

Staff Responses to Council Questions
March 20, 2012

8. First Reading A. Motion: Award \$3,552,453 to A Lamp Concrete Contractors, Inc., Schaumburg, IL for Valley View Estates Reconstruction and Water Main Replacement Project

A. Lamp is the low bidder on one project and the second low bidder on the other. Can the Village negotiate with A. Lamp to award both contracts to them at a lower overall cost for both projects?
The Village's Purchasing Policy does not permit the Village to negotiate bid awards. Further, staff does not recommend attempting to renegotiate with A. Lamp for both projects. Each project will require significant resources, multiple crews, and individual on-site supervision, and staff believes that there are greater potential risks associated with having one contractor assigned to both projects.

8. First Reading B. Motion: Award \$5,489,847.76 to Austin Tyler Construction LLC, Elwood, IL, for the Knottingham Subdivision Road Reconstruction and Water Main Replacement Project

Has Austin Tyler performed work in Downers Grove or other communities in DuPage County?
Austin Tyler has not performed work for Downers Grove, and staff is not aware of any specific projects in DuPage County. Staff has contacted the City of Joliet, Will County, and IDOT regarding various large scale projects performed between 2009 and 2011, and Austin Tyler has performed work of a similar size and scope to the Knottingham project. They received excellent references from those agencies.

8. First Reading D. Ordinance: Amend Certain Rates Charged for Water

Has staff received any comments or questions from Knottingham residents regarding the water rates?

No, staff has not received any such comments or questions. Staff will communicate directly to these residents in the subdivision to make them aware of this change.

8. First Reading E. Resolution: Declare Official Intent Regarding Certain Capital Expenditures to be Reimbursed from Proceeds of an Obligation

What is the status of the Water Fund?

The Water Fund ended 2011 with an unaudited balance of \$2.1 million. Total budgeted expenses for FY2012, which includes the use of bond proceeds for the water main projects, are \$16,944,857

What is the status of the Capital Projects Fund?

The Capital Projects Fund ended FY2011 with an unaudited balance at \$3.4 million, and revenues tracking to budget. Total budgeted expenses for FY2012, which includes the use of bond proceeds for the road reconstruction projects, are \$17,119,903.

What happens to these projects if bonding is not approved and expenditures cannot be repaid from the bond proceeds?

If the 2012 bond issuance is not approved, staff recommends proceeding with the roadway reconstruction projects planned for 2012 and using the remaining proceeds from the 2008 bond issue (approximately \$10 million) to fund these projects. This funding is currently budgeted for the completion of several Watershed Infrastructure Improvement Projects (WIIP) projects. Effectively, under this scenario, the Village would not construct the planned WIIP projects for this year. Essentially the Village would be prioritizing the roadway reconstruction projects over the stormwater projects with available funding if the bond issue does not proceed.

Please show a pro forma of the Capital Projects Fund with revenues as expected from the Home Rule Sales Tax and Property taxes. Also, add in any other sources that may be required to fund these projects without the \$25 M Bond issuance.

Staff has prepared the following basic pro forma of the Capital Fund for FY2012 assuming that the \$25 million in bonds aren't issued. A transfer of \$10 million from the stormwater fund would be used to pay for the road projects. As noted in the question above, the Village would not complete the planned WIIP projects in 2012 if a \$10 million transfer were made from the Stormwater Fund.

Capital Projects Fund

2012 Pro Forma

\$ in thousands

| | |
|--------------------------------------|---------------|
| Beginning Fund Balance | 3,390 |
| Home Rule Sales Tax | 3,900 |
| Telecom Tax | 605 |
| Grants | 670 |
| All Other | 331 |
| Transfer from Stormwater Fund | 10,000 |
| Total Revenues | 15,506 |
| Staffing and Operating Costs | 1,371 |
| Capital Projects | 15,749 |
| Total Expenses | 17,120 |
| Change in Net Asset | (1,614) |
| Ending Fund Balance | 1,776 |

Since the bond issuance question is a few weeks away, please show best assumptions for a \$25 M bond issuance, an estimated rate and costs, and payment schedule. Show payment, interest and principle and totals.

Attached is a payment schedule prepared by Northern Trust, the Village's Financial Advisor. True interest costs in this scenario are estimated at 2.99% as of February 16. Rates will change depending on the market when the bonds are sold on April 17.

8. First Reading F. Report: Ogden Avenue Site Improvement Strategy (OASIS) Grant Program

When the Village awards a sign only grant, do we require the sidewalk construction or sidewalk easement?

If the project involves replacement of a sign only and a sidewalk does not currently exist, the Village requires easements for future sidewalk construction.

Is landscaping required to be installed with a freestanding sign? Are the owners required to maintain the landscaping?

A small amount of landscaping around the base of the new sign is required as part of making the sign conform to the sign ordinance. This landscaping is also an eligible grant expense. Property owners must maintain the landscaping or possibly be subject to enforcement for violation of the Village's property maintenance code.

Are all of the grant recipients proceeding with their projects per the approved plans? Have any projects been completed?

Staff is in the process of gathering this information and expects to have it available within a week.

How much money has been allotted to signage (sign only requests as well as applications that included signage)?

Sign-only applications have been awarded \$38,731 in matching grants to date. Staff is in the process of calculating the grant funding for the sign portion of grants where multiple components make up the award. This information will be available by the next Village Council meeting.

Non-Agenda Question

Please provide information regarding the American Legion parade fees and open burn permit fees. The American Legion has not applied for any temporary event permits since the full cost recovery policy was implemented in July 2010. Recently the American Legion called staff with questions about their proposed 2012 Memorial Day Parade. Staff explained the policy and estimated that the fees for such an event would be about \$600.00, which is consistent with other organizations holding events of similar impact on Village resources.

Attached is a list of all event permits issued since the cost recovery policy was adopted. Some in 2012 are still under review. The fees shown in the report are estimates, but actual costs were invoiced and paid in those cases where the event has already occurred. In some cases the event had no costs incurred by the Village and are shown as NO COSTS. Several Downtown Management events are exempt.

Village Code requires the issuance of a permit for certain types of open burns. The fee for this permit is \$52. From July 2010 to date, the American Legion applied for three Open Burn permits. One of the permit fees was waived, pursuant to the Village Fee Waiver Policy. One permit fee was not waived because no fee waiver application was submitted. Village staff recently approved the issuance of an open burn permit for a flag burning ceremony. A fee of \$52 was charged. The Legion did not complete a fee waiver request form nor did they pay for or receive the permit. If the Legion completes a fee waiver request form, these fees will be waived. Staff will contact the Legion to inform them of this option.

Attachments

Estimated 2012 Bond Payment Schedule

List of Event Permits, July 2010 to Present

Debt Service Schedule

| Maturity | Road Improvements | | | Water | | | Total Series 2012 | | |
|----------|-------------------|------------------|-------------------|-------------------|------------------|-------------------|-------------------|-------------------|-------------------|
| | Principal | Interest | Total DS | Principal | Interest | Total DS | Principal | Interest | Total DS |
| 1/1/2013 | 2,240,000 | 305,397 | 2,545,397 | 515,000 | 116,178 | 631,178 | 2,755,000 | 421,575 | 3,176,575 |
| 1/1/2014 | 2,030,000 | 515,027 | 2,545,027 | 435,000 | 197,205 | 632,205 | 2,465,000 | 712,231 | 3,177,231 |
| 1/1/2015 | 2,040,000 | 505,080 | 2,545,080 | 435,000 | 195,073 | 630,073 | 2,475,000 | 700,153 | 3,175,153 |
| 1/1/2016 | 645,000 | 491,820 | 1,136,820 | 440,000 | 192,246 | 632,246 | 1,085,000 | 684,065 | 1,769,065 |
| 1/1/2017 | 650,000 | 486,982 | 1,136,982 | 445,000 | 188,946 | 633,946 | 1,095,000 | 675,928 | 1,770,928 |
| 1/1/2018 | 655,000 | 481,392 | 1,136,392 | 445,000 | 185,119 | 630,119 | 1,100,000 | 666,511 | 1,766,511 |
| 1/1/2019 | 665,000 | 473,598 | 1,138,598 | 450,000 | 179,823 | 629,823 | 1,115,000 | 653,421 | 1,768,421 |
| 1/1/2020 | 675,000 | 464,022 | 1,139,022 | 460,000 | 173,343 | 633,343 | 1,135,000 | 637,365 | 1,772,365 |
| 1/1/2021 | 685,000 | 452,614 | 1,137,614 | 465,000 | 165,569 | 630,569 | 1,150,000 | 618,183 | 1,768,183 |
| 1/1/2022 | 695,000 | 439,531 | 1,134,531 | 475,000 | 156,688 | 631,688 | 1,170,000 | 596,218 | 1,766,218 |
| 1/1/2023 | 710,000 | 425,075 | 1,135,075 | 485,000 | 146,808 | 631,808 | 1,195,000 | 571,882 | 1,766,882 |
| 1/1/2024 | 730,000 | 409,171 | 1,139,171 | 495,000 | 135,944 | 630,944 | 1,225,000 | 545,114 | 1,770,114 |
| 1/1/2025 | 745,000 | 392,235 | 1,137,235 | 505,000 | 124,460 | 629,460 | 1,250,000 | 516,694 | 1,766,694 |
| 1/1/2026 | 760,000 | 374,280 | 1,134,280 | 520,000 | 112,289 | 632,289 | 1,280,000 | 486,569 | 1,766,569 |
| 1/1/2027 | 780,000 | 355,128 | 1,135,128 | 535,000 | 99,185 | 634,185 | 1,315,000 | 454,313 | 1,769,313 |
| 1/1/2028 | 800,000 | 334,770 | 1,134,770 | 545,000 | 85,222 | 630,222 | 1,345,000 | 419,992 | 1,764,992 |
| 1/1/2029 | 825,000 | 312,770 | 1,137,770 | 560,000 | 70,234 | 630,234 | 1,385,000 | 383,004 | 1,768,004 |
| 1/1/2030 | 845,000 | 289,340 | 1,134,340 | 580,000 | 54,330 | 634,330 | 1,425,000 | 343,670 | 1,768,670 |
| 1/1/2031 | 870,000 | 264,497 | 1,134,497 | 595,000 | 37,278 | 632,278 | 1,465,000 | 301,775 | 1,766,775 |
| 1/1/2032 | 900,000 | 238,136 | 1,138,136 | 615,000 | 19,250 | 634,250 | 1,515,000 | 257,386 | 1,772,386 |
| 1/1/2033 | 925,000 | 209,966 | 1,134,966 | | | | 925,000 | 209,966 | 1,134,966 |
| 1/1/2034 | 955,000 | 179,626 | 1,134,626 | | | | 955,000 | 179,626 | 1,134,626 |
| 1/1/2035 | 990,000 | 147,443 | 1,137,443 | | | | 990,000 | 147,443 | 1,137,443 |
| 1/1/2036 | 1,025,000 | 113,189 | 1,138,189 | | | | 1,025,000 | 113,189 | 1,138,189 |
| 1/1/2037 | 1,060,000 | 77,006 | 1,137,006 | | | | 1,060,000 | 77,006 | 1,137,006 |
| 1/1/2038 | 1,100,000 | 39,270 | 1,139,270 | | | | 1,100,000 | 39,270 | 1,139,270 |
| | <u>25,000,000</u> | <u>8,777,360</u> | <u>33,777,360</u> | <u>10,000,000</u> | <u>2,635,185</u> | <u>12,635,185</u> | <u>35,000,000</u> | <u>11,412,545</u> | <u>46,412,545</u> |

* Reflects issuance of General Obligation Bonds, Series 2012 based on rates as of February 16, 2012.



Northern Trust

TEMPORARY USE/EVENT PERMITS

| PERMIT # OR DATE IF PRE-PMT TYPE | EVENT | LOCATION | APPLICANT | ESTIMATE RECOVERY |
|-------------------------------------|------------------|--|---|----------------------|
| 2012 12-TEM-0021 | Road Race | South Route #1 | Four Corners Church | \$ 600.00 |
| 12-TEM-0013 | Parade | Downtown DG | Downers Grove Youth Baseball | \$ 600.00 |
| 12-TEM-0008 | Road Race | North Route #2 | St. Mary's of Gostyn Church | \$ 600.00 |
| 12-TEM-0006 | Road Race | Portion North Rte 3 | Pierce Downer Elementary PTA | \$ 600.00 |
| 12-TEM-0005 | Road Race | North DG/MWU | Midwestern University | \$ 360.00 |
| 12-TEM-0003 | Road Race | South 10K Route (5K Only) | Noah's Hope Fund | \$ 600.00 |
| 12-TEM-0002 | Road Race | South Route #1 | Downers Grove Noon Lions | \$ 600.00 |
| 12-TEM-0001 | Festival | Lot B | Indian Boundary YMCA | \$ 7,740.00 |
| 2011 11-TEM-0111 | Road Race | Downtown DG - South | Downers Grove Park District | \$ 810.00 |
| 11-TEM-0106 | Festival | Downtown DG | Downtown Management Corp | WAIVED |
| 11-TEM-0104 | Festival | Downtown DG | Downers Grove Rotary Club | \$ 32,575.00 |
| 11-TEM-0100 | Parade | Orchard Brook | Orchard Brook HOA | NO COSTS |
| 11-TEM-0099 | Parade | Downtown DG | DG Noon Lions | \$ 240.00 |
| 11-TEM-0098 | 5K Run/Walk | Downtown DG | Bonfield Express Foundation | \$ 4,440.00 |
| 11-TEM-0094 | Circus | O'Neil Middle School | District 58 Education Foundation | \$ 360.00 |
| 11-TEM-0092 | Parade | DG North High School | District 99 | \$ 1,980.00 |
| 11-TEM-0091 | Street Festival | Downtown DG | Downtown Management | WAIVED |
| 11-TEM-0090 | Parade | DG South High School | District 99 | \$ 900.00 |
| 11-TEM-0073 | 5K Run/Walk | South Route #2 | Morrison Management | \$ 720.00 |
| 11-TEM-0067 | 5K Run/Walk | North Route #3 | Family Shelter Services | \$ 720.00 |
| 11-TEM-0061 | Public Gathering | Patriot's Park/Downtown DG | N/A | NO COSTS |
| 11-TEM-0054 | 5K Walk | North Route #4 (w/ mod) | Heartland Region of Arthritis Foundation/Midwestern University | \$ 480.00 |
| 11-TEM-0053 | Public Gathering | Franklin St btwn Highland & Douglas | St. Joseph's Church | NO COSTS |
| 11-TEM-0044 | 5K Run/Walk | Lester School Rte | Lester Elementary School PTA | \$ 600.00 |
| 11-TEM-0043 | 1 Mile Run | Portion of North Route #3 | Pierce Downer Elem PTA | \$ 600.00 |
| 11-TEM-0039 | 5-10K Run/Walk | South 10K Route | Indian Boundary YMCA | \$ 600.00 |
| 11-TEM-0038 | Street Festival | Downtown DG | Downtown Management/Amdur Productions | \$ 2,640.00 |

| 11-TEM-0036 | Neighborhood Garage Sale | Deer Creek Subdivision (Fairview & 56th) | Deer Creek HOA | NO COSTS |
|-----------------------|--------------------------|---|--|--------------|
| 11-TEM-0027 | 5K Run/Walk | Esplanade | American Heart Association/Ravenswood Events | \$ 1,950.00 |
| 11-TEM-0025 | Parade | Main St (from Burlington to Grove) | Downers Grove Youth Baseball | \$ 360.00 |
| 11-TEM-0023 | 5K Run/Walk | North Route #4 (w/ mod) | Midwestern University | \$ 240.00 |
| 11-TEM-0006 | 5K Run/Walk | South Route #1 | Downers Grove Christian School | \$ 780.00 |
| 11-TEM-0005 | 5K Run/Walk | South Route #1 | Downers Grove Noon Lions | \$ 720.00 |
| 11-TEM-0004 | Farmers Market | Lot B | YMCA | \$ 9,180.00 |
| 11-TEM-0003 | Street Festival | Downtown DG | Downtown Management | \$ 6,328.00 |
| 11-TEM-0002 | Road Race | 5-10 Mile Route | Downers Grove Park District | \$ 750.00 |
| 11-TEM-0001 | Street Festival | Downtown DG | Downers Grove Rotary Club | \$ 31,345.00 |
| 2010 | | | | |
| 10-TEM-0133 | 5K Run/Walk | North Route #2 | St. Mary's of Gostyn | \$ 600.00 |
| 10-TEM-0127 | 5K Run/Walk | North Route #1 (Alternate) | Downers Grove Campus Life | \$ 720.00 |
| 10-TEM-0125 | Ice Festival | Downtown DG | Downtown Management | \$ 3,480.00 |
| September 11-12, 2010 | Festival | Main St - Grove St | Downtown Management Corp | \$ 2,490.00 |
| November 25, 2010 | 5K Run/Walk | Downtown | Bonfield Express Foundation | \$ 4,440.00 |
| October 31, 2010 | Parade | Orchard Brook | Orchard Brook HOA | NO COSTS |
| October 24, 2010 | 5K Run/Walk | Lester school area | Lester School PTA | \$ 360.00 |
| October 24, 2010 | Parade | Burlington-Main-Grove | DG Noon Lions Club | \$ 240.00 |
| October 17, 2010 | 5K Run/Walk | North Route #3 | Family Shelter Services | \$ 292.80 |
| October 16, 2010 | 5K Run/Walk | St. Joe's Alt. | St. Joseph's School | \$ 532.80 |
| October 1, 2010 | Parade | DG North HS | DG North Homecoming Parade | \$ 840.00 |
| September 25, 2010 | 5K Run/Walk | South Route #1 | DG Christian School | \$ 240.00 |
| September 25, 2010 | 5K Run/Walk | Esplanade (Lacey & Woodcreek) | American Heart Association | \$ 1,305.20 |
| September 24, 2010 | Parade | DG South HS | DG South Homecoming Parade | \$ 900.00 |
| September 16, 2010 | Festival | 1801 Butterfield Rd | DG Economic Dev. Corp. | \$ 4,325.00 |
| September 6, 2010 | 5K Run/Walk | South Route #1 | DG Noon Lions Club | \$ 459.60 |
| August 28, 2010 | 5K Run/Walk | North Route #2 | St. Mary's of Gostyn | \$ 419.60 |
| July 15-18, 2010 | Street Festival | Forest, Burlington, Lot A and Library Lot | DG Rotary Club | \$ 25,600.00 |