

LAKE COUNTY COUNCIL OF MAYORS

Minutes of August 24th, 2017 Meeting
at the Lake County Central Permit Facility

Attendance

<u>Name</u>	<u>Position</u>	<u>Representing</u>
Leon Rockingham	Mayor	North Chicago
Glenn Ryback	Mayor	Wadsworth
Steve Lentz	Mayor	Mundelein
Dominic Marturano	Mayor	Lindenhurst
Donny Schmidt	Mayor	Fox Lake
Dale Sands	Mayor	Deer Park
Shane Schneider	County Engineer	Lake County
Rita O’Conner	Trustee	Long Grove
Mike May	Village Administrator	Volo
Michael Talbett	Chief Village Officer	Kildeer
David Kilbane	Village Administrator	Round Lake Beach
Karl Warwick	Village Administrator	Lake Villa
Barbara Little	Director of Public Works/Engineering	Deerfield
Paul Kendzior	Director of Public Works	Libertyville
Bill Emmerich	Village Engineer	Mundelein
Erika Frable	Director of Public Works/ Village Engineer	Hawthorn Woods
Bill Heinz	Director of Public Works Village Engineer	Grayslake
Kealan Noonan	Director of Public Works	Fox Lake
Robert Ells	Superintendent of Engineering	Lake Forest
Manny Gomez	City Engineer	Highland Park
Wally Dittrich	Asst. Public Works Director/ Village Engineer	Lincolnshire
Kyle Johnson	Civil Engineer	Buffalo Grove
Taylor Wegrzyn	Planner	Mundelein
Linda Soto	Pace Board Member	Lake County
Tim Dilsaver	Community Relations Representative	Pace Bus
Kevin Carrier	Dir. Of Planning and Programming	LCDOT
Jesse Elam	Dir. Of Policy and Programming	CMAP
Emily Karry	Council Liaison	Lake Council
Mike Klemens	Council Liaison	Lake Council
Ashley Lucas	Council Liaison	Lake Council
Todd Gordon		Consultant
Jon Vana		Consultant
Dan Brinkman		Consultant
Joel Christell		Consultant
Lee Fell		Consultant
Ben Metzler		Consultant

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John Beissel
John Ambrose

Consultant
Consultant

1., 2. & 3. Call to Order, Introductions, Approval of the Minutes

Mayor Rockingham called the meeting to order at 6:03pm.

Those in attendance gave self-introductions.

On a first by Mayor Ryback and a second by Mayor Lentz the minutes of the March 30th, 2017 meeting were approved unanimously.

4. STP Program Changes Presentation

Mr. Jesse Elam from the Chicago Metropolitan Agency for Planning (CMAP) gave a presentation on the proposed changes to the local Surface Transportation Program (STP). Mr. Elam explained that the current system the region uses for distributing STP funding needs to change based on findings from the Federal Highway Administration during CMAP's last certification review. The current agreement for funding distribution between the City of Chicago and the Councils of Mayors also needs to be renewed following the passage of a new federal transportation bill, which happened at the end of 2016. Mr. Elam's presentation covered four main points; A new Share Used Fund, Local Funding Distributions (using a need based formula), Supplemental Local Project Selection from On To 2050 Priorities and Active Program Management.

Mr. Elam began discussion of the first talking point, the creation of a shared use fund to replace the current set aside to the City of Chicago by giving some background on how STP funding in the region is currently divided. Under the current system, 5% of the region's annual allotment is taken off the top and given to the City of Chicago for programming on a project within the City that has a regional benefit. The new proposal would replace this 5% set aside with a 15% set aside to create a shared use fund. Unlike the current set aside, the shared use fund would be open to all communities in the region. It would initially be phased in beginning at 10% and increasing to 15% of the regions STP funds over a 3-year period. In addition to the set aside, IDOT has agreed to allow CMAP to reprogram unobligated carryover funds to help contribute capital to shared regional fund, this \$75 million contribution over a 3-year period would allow the shared use fund to have between \$40-\$45 million per year in it to begin with, including the set aside funds.

Mr. Elam gave examples of projects from throughout the region that are not able to be funded by the local councils due to project costs but could be funded through the proposed shared regional fund. Mr. Elam also discussed the options for how projects would be selected for funding with the shared regional fund. There are two possible options, creating a new committee or using the CMAQ project selection committee. The shared use fund committee would be responsible for developing the project selection methodology and active program management of the shared fund program.

In part two of the presentation, Mr. Elam discussed how the funds would be distributed to the various local Councils of Mayors and the City of Chicago. The region currently uses population to distribute STP funds to the local councils for programming, but that will not be allowed by the Federal Highway Administration moving forward. The proposal instead suggests that the federally approved performance measures be used to distribute the funds to the local councils. This will help insure that areas with the most needs will receive the most funds. There are five performance measures that will be used, and they will be weighted equally. The performance measures are Pavement Condition, Bridge Condition, Congestion, Safety and Non-Single Occupant Vehicle (SOV) Travel. He also showed what the funding distributions would look like based on the initial data collected by CMAP. The distribution formula would be

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recalculated every five years, and the redistribution will be based on how well each council has done relative to improving performance.

The third part of the proposal focused on connecting each council's project selection methodology to the region's long range plan, On To 2050. The proposal will require each council to include criteria in their selection methodology from CMAP's On To 2050 plan. The proposal calls for 25% of a council's selection criteria to be from the regional plan. Each council will be able to weight those criteria however they see fit based on local priorities.

Mr. Elam also discussed adopting Pavement Management systems for the entire region. During the last CMAP municipal survey they found that roughly 50% of municipalities use some form of a pavement management system. CMAP wants to find a way with this proposal to have projects that are proposed for STP funding to be the result of a pavement management system. It is expected to be a system that analyzes the age and pavement condition of a roadway to determine the best treatment for maintaining the maximum life of the roadway. CMAP knows there will be some cost to implementing this and has suggested that they could assist in making this possible throughout the region. CMAP has a request for information about Pavement Management systems out now so they can learn as much as possible about what is currently being done. Each council will have to decide how it would like to handle accomplishing this goal.

Mr. Elam discussed CMAP's desire to make sure that any new STP system that is put into place is equitable across the region. One effort to achieve this goal is to possibly use Transportation Development Credits, or Toll Credits as they are also known, to offset the local match for communities who might otherwise not have the means to pay their local match. The federal government allows states that have Tollways to use the amount of toll revenue collected as local match to federal projects. IDOT can approve these uses and CMAP is recommending that in cases of need, Toll Credits be used to assist these communities.

The final part of the presentation was a proposal for Active Program Management rules. The goal with Active program management Mr. Elam explained is to make sure that the region is not sitting on money that is unspent when other projects could be utilizing it. Mr. Elam explained there are several ways this could be accomplished, projects could be given a certain amount of time to begin each phase of the process or could have certain time requirements to finish each phase. The goal is to move projects that are delayed back in the program and move projects that are active and progressing forward in the program so that the funds are spent in a timely fashion. If a council has a project that is delayed, CMAP would expect them to move that project back in the program and give the Council a few months to bring another project forward to utilize the funding. If no new projects are brought forward, the proposal is the unspent funds would be moved into the share regional fund, as discussed at the beginning of the presentation.

Mr. Elam concluded the presentation by giving the timeline for adopting the new STP program. The goal is to have an agreed upon Memorandum of Agreement approved at the October 2017 CMAP Board and Metropolitan Planning Organization (MPO) Policy committee. Upon execution of the agreement there will be a freeze in programming new projects and the use of advanced funding will cease. This will allow CMAP to honor the commitments of projects in current programs and start fresh in 2021 with the new STP rules.

Following the presentation, a discussion of the Council took place. Mayor Rockingham mentioned that this proposal has been in the works since March and he commended CMAP staff for their efforts in getting it to this point. He then opened the floor up for questions.

Mr. Elam was asked if the federal government has authorized the use of Toll Credits for local match. Mr. Elam explained that this is a credit system based on how much funding is collected by the Tollway and it can be used as a credit to match federal funding.

Mr. Elam was asked if the City of Chicago has approved this proposal yet. Mr. Elam responded that while they have not signed off on the proposal yet, he hopes the proposal will be very similar to what was presented, they have been included in the process all along.

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The Council had a discussion on how the IDOT toll credits are used for federal match. Federal law allows the state to use the amount of revenue collected by tolls as a credit to match federal funding.

Mr. Elam was asked about the amount of funding that will go into the shared regional fund as the new rules are implemented. Mr. Elam explained that currently the City of Chicago gets 5% funding off the top, that would be replaced by the shared use fund which would be up to 15% off the top but would be available to all communities in the region, not just the city of Chicago.

Mr. Elam was asked about the IDOT contribution of carryforward funds for the shared regional pot and if that contribution will end after the first three years. Mr. Elam responded that yes, the IDOT carryforward funds are just for the first three years of the shared regional fund and then there will be other ways to add funding to the fund including the 15% off the top as mentioned previously.

Mr. Elam was asked if the power point would be shared with the council. He said that yes, he would be happy to share with the Council. Ms. Karry said that she would forward the presentation on to the Council.

A comment was made questioning how many communities would be supportive of the On To 2050 plan and if basing criteria for selection from that plan would be well received by municipalities. Mr. Elam responded that it is important for the MPO that all federal funds allocated have a connection to the regional plan.

Mr. Elam was asked if using the performance measures could the city of Chicago could receive 85% of the funding in a given year. Mr. Elam responded that by having equal weighting of the performance measures you won't see that happening, and there has been no suggestion to move away from the equal weighting. A comment was made that the make-up of the committee for selecting projects would provide some insulation from the City of Chicago being dominant.

Mr. Elam was asked if the shared fund would go away after the first three years. He responded that it would not go away but the amount funding available would likely decrease after the IDOT carryforward funds go away.

The committee discussed the ability of communities to provide a local match and if the use of toll credits could have been available previously. Mr. Elam informed the committee that IDOT needs to change its current policies for the use of toll credits to allow this for local projects and that through this negotiation process they seem willing to make those changes. These toll credits would be used only in high need communities and the suggestion is to use the list of disadvantaged communities that CMAP has developed for the Local Technical Assistance program as the basis for determining community need.

Mr. Elam was asked how much advanced funding the region has used, since those advanced funding debts will be forgiven. Mr. Elam said he would follow up and find out how much advanced funding there had been. Mr. Klemens mentioned that according to CMAP staff the council of mayors executive committee has advanced funded about \$25 million in fiscal year 2017.

Mr. Elam was asked if passenger rail facilities that are owned by municipalities would be eligible for the shared use fund in addition to freight rail projects. Mr. Elam responded that he didn't see a reason why those types of projects wouldn't be eligible, but it would be up to the project selection committee to determine project types to fund.

Mr. Elam was asked who will be collecting the performance measures data. All of the data sets are collected by the state or federal government with the exception of the pavement management data set because the current data set is incomplete.

5. Lake Council FY 18-21 Program

Ms. Karry discussed the current Lake Council STP program that had been submitted to CMAP staff. The FY17 projects have either been awarded or are on lettings coming up through the November 2017 state lettings. The Council has several large projects in fiscal years 18 and 19 that are moving through the process. The Council has not had to

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advanced fund projects in recent years, but the Council had been planning to advance fund projects in the coming fiscal years.

The program as presented is the Lake County Council's "wish list" of projects for the transition period of fiscal years 18, 19 and 20. Ms. Karry stated that this program was what staff had submitted to CMAP based on the status updates that had been received for the projects. Ms. Karry informed the Council that staff had not heard back from CMAP staff on whether there would be enough funding in the region to fund all the projects in the Council's program.

Ms. Karry informed the Council that CMAP had requested all the Council's provide them with a list of active projects for federal fiscal years 18, 19 and 20. The program presented to the Council was put together based on where each project sponsor told staff that their project was. Several projects were removed from the program at the request of the local sponsors through the status updates.

Ms. Karry began a discussion with the Council on how staff should proceed with managing the Council's program should CMAP inform us that the submitted program is more than the region can fund. There are several options for how projects could be programmed, the FY2020 projects could be pushed back into FY2021 and FY2022, project readiness could be used to prioritize projects in the program or any other suggestions that the Council had.

It was discussed that perhaps Phase 2 engineering not be funded as the Council had not historically funded that phase until recently, but it is counter to trying to get projects ready to go, which is a goal of the region.

A question was asked about the programming of STP Bridge funding. Mr. Elam answered that the presentation was not applying to STP Bridge funding which is programmed by IDOT, the presentation only applies to the STP Local funds which are programmed by the Councils.

A discussion took place about the status of a project based on the land acquisition phase or availability/commitment of funding in the community's budget, could this be used move a project forward for prioritization. Showing the status of a community's local match or if a community had funded and completed the land acquisition phase could also be an indicator of project readiness for prioritizing projects to be funded.

A discussion was had to give the Council some time to digest the presentation with all the project changes and that should it be necessary to reduce the Council's program, staff would call a meeting of the Transportation Committee to discuss the issue first and then bring a recommendation to the full Council for approval. Once the STP program is finalized there will need to be another meeting to discuss the status of the program to make sure that it is in line with the final agreement. It will need to be determined in the future how the funding that isn't spent in the transition period is handled once the new rules are in place.

A question was asked of Mr. Elam about the Toll Credits and if the Tollway board must approve IDOT's use of those revenue's. Mr. Elam said that the Tollway doesn't access federal funding because they have the Toll revenue.

A comment was made that the list of communities in the Council that would fit the definition of disadvantaged communities would not be very long, and it would need to be seen how many communities from our Council would be eligible for this option. Mayor Rockingham mentioned that this had been important part of the discussion to make sure that all communities in the region could participate in the STP program. A suggestion was made to poll the member communities of the Lake County Council of Mayors to get them involved and find out reasons that may be preventing them from participation.

6. Qualification Based Selection

Ms. Karry gave a brief update about the new federal requirements for QBS. IDOT has updated the Bureau of Local Roads and Streets Manual Chapter 5 to lay out what steps need to be followed. The biggest takeaway from this change is that if you are using federal funding for engineering in a phase of your projects, you must follow the new QBS rules for selecting a consultant for that phase. IDOT has been requiring a letter from the local agency that spells out the steps they have taken to verify that QBS was followed.

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7. Future Council Meeting Agenda Items

Ms. Karry gave an update as to future activities planned for the Council. As Ms. Karry is in a new role and Mr. Klemens is new to Lake County, as new staff members, with direction from Mayor Rockingham, there are changes planned for various items in the Council. Staff has discussed with Mayor Rockingham creating a website for the Council and will be using a new e-mail delivery service called GovDelivery to create an e-mail distribution list for the Council.

Ms. Karry also mentioned that over the coming months staff will be working to put together a draft list of funding rules for the council, a project selection methodology and updating the Council's by-laws. These documents will be presented by staff as a start to the conversation for how these items will be implemented in the future. Ms. Karry encouraged all members to have a representative at future meetings so their voice can be heard in shaping the future of the Council.

Mayor Rockingham commented that as the STP rules are changing and there are new staff for the Council he discussed making some changes in a positive direction and putting a new look out for the Council. Ms. Karry mentioned that as Planning Liaisons, it is staff's role to assist members of the Council in the both the IDOT and Federal processes and to advocate for all projects in Lake County.

8. Other Business

Ms. Karry asked the Council about future meetings, and if there should be printed materials for meetings or should they only be electronic. A comment was made that electronic is preferred because they take up less space and are easier to document.

Mayor Rockingham asked if future Council meetings should be held in the evening or should the council meet in the mornings. A comment was made that for some Mayors who work that evenings may be better for the next meeting and then see how it goes.

Ms. Karry asked if the Transportation Committee could continue to have their meetings during the day as the majority of attendees are municipal staff, and the Council agreed that the Transportation Committee can continue to meet during business hours and the full Council meetings will likely be in the evening.

8. Next Meeting

Mayor Rockingham stated the next meeting will be scheduled after the STP agreement has been signed and approved which is likely to occur in October. It will likely be in the evening as discussed.

9. Adjournment

A motion to adjourn was made by Mr. Talbett and seconded by Mayor Lentz, the meeting adjourned at 7:42pm.