



# Capital Project Funds

## City of Waukegan Proposed Budget

Fiscal Year May 1, 2020 to April 30, 2021

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## Introduction

Capital improvements are the brick-and-mortar type investments required of municipalities to maintain the good working condition of the City's infrastructure, buildings, and equipment. Long-term capital financing is a useful mechanism to retain sufficient cash balances in operations while concurrently ensuring the integrity of the City's property and infrastructure system. Furthermore, it is important for the City to maintain an adequate balance between capital improvements and non-capital expenditures, as both play a critical role in the long-term financial health of the City.

Capital Funds account for the City's investments of this type. A general rule is that only those items with a value of at least \$50,000 and with a useful life of five-years or longer would be included in these funds. Water and sewer capital projects are not included here, but rather are included in the Enterprise Funds section.

## Overview

The Fiscal Year May 1, 2020 to April 30, 2021 (FY21) Capital Funds proposed budget calls for \$300 thousand in revenues, \$13.4 million in expenses, transfers-in of \$1.1 million and transfers-out of \$650 thousand, for a deficit after transfers of \$12.65 million. While there is an operational deficit, as the cash in-flows during the fiscal year are less than the cash out-flows of disbursements, it is anticipated that this will be addressed by the unexpended cash and investments estimated to be held in fund balance as of May 1, 2020 remaining from the 2018 bond issuances.

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<i>Revenues</i>	300,000
<i>Expenses</i>	(13,400,000)
<i>Surplus / (Deficit) before transfers</i>	(13,100,000)
<i>Transfers in</i>	1,100,000
<i>Transfers (out)</i>	(650,000)
<i>Surplus / (Deficit) after transfers</i>	(12,650,000)

## Discussion

The Capital Funds will be supported by using a combination of investment income, the aforementioned bond proceeds held in fund balance remaining from 2018 debt issuances,

and a non-recurring home rule sales tax transfer-in from a Special Revenue Fund specifically earmarked for the purpose of roadway improvements.

Departments’ requests submitted for consideration for Capital Project Funds budget inclusion totaled \$21.98 million, however resources available are estimated to be under \$14 million; therefore, projects including facility improvements were declined or deferred. This is a marked decline from FY20, yet it is still a robust capital improvement program allowing the City to continue moving forward with its multi-year Capital Improvement Plan. The majority of the funding will be committed to repaving projects, and the first phase of the Washington Street improvement project will be started. The remaining funds will be used for continued improvement of the City-owned cemetery, facility projects that were already underway during FY19, alleys, and sidewalks. A limited amount of funding from the bond proceeds held in Capital Funds balances will be transferred to the Motor Vehicle Parking Enterprise Fund. Capital projects funded from Enterprise Funds and Special Revenue Funds are not discussed here, please refer to those sections of this report for details on those projects.

Actual revenues, expenses and transfers are shown below, along with the FY20 adjusted budget and FY21 proposal. Line item detail and project descriptions relative to FY21 may be found in the attached Appendix.

CAPITAL FUNDS		FY17 ACTUAL	FY18 ACTUAL	FY19 ACTUAL	FY20 ADJ BUDGET	FY21 PROP BUDGET	CHG FY21 VS. FY20 BUDGET	
Revenues								
Sub 4600	Interest Earned	-2,420	-6,020	-134,655		-300,000	N/A	-300,000
Sub 4800	Miscellaneous Revenue							
Sub 4900	Other Financing Sources	-7,474,269		-39,451,231				
Sub 4400	Intergovernmental Revenue				-792,000		-100%	792,000
<b>Total Revenues</b>		<b>-7,476,689</b>	<b>-6,020</b>	<b>-39,585,886</b>	<b>-792,000</b>	<b>-300,000</b>	<b>-62%</b>	<b>492,000</b>
Expenses								
Sub 2400	Contractual Services	117,760		446,399				
Sub 2600	Capital Outlay		31,879	2,487,267	6,671,000		-100%	-6,671,000
Sub 2700	Capital Improvements	9,623,045	1,080,128	10,412,924	15,275,000	13,400,000	-12%	-1,875,000
Sub 2800	Non-Cash Expense			-24,877				0
<b>Total Expenses</b>		<b>9,740,805</b>	<b>1,112,007</b>	<b>13,321,713</b>	<b>21,946,000</b>	<b>13,400,000</b>	<b>-39%</b>	<b>-8,546,000</b>
Transfers								
Sub 6300	Transfers From	-2,488,372				-4,920,000		
Sub 6800	Transfers To			325,000	220,000	4,470,000		
<b>Total -Surplus / Deficit</b>		<b>-224,256</b>	<b>1,105,987</b>	<b>-25,939,173</b>	<b>21,374,000</b>	<b>12,650,000</b>		

<u>Line Item</u>	<u>Description</u>	<u>Amount</u>	<u>Totals</u>
307 46100	Interest Earned	-150,000	
			<u>-150,000</u>
307 130726366	Police Facility	675,000	
307 130726367	Public Works Facility	1,512,000	
307 130726368	Admin Facility	225,000	
307 130726471	Cemetery Improvements	150,000	
307 130727636	Sidewalk Improvements	1,250,000	
307 130727669	Traffic Signal	1,313,000	
307 130727707	Alley Rehabilitation	1,150,000	
			<u>6,275,000</u>
307 68312	Transfers to Fund 307	3,820,000	
307 68595	Transfers to Fund 595	650,000	
			<u>4,470,000</u>
312 46100	Interest Earned	-150,000	
			<u>-150,000</u>
312 63202	Transfers From Fund 202	-1,100,000	
312 63307	Transfers From Fund 307	-3,820,000	
			<u>-4,920,000</u>
312 131227614	Washington St Project	800,000	
312 131227635	Street Rehabilitation	6,325,000	
			<u>7,125,000</u>
			<u>12,650,000</u>

# Capital Improvement Plan

Project Request Form  
 FY 20/21

Agency	Central Services
Division	Office of the Mayor
Category	Building & Improvements
Project Name	Capital Improvement Project 2019/2020
Priority Level	Normal
Project Timeline	Current / Shovel Ready

*Is this project included in an assessment report?*

*If yes, which one?*

**Project Description**  
 Kluber Architects + Engineers was the contracted to provide project management services to the City for certain facility maintenance projects at City owned buildings on 8/19/2019. These projects include: Police Department (expand evidence storage, renovate evidence tech room, construct new interview rooms), Public Works (replace fuel station), and City Hall (security and accessibility updates).

<b>Source of Funding</b>	Capital - Bond Proceeds	<b>Useful Life (in years)</b>	20
<b>Notes on Funding</b>	Roll over of 2018 GO Bond funds		
<b>Cost Estimate</b>	-		
<b>GL Code</b>	307 130726366	Police Facility	675,000
<b>GL Code</b>	307 130726367	Public Works Facility	1,512,000
<b>GL Code</b>	307 130726368	Admin Facility	225,000
		<b>Total</b>	<b>2,412,000</b>

**Image (photo, map)**

# Capital Improvement Plan

Project Request Form  
 FY 20/21

Agency	Public &/or Water Works
Division	Engineering
Category	Building & Improvements
Project Name	FY20/21 Oakwood Cemetery Improvements
Priority Level	Critical
Project Timeline	Planning Stage

*Is this project included in an assessment report?*

*If yes, which one?*

**Project Description**  
 Work is localized at the City of Waukegan owned Oakwood Cemetery. Retaining wall reconstruction and wall fencing was completed in FY19/20. FY20/24 includes pavement removal and replacement, resurfacing, accessibility improvements, property fencing replacement, beautification and maintenance allowances.

<b>Source of Funding</b>	Capital - Bond Proceeds	<b>Useful Life (in years)</b>	25
<b>Notes on Funding</b>	Note that significant investments will required over the next several years for fencing replacement, roadway resurfacing, accessibility and beautification. An initial investment in FY20/21 to replace chain link fencing should be prioritized in order to progress with major Capital Improvements for the Oakwood Cemetery. An annual allowance for future fiscal years should be appropriated for maintenance and beautification.		

<b>GL Code</b>	307 130726471	Cemetery Improvements	<b>Total</b>	150,000
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**Image (photo, map)**

# Capital Improvement Plan

Project Request Form  
 FY 20/21

Agency	Public &/or Water Works
Division	Engineering
Category	Streets & Sidewalks
Project Name	FY20/21 Sidewalk Replacement Program
Priority Level	Critical
Project Timeline	Planning Stage

*Is this project included in an assessment report?*

*If yes, which one?*

Project Description
At citywide locations prioritized by sidewalk condition and accessibility, the work includes traffic control, demolition of sidewalk/curb and gutter/pavement, earth excavation/haul-off/disposal, drainage and utility improvements, accessibility improvements, aggregate base material, cast in place concrete curb and gutter, cast in place concrete sidewalk, Hot Mixed Asphalt pavement, cast in place concrete pavement for driveways and approaches (where necessary). All work shall be procured in accordance with the City of Waukegan Purchasing Ordinance and constructed in accordance with the latest Design and Construction Specifications for Bridge and Highway Construction (issued by the Illinois Department of Transportation).

Source of Funding	Capital - Bond Proceeds	Useful Life (in years)	40
Notes on Funding	Funding beyond FY20/21 is consistent with the City of Waukegan's 2018 Final Capital Improvement Plan FY19 - FY24.		

GL Code	307 130727636	Sidewalk Improvements	Total	1,250,000
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Image (photo, map)

# Capital Improvement Plan

Project Request Form  
 FY 20/21

Agency	Public &/or Water Works
Division	Public Works
Category	Streets & Sidewalks
Project Name	FY20/21 Program for Streelights, Signs and Signal Improvements
Priority Level	Normal
Project Timeline	Planning Stage

*Is this project included in an  
 assessment report?*

*If yes, which one?*

<b>Project Description</b>	Coordinated with programs for roadway resurfacing, sidewalk replacement, alley improvements and parking lots, signalized/non-signalized intersections will be evaluated for potential improvements such as updated signage and signal box improvements. Recommended improvements will be included in contracts for the programs noted above and be funded through this category.		
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<b>Source of Funding</b>	Other	<b>Useful Life (in years)</b>	20
<b>Notes on Funding</b>			

<b>GL Code</b>	307 130727669	Traffic Signal	<b>Total</b>	1,313,000
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<b>Image (photo, map)</b>				
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# Capital Improvement Plan

Project Request Form  
 FY 20/21

Agency	Public &/or Water Works
Division	Engineering
Category	Streets & Sidewalks
Project Name	FY20/21 Alley Resurfacing Program
Priority Level	Critical
Project Timeline	Planning Stage

Is this project included in an assessment report?

If yes, which one?

**Project Description**  
 Alley resurfacing is prioritized by plow routes and field condition assessments. The work includes traffic control, pavement sawcutting, demolition and removal of curb/gutter/sidewalk/driveways/asphalt pavement, earth excavation/haul-off/disposal, drainage and utility improvements, aggregate base materials, accessibility improvements, cast in place concrete pavement/sidewalk/curb and gutter, Hot Mixed Asphalt pavement, pavement markings and site restoration. All work shall be procured in accordance with the City of Waukegan Purchasing Ordinance and constructed in accordance with the latest Design and Construction Specifications for Bridge and Highway Construction (issued by the Illinois Department of Transportation).

<b>Source of Funding</b>	Capital - Bond Proceeds	<b>Useful Life (in years)</b>	15
<b>Notes on Funding</b>	Funding beyond FY20/21 is consistent with the City of Waukegan's 2018 Final Capital Improvement Plan FY19 - FY24.		
<b>GL Code</b>	307 130727707	Alley Rehabilitation	<b>Total</b> 1,150,000



# Capital Improvement Plan

Project Request Form  
 FY 20/21

Agency	Public &/or Water Works
Division	Engineering
Category	Streets & Sidewalks
Project Name	Washington Street Corridor Improvements Phase I Engineering
Priority Level	Normal
Project Timeline	Phased Over 2+ Years

**Is this project included in an assessment report?**

**If yes, which one?**

Project Description
<p>The purpose of this project is to establish the foundation for the development of a vibrant commercial corridor and to identify the City of Waukegan as a destination community. The project includes improvements for accessibility, transit, identity and character through new transportation management and streetscape enhancements. These benefits will provide an attractive, safe and accessible route for pedestrians and customers of local businesses along Washington Street.</p> <p>The overall cost of applying all of the proposed improvements through the Washington Street Commercial Corridor (approx. 2.5 miles) is estimated to exceed \$20MM and would be implemented over a number of years. Through Surface Transportation Program Block Grants (STP) from the Federal Government administered by the Lake County Division of Transportation (LCDOT) and the Lake County Council of Mayors Transportation Committee (LCCOM), shared funding over time is available and the implementation of this project is an ideal candidate to receive Federal funding. While this phase of the project is required to be funded locally, the cost of design and construction of the improvements is funded as much as 80% which translates into significant post-construction savings in investments for the City in order to invigorate this important arterial in the City.</p> <p>This project proposes to prepare and gain approval of an IDOT Phase I Project Development Report (PDR) in order to submit for plan approval through the LCCOM in the STP Call for Projects in 2022. Plan approval through the Illinois Department of Transportation (IDOT) is a primary indicator of project readiness which is a the most heavily weighted factor in project selection for STP funding.</p> <p>IDOT approval of the Phase I PDR and Preliminary Engineering establishes the design criteria for the entire corridor and will be the baseline for design and construction over the life of the improvements project. Phase I approval will not be required for future improvements.</p> <p>The City of Waukegan's goal for this corridor is to provide a complete roadway and streetscape reconstruction to improve transportation opportunities and activate an area for economic growth within the City. Washington Street is a minor east-west arterial, under the jurisdiction of the City of Waukegan, and is a main commercial corridor that serves Downtown Waukegan business opportunities, Lake County Governmental Services and is a vibrant growing corridor serving residents and visitors with business, retail, entertainment and key transit connections via Metra and Pace.</p> <p>A scope and fee proposal with presentation materials has been provided for the Phase I Preliminary Engineering and IDOT PDR approval of the entire roadway project alignment. The proposal and presentation materials were prepared by the City Engineer and the Capital Improvement Program Management team.</p>

<b>Source of Funding</b>	Capital - Bond Proceeds	<b>Useful Life (in years)</b>	25
<b>Notes on Funding</b>	IDOT Phase I for project discovery, planning and preliminary engineering is funded locally at 100%. A scope and fee proposal with presentation materials has been provided for the Phase I Preliminary Engineering and IDOT PDR approval of the entire roadway project alignment. The proposal and presentation materials were prepared by the City Engineer and the Capital Improvement Program Management team		

<b>GL Code</b>	312 131227614	Washington St Project	<b>Total</b>	800,000
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<b>Image (photo, map)</b>	
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# Capital Improvement Plan

Project Request Form  
 FY 20/21

Agency	Public &/or Water Works
Division	Engineering
Category	Streets & Sidewalks
Project Name	FY20/21 Roadway Resurfacing Program
Priority Level	Critical
Project Timeline	Planning Stage

Is this project included in an assessment report?

If yes, which one?

**Project Description**

At citywide locations prioritized by pavement condition and roadway classifications with locally available traffic data - The work includes traffic control, sawcutting of pavement, removal of curb and gutter/sidewalk/driveways/pavement (concrete or asphalt), earth excavation/haul-off/disposal, drainage and utility improvements, trench backfill, aggregate base materials, cast in place concrete sidewalk/curb/gutter/driveways, accessibility improvements, full depth pavement construction with cast in place concrete or Hot Mixed Asphalt, pavement markings and site restoration. All work shall be procured in accordance with the City of Waukegan Purchasing Ordinance and constructed in accordance with the latest Design and Construction Specifications for Bridge and Highway Construction (issued by the Illinois Department of Transportation).

<b>Source of Funding</b>	Capital - Bond Proceeds	<b>Useful Life (in years)</b>	15
<b>Notes on Funding</b>	Funding beyond FY20/21 is consistent with the City of Waukegan's 2018 Final Capital Improvement Plan FY19 - FY24.		

<b>GL Code</b>	312 131227635	Street Rehabilitation	<b>Total</b>	6,325,000
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