

Minutes
Village of Glen Ellyn Board of Trustees
Regular Workshop Meeting
Monday, July 21, 2014

Call to Order

President Demos called the meeting to order at 7:00 p.m.

Roll Call

Upon Roll Call by Clerk Galvin, Trustees Burket, Clark, Ladesic, McGinley and O'Shea answered "Present". Trustee Elliott arrived at 7:01 p.m.

Staff present: Village Manager Franz, Assistant Village Manager Stonitsch, Village Attorney Mathews, Police Chief Norton, Acting Finance Director Coyle, Public Works Director Hansen and Professional Engineer Minix.

Pledge of Allegiance

President Demos asked Trustee Ladesic to lead the Pledge of Allegiance.

Agenda Item E. - 10-Year Capital Plan Update (Presented by Professional Engineer Minix)

Discuss the updated plan and continue to evaluate capital allocation decisions.

The Village of Glen Ellyn roadway rehabilitation program consists of a rolling 10-year plan of street improvements founded on a long-term master plan. The program is funded on an ongoing basis by a combination of utility, real estate transfer and property taxes. The 2014 - 2031 master plan, as originally developed in 2012, calls for resurfacing and reconstruction of approximately 71.4 miles of roadways at an estimated cost of \$125.8 million, consisting of 4.6 miles of reconstruction costing \$17.6 million and 66.8 miles of resurfacing of various types costing \$108.2 million. (Please note that all program costs referenced herein include engineering and construction expenses that include an annual adjustment factor of 5% and all references to years are calendar years, with fiscal years coinciding with calendar years starting in 2015).

The Village has significant capital improvement needs outside the realm of roadway work that are largely under- or un-funded. In addition, CBD streetscaping / street improvements to fully implement the planned and desired level of upgrades as envisioned in the downtown streetscape plan are not adequately budgeted for in the 2014-2031 program. A large roadway network will be inherited in the near future as a result of anticipated annexations in the Glen Crest Subdivision area near Route 53 and Marston as well as pending annexations near the Glen Oak Country Club involving Hill Avenue and Cumnor Avenue.

Pending major capital projects in this category include:

Project	Estimated Cost	Funding
Downtown Roadway and Streetscape	8,000,000	STP, ITEP
Taylor Avenue Pedestrian Tunnel	2,100,000	STP,CMAQ
CBD Pedestrian Tunnel	8,100,000	Various
Viaduct / Underpass		None yet
Stormwater System Improvements	4,000,000	County & State
New Police Station	15,000,000	Village Reserve
CBD Parking Structure	2,000,000	TIF
Fire Station	Likely funded through means other than Capital Projects Fund	
Train Station		

It is anticipated that significant outside funding assistance will be utilized for the Taylor Avenue and CBD pedestrian tunnel projects, with Village outlays amounting to only 10 - 15% of the total project costs. Implementation of the CBD roadway/streetscaping, stormwater system improvements, police station and CBD parking structures projects would likely be accomplished through a bond issue in the \$30 million range, to be paid back in annual \$2 million increments over 20 years. Based on recent staff discussions, repayment of the bonds would be through the Capital Projects Fund budget.

Rehabilitation of the Glen Crest Subdivision area roadways would be merged into the Village long-term program and managed accordingly. This subset of roads consists of 2.1 miles of curbed and un-curbed streets in generally fair condition. Estimated short- and long-term rehabilitation measures and costs are shown in the attached memorandum prepared by Engineering Division staff in March 2014. Cumnor and Hill Avenues near GOCC would add about 0.5 miles to the uncurbed roadway inventory in the Village.

To accomplish funding of the major pending projects listed above as well as the integration of new roadways into the rehabilitation schedule, a major revision in the 2012 long-term roadway master plan is required. Three alternatives can be considered on the expense side: annual reductions to the program; skipping full years of the program; and delaying the reconstruction of curb-less roadways, in effect modifying the scope of the proposed program.

- A. Annual Program Reduction - Starting in 2015, the annual element would be modified by deferring one or more projects to the following year so that the Capital Projects Fund balance would always be positive.
- B. Multi-Year Program Hiatus - In this alternative, all projects currently planned for implementation in a given year, starting in 2015 or any selected year, would be pushed back. The roadway program would be essentially suspended as needed to accrue the necessary funds.

- C. Postpone Reconstruction of Curb-Less Roadways - The majority of street reconstruction work in the 2015 - 2031 program involves substantial improvements to rural-road design streets that became Village rights-of-way during annexations over the past 20 years, and all this work is scheduled to be completed by the end of 2024. It is proposed that in lieu of complete reconstruction during this program cycle, these roadways would receive maintenance overlays costing far less and the reconstructions be delayed for a period of 10 to 15 years. The total program cost drops to \$112.1 million, a reduction of 13.7 million.

COMMENTS ON PROGRAM MODIFICATIONS

Deferment of projects will result in higher overall costs to achieve the end products currently programmed.

The alternative to defer reconstruction of curb-less roadways appears to be the most appealing when looking strictly at the existing program timeframe, as the vast majority of streets are worked on in accordance with the current schedule and planned scope of work. Overall roadway network condition is best maintained with this alternative. This strategy is also applicable to roadways that the Village would take over as a result of future annexations. Beyond the current program timeframe, the deferment of reconstruction of curb-less roadways likely poses the biggest challenge to maintaining a progressive and solvent program.

Staff would prefer an annual reduction in program costs to the alternative involving skipping full years of any roadway work.

CAPITAL IMPROVEMENTS COMMISSION COMMENTS

Over the course of the past nine months, various drafts of this memorandum have been shared and discussed with the Capital Improvements Commission. The CIC understands that important capital projects other than roadway and storm sewer improvements currently exist and expresses interest and basic support for those endeavors. They wish to make it crystal clear however, that deferment of substantial rehabilitation for rural road streets is a temporizing measure with significant future cost implications that again will task Village decision-makers with difficult choices.

Trustee McGinley commented that she thought the Board decided not to issue bonds for \$30 million in capital projects. Manager Franz responded that was not a given. Trustee McGinley stated that the Board is not doing Streetscape at this cost. Engineer Minix responded that half of the cost for Streetscape is for rehabbing the roadways in the CBD.

Trustee McGinley asked if the Village is going to go into debt for prettiness. President Demos responded that these are pending capital projects and that he is fine with discussing this and figuring out how to pay for them.

Trustee Elliott asked about repaving roadways instead of rehabbing. Engineer Minix responded the plan provided will save \$13.7 million to 2024. Trustee O'Shea asked where additional funds might come from. Engineer Minix responded by issuing bonds and/or deferring future capital projects.

Trustee Burket asked about streetscape and the roadways. Engineer Minix responded it was originally scheduled for 2015. Trustee O'Shea added that the Board asked Staff to pull it.

Trustee McGinley asked what part of road rehabilitation would be postponed. Engineer Minix responded storm sewers, sidewalks and curbs and gutters.

A consensus was reached by the Board to consider an annual reduction in program costs to the alternative involving skipping full years of any roadway work.

Trustee Elliott stated that he would like to be more aggressive with roadway savings.

President Demos stated that he was supportive of the roadway work in Streetscape. Trustee Burket responded that he does not see a reason to beautify the downtown and that the buildings need to be beautiful, the CBD is what it is. Manager Franz suggested looking at restaurant establishments for outdoor seating; the restaurants have approached the Village about this. Trustee McGinley asked about TIF dollars. Manager Franz responded that is a possibility but the TIF is only 2 years old. Trustee McGinley responded that the landlords need to invest in their buildings and maintain their buildings.

Trustee Burket asked what was included in Streetscape, other than roadwork. Manager Franz responded that benches, trees, landscaping and lighting (LED lighting upgrades) were all components of Streetscape.

Trustee McGinley stated her approval of \$500,000 for Streetscape. President Demos stated his approval of \$4.5 million since the CBD roadwork would start at \$3 million. Trustee O'Shea stated that \$1.5 million is low. The CBD is important, viable but old. The CBD needs to be updated, he could see spending closer to \$2 million – the CBD is one of his highest priorities. Trustee Elliott added that the CBD can grow to the west, both north and south of the tracks. There is room for improvement and expansion. Trustee Elliott stated that \$1 – 1.5 million would be appropriate.

Trustees Burket and Ladesic agreed with Trustee O'Shea with regards to the \$1.5 million for Streetscape. Manager Franz responded that the plan is a few years old and that the Village needs to get some better estimates to bring before the Board.

President Demos suggested putting \$200,000 towards the Taylor Street Pedestrian Tunnel to start moving the project along and to start applying for grants. The Board reached a consensus.

President Demos considered the amount provided for Stormwater projects viable. Manager Franz responded the amount provided included all of Glen Ellyn, not just Lake Ellyn.

Trustee McGinley stated that she wanted to see a new police station for under \$8 million. Trustee Burket responded \$12-18 million, while Trustee Ladesic stated that \$10-12 million was more realistic. Trustee McGinley commented that she was not sure if it could be completed for \$8 million but reminded the Board that the original numbers included land acquisition for building elsewhere.

Trustee Burket asked where the \$8 million amount came from. Trustee McGinley responded this is the amount she feels the Village can afford. Trustee Burket stated that he does not want to build a facility that is too small and that will be out of date in 12-15 years. Manager Franz responded that the original cost was \$17 million and that the size, scope and overall cost has been reduced significantly since then.

Trustee O'Shea commented that the Civic Center may be at the end of its useful life in a lot of ways. President Demos stated that he is comfortable with \$12 million and that he wants to continue to see the value 30 years from now.

Manager Franz stated that a parking structure could be paid for in part, with TIF dollars.

Trustee Elliott commented that in the last budget there were no meaningful savings and that the Board was reduced to discussing the cost of employee's work boots. Trustee Elliott asked if the Board could be provided with more cost analysis and opportunities to defer projects for a year.

A break was taken from 9:01 p.m. to 9:11 p.m.

Agenda Item F. - Engineer Services (Presented by Professional Engineer Minix)

Discuss engineering services for Village Infrastructure Improvements Projects.

The Village relies heavily on engineers in private practice to provide the detailed designs and construction oversight for most of the current infrastructure improvements projects. The scope of most recent projects has been beyond the basic capabilities of PW staff, requiring detailed project surveys, full plan and profile sheets, drainage designs and software capable of preparing cross-sections and calculating quantities. Most recent construction projects have a price point in excess of \$2 million and require multiple personnel to oversee construction in an effective manner. The Village works with a number of engineering consultants, with perhaps a half-dozen design firms providing most of the contract document preparations. Civiltech Engineering has managed the vast majority of construction projects in the past 10 years.

Selection of engineers typically is based on a review of materials submitted to the Village in response to a request for proposal. The RFP is targeted to firms that have provided services in the past or have demonstrated continuing interest in Village work, with the pool of consultants generally limited to between five and ten firms. Both qualification and cost data are submitted with the proposals, with the selection of the consultant based on an assessment of all information. In some cases - depending on the

schedule, project timing, and phase of work or other circumstances - a single engineering firm is requested to provide a sole source proposal for an assignment. The Professional Engineer has played the primary role in consultant selection.

Engineering fees are significant, generally running about 15% of the construction cost of a project. A summary of consultant purchase orders developed by the Finance Department (attached) shows fees averaging about \$1 million annually over the past five years, about evenly split between design /studies and construction engineering assignments.

Members of the Village Board have recently expressed concerns about the cost of engineering services, with two different perspectives offered, perhaps best framed with the following questions: "Are there opportunities for cost savings if the Village engineering staff is expanded to take a greater role in the design or construction management of projects?" In addition, "When approving an engineering contract, how can the Village be assured that it is getting a fair price?"

VILLAGE ENGINEERING STAFF EXPANSION

Village engineering staff was expanded to provide more in-house design and construction work to offset consultant costs, the following items should be considered:

General Considerations

What are the upcoming major projects that engineering staff will be involved with? For example, how will the CBD rehabilitation and enhancement projects be managed?

Are there likely candidate projects that lend themselves to an entirely in-house approach?

Another vehicle would be required in the fleet (estimated first cost of \$25,000)

Design Engineer

Needs a background in roadways and underground utilities with experience in producing complete project plans and specifications

Some construction experience would be desirable

Needs to be versatile to handle various survey, structural, hydraulic, geotechnical, traffic, electrical issues and questions, with any lacking disciplines filled in with consultants /specialty firms

Needs to be proficient in CAD and the use of engineering software

Needs to have good writing skills

Engineering design software would need to be purchased and training supplied (estimated first cost of \$25,000)

Production of detailed plan and profile sheets would require field surveying and base plan development, either through the services of a third party or via the use of Village-owned equipment (estimated first cost of \$25,000)

Needs sufficient time and an appropriate working environment to allow for productive and accurate work products

A quality control / quality assurance protocol must be established to check and verify the produced engineering products

A registered professional engineer would need to be on staff to sign and seal plans

Construction Engineer

A field engineer would need a diverse background in transportation and utility construction as a lead resident engineer

During active projects, need to work “contractor hours” which usually exceed 8 hours per day and 40 hours per week

A construction project typically needs additional personnel at critical times, especially if the dollar value is in excess of \$1,000,000

How would this engineer be productively utilized during the non-construction season?

PROCUREMENT OF CONSULTING ENGINEERING SERVICES

The procurement of professional engineering services should be predicated primarily on a qualifications based selection (QBS) system. Under QBS, the choice of a particular consultant is based solely on qualifications-based factors such as corporate and individual experience, ability of personnel, work load, work history, project understanding, scope of work, schedule and specific project experience provided in response to a request for qualifications (RFQ). Once a firm is selected based on its qualifications and competency, only then would negotiations be entered into to develop a contract and determine the appropriate compensation for the work. If negotiations do not yield a satisfactory contract with the highest ranked firm, the second-most qualified firm is contacted. QBS is mandated by the Local Government Professional Services Selection Act (50 ILCS 510/, attached), although home rule units are not included in the Act’s definition of a “Political Subdivision”, the entity making the selection.

Analysis and Recommendations

Most communities use some form of QBS tailored to meet their particular circumstances and requirements. While the current Glen Ellyn practice of mixing qualifications and dollar proposals into a single submittal has not met with overt resistance by the consulting community, our system could be improved in terms of consistency, accountability and clarity.

The following process is proposed for the Village of Glen Ellyn:

Develop a written policy for consultant selection to be adopted by the Village Board, using the Warrenville process as a guideline

Develop a “Satisfactory Relationship” list of consultants developed from a review of a reasonable number of qualification submittals for both design and resident engineering services. The review committee would consist of Village staff engineers, the Public Works Director, a representative from Village Administration and, if available, an elected official. The list would normally be maintained for no less than two years before considering alterations and would be Board approved.

Request current financial and staff information from the short-listed firms based on IDOT prequalification materials and keep on file.

For particular assignments, seek specific qualifications from at least three short-listed firms, with cost information provided in a separate, sealed envelope. Selection should be based on qualifications, with provided cost information utilized as a reasonableness test. The selection committee would generally consist of the Public Works Engineers.

Negotiate the final scope of work and engineering costs.

Present the recommendation for Village Board approval, including the appropriate contingency and funding sources.

Trustee Elliott asked if the engineers were in house how much could they do. Engineer Minix responded that a full-time construction engineer has to run with the contractors and work the contractor’s hours.

Trustee Elliott asked about construction vs. design. President Demos responded that they would not be able to monitor the depth, density or reconcile those reports with the concrete.

Trustee Elliott asked how much could have been saved on past projects if the Village had an in-house engineer. Trustee Elliott stated he would like to see more fixed pricing on projects. Trustee McGinley responded that engineering carries a huge risk and that shifting that risk in house may not be a good idea. She would like to see the Village focus on costs since 15% for engineering costs is unheard of. Trustee McGinley stated that those fees should not exceed 8%.

Manager Franz responded that 15% is what the market is dictating; the Village is going out for bid. Engineer Minix added that the Village defines the scope; if we do not ask for full time construction oversight we do not get it. We get what we ask for and we pay for it.

Trustee McGinley stated that she does not believe we should go in house for engineering. Trustee Elliott responded that he would like to see a change towards more fixed costs and realize more savings.

President Demos thanked Engineer Minix for his comments and stated this is a great conversation to have. Engineer Minix responded that there is room for negotiation and that he is realizing a greater appreciation for different options as there are opportunities for savings.

Public Works Director Hansen stated that Engineer Minix is the best engineer he has ever worked with and that the Village will need a succession plan upon his retirement; this may include hiring 2 engineers.

Adjournment

At 10:16 p.m. a motion was made by Trustee Elliott and seconded by Trustee McGinley to adjourn. Motion carried.

Respectfully submitted,

Catherine Galvin,
Village Clerk