at \$75,000 per year annually.

*Project Schedule:* Annual review of most needed areas of street maintenance as this budget will allow.

### Sanitary Sewer Rehabilitation and Design

After the City’s absorption of the Old Towne Sanitary District, a systematic sanitary sewer evaluation and rehabilitation program has been developed to provide a proactive capital reinvestment plan for the sanitary sewer system. The initial task was the cleaning and televising of the entire system, which has enabled the City to identify areas of immediate attention through reconstruction, and areas where relining sewers is cost effective. Additionally, proactive cleaning and root cutting are managed on a routine basis and included in the CIP Plan at \$22k per year.

This strategy of identified and planned maintenance and rehabilitation is intended to avoid emergency service disruptions.

All monies for this program are from the Sanitary Sewer Fund. Sanitary Sewer Fund revenues are used solely for Sanitary Sewer Fund expenses. The Rehabilitation project is summarized as follows:

SEWER SYSTEM IMPROVEMENTS	FY24-25	FY25-26	FY26-27	FY27-28	FY28-29	5yr Total	FY30+
Design	\$30,800	\$30,800	\$30,800	\$30,800	\$30,800	\$ 154,000	\$154,000
Construction	\$269,500	\$269,500	\$269,500	\$269,500	\$269,500	\$ 1,347,500	\$1,347,500
Construction Engineering	\$5,500	\$5,500	\$5,500	\$5,500	\$5,500	\$ 27,500	\$27,500
Contingency	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000	\$ 110,000	\$110,000
<b>Sewer System Improvement Totals:</b>	<b>\$ 327,800</b>	<b>\$ 1,639,000</b>	<b>\$ 1,639,000</b>				

*Project Status:* Ongoing. Upon the City’s absorption of the Old Towne Sanitary Sewer District, a rehabilitation and maintenance plan was enacted to provide for proactive and systematic evaluation and repair of the sanitary sewer system. This maintenance and repair methodology is intended to identify system problems before they demand emergency attention.

## Hillcrest Lake Stabilization & Restoration \$6,000

A \$6,000 expenditure is proposed for this year’s Hillcrest Lake Shoreline Stabilization and Erosion Control Program. This was introduced to the Council last fall by the Natural Resources Commission. It is a continuation of the work assisted by the Commonwealth Edison Openlands grant and visible along Hillcrest Drive. The project is proposed for 6 years, with NRC members utilizing volunteer time to provide deep rooted plants along the shoreline. The proposed \$6,000 expenditure is for materials and supplies, such as coconut rolls, plants and other assorted items. The deep rooted plantings were among the primary recommendations of the Hey Environmental Engineering report of measures to save Hillcrest Lake, which has gradually been filling in.

## Other Improvements including

In addition, other identified capital improvements including vehicles and equipment are as follows:

OTHER IMPROVEMENTS, VEHICLES & EQUIPMENT		FY24-25	FY25-26	FY26-27	FY27-28	FY28-29	5yr Total	FY30+
Sewer Truck ( 1999)	Sewer Fund		\$500,000				\$ 500,000	
Utility vehicle	Water and Sewer Fund	\$80,000					\$ 80,000	
Hillcrest Lake Stabilization & Restoration (NRC)	City	\$6,000	\$6,000	\$6,000	\$6,000		\$ 24,000	
Property Improvements - PW Parking lot, Public Safety garage	City	\$150,000	\$150,000				\$ 300,000	
Apple/Winkelman Street Lighting Ph1 - Design	Tourism Fund	\$10,000					\$ 10,000	
Apple/Winkelman Street Lighting Ph2 - Construction	Tourism Fund		\$185,000				\$ 185,000	
City Monument Signs	Tourism Fund	\$30,000					\$ 30,000	
Tourism Camera Program	Tourism Fund	\$31,000					\$ 31,000	
Coldren Water Main Loop - Engr Design	Water Fund			\$75,000			\$ 75,000	
Coldren Water Main Loop - Construction & Engineering	Water Fund				\$950,000		\$ 950,000	
Rob Roy 15% Main Replacement Design	Water Fund			\$75,000			\$ 75,000	
Rob Roy 15% Construction & Engineering	Water Fund				\$1,500,000		\$ 1,500,000	
Camp McDonald Water Main Extension - Engineering Design	Water Fund				\$80,000		\$ 80,000	
Camp McDonald Water Main Extension - Construction & Engr	Water Fund					\$1,200,000	\$ 1,200,000	
Water Reservoir Rehabilitation	Water Fund	\$155,000					\$ 155,000	
Well House Parking Lot Replacement	Water Fund	\$25,000					\$ 25,000	
Pump Replacement	Water Fund			\$140,000			\$ 140,000	
System Evaluation Study	Water Fund		\$200,000				\$ 200,000	
Cauldron Water Main Loop	Water Fund			\$75,000	\$950,000		\$ 1,025,000	
Water System improvements - Interconnect	Water Fund		\$100,000				\$ 100,000	
Continued System Rehabilitation	Water Fund						\$ -	\$5,000,000
<b>Other Improvements, Vehicles and Equipment Totals:</b>		\$ 487,000	\$ 1,141,000	\$ 371,000	\$ 3,486,000	\$ 1,200,000	\$ 6,685,000	\$ 5,000,000

## KEY CONSIDERATIONS FOR FY24-25 CAPITAL BUDGET

- **Wolf Road Sidewalk IDOT accelerated program**
- Capital Improvement Plan – Funding Sources
  - As shown in the table below, the City’s capital plan for this 5-year period and beyond is heavily dependent on grant funding and other third party sources of revenue.

- Including future grant awards TBD and a bond referendum TBD, the ending projected Fund Balance for CIP at 4.30.29 is projected at \$2.9MM with future costs beyond FY29 totaling \$12.1MM
- Issuance of Series 2026 bonds – Series 2013 and 2020 G.O. Bonds are due to be paid off in December 2026 (FY27). At that time, the City could consider another bond issuance to support the ongoing road resurfacing and replacement projects included in this plan.

**CITY OF PROSPECT HEIGHTS – CAPITAL IMPROVEMENT FUND PROJECTION**

TOTAL 5 YR PROJECT COSTS - PLANNED FY25-FY29	<u>42,051,977</u>	
PROJECTED BEGINNING FUND BALANCE 4.30.24	10,490,153	
CONTINUED INTERFUND CONTRIBUTIONS - 5 YRS	5,550,000	
GRANTS AWARDED	8,856,338	
	<b>TBD GRANTS</b>	<b>2,119,220</b>
	<b>TBD REFERENDUM</b>	<b>18,000,000</b>
TOTAL PROJECTED FUNDING SOURCES	<u>45,015,711</u>	
		<i>Future project costs</i>
<b>PROJECTED ENDING FUND BLAANCE 4.30.29</b>	<u><b>2,963,734</b></u>	<u><b>12,114,000</b></u>

\*\*Additional grant awards TBD once identified and awarded would impact the above analysis.

PROPOSED FUNDING SOURCES	FY24-25	FY25-26	FY26-27	FY27-28	FY28-29	Syr Total	Future projects
<b>Referendum/Grants TBD</b>	-	1,347,220	5,667,000	4,660,000	8,445,000	20,119,220	5,405,000
Grants awarded to City	5,409,538	3,446,800	-	-	-	8,856,338	-
MFT Fund	339,000	626,000	-	-	-	965,000	-
Tourism Fund	71,000	185,000	-	-	-	256,000	-
Capital Fund	886,614	1,777,805	386,000	991,000	70,000	4,111,419	70,000
Water Fund	220,000	300,000	365,000	3,480,000	1,200,000	5,565,000	5,000,000
Sewer Fund	367,800	827,800	327,800	327,800	327,800	2,179,000	1,639,000
	<u>7,293,952</u>	<u>8,510,625</u>	<u>6,745,800</u>	<u>9,458,800</u>	<u>10,042,800</u>	<u>42,051,977</u>	<u>12,114,000</u>