

MINUTES OF THE SPECIAL MEETING OF THE MUNICIPAL
SERVICES COMMITTEE AND THE FINANCE / ADMINISTRATION COMMITTEE OF
THE VILLAGE OF WILLOWBROOK HELD ON MONDAY,
APRIL 12, 2010 IN THE VILLAGE HALL, 7760 QUINCY STREET, IN THE
VILLAGE OF WILLOWBROOK, DUPAGE COUNTY, ILLINOIS

1. CALL TO ORDER

Chairman Mike Mistele and Chairwoman Sandra O'Connor called the meeting to order at 6:30 PM.

2. ROLL CALL

Those present at roll call were Chairman Mike Mistele, Chairwoman Sandra O'Connor, Trustee Terry Kelly, Interim Administrator Larry Maholland, Interim Administrator Megan Pierce, Director of Finance Sue Stanish, Director of Municipal Services Tim Halik, and Village resident Carol Lazarski (entered at 7:00 PM)

3. APPROVAL OF MINUTES

- a) After reviewing the minutes from the March 8, 2010 regular meeting of the Municipal Services Committee, Chairman Mistele made a motion to approve the minutes as submitted. Trustee Kelly seconded the motion. Motion carried.
- b) After reviewing the minutes from the March 8, 2010 regular meeting of the Finance / Administration Committee, Chairwoman O'Connor made a motion to approve the minutes as submitted. Motion carried.

4. DISCUSSION – Proposed Water Rate Increase

Director Halik reminded the Committee that, due to recently discovered financial mismanagement, the DuPage Water Commission was forced to increase their water rate to municipalities from \$1.77 per 1000 gallons to \$2.08 per 1000 gallons. Halik advised this represents a 17.5% increase in water rates to the Village.

Director Stanish referred to the information contained within the Committee packet and explained Option #1, which includes a 20% first year local rate increase and is a pay as you go plan that over time will build a fund to enable the painting of the Village water towers without having to complete a bond issue. Director Stanish also explained Option #2, which is still a 20% first year local rate increase, but is designed to merely pass on projected rate increases without building a capital reserve fund. Chairwoman O'Connor stated that she was concerned about the bond market in the future and the resulting rates that would be available to us. She also stated that she felt a 20% increase is fiscally conservative. Director Stanish agreed and stated that, based on comparables, our local water rate would still be in the market. Trustee Kelly advised that Hinsdale raised their rates 31%. Trustee Kelly inquired about the water transfer and asked if it could be made more frequently. Director Stanish responded that it could be made more frequently rather than once per year. However, it is efficient to do one transfer at the end of the fiscal year once operating results of the water fund are known. Chairman Mistele inquired of the status of HB 580. Director Halik provided a status update on the bill and the DuPage Mayors and Managers effort to oppose it. The Committee asked about the Jenner & Block forensic audit report. Halik responded that the report is now available and that he would forward it to the Committee members. Trustee Kelly asked, with regard to the painting of the towers, would it be preferred to paint them one at a time rather than through a single project. Director Halik stated that he had also considered that approach

and determined there are some benefits to painting them through separate projects. He indicated that staff will continue to research the question to determine the best plan. The members of both Committees agreed to recommend the Option #1 scenario to the Board. Trustee Kelly asked if there should be consideration of raising the rate higher. Director Stanish stated that staff had considered 25% for the first year, but after the model was run, deferred to 20%. Trustee Kelly asked by what amount the rate was raised in 2001. Director Halik and Stanish responded that staff would research the answer to the question and consider adding the information to the press release.

5. DISCUSSION – Water Billing, Nonpayment, and Disconnection Ordinance

Director Halik recalled for the Committee the discussion that occurred at the March 22nd Board meeting regarding delinquent water bills. Halik stated that the delinquent account that caught the attention of the Board was that of Borse Industries, which uses a lot of water in their industrial process. Halik stated that their average monthly water bill is approximately \$1,500 to \$1,600. Further, by ordinance, our process to bring delinquent water bills to the Village Board for action takes about two and a half months. Therefore, unless partial payments are received within that timeframe, the total outstanding amount would grow to about \$4,000, which is what occurred in the case of Borse. Chairman Mistele asked what percentages of accounts are typically delinquent. Director Stanish indicated it is a very small percentage of our accounts – perhaps fewer than 1%. Chairwoman O’Connor and Trustee Kelly stated that a deposit requirement seems feasible. Director Halik stated that he included a copy of the utility deposit provision that is currently used in St. Charles in the Committee packet for information. Trustee Kelly inquired about a deposit requirement versus a pre-pay requirement and explained the difference in his opinion. Director Stanish offered that a pre-pay process may be difficult and hard to enforce. Interim Administrator Maholland stated that auto-debit could also be considered. Director Halik clarified that our problem seems to be with habitually delinquent residential customers. Chairman Mistele and Chairwoman O’Connor indicated that they support methodology to try to discourage non-payments, but believe that 1% of accounts does not represent a large problem. The Committee agreed that staff should continue to monitor delinquent accounts for now, since it affects such a low percentage, to determine if an increase in delinquent accounts is occurring, which may necessitate future changes to the ordinance requirements.

6. DISCUSSION – Planning Consultant: WBK Associates LTD

Director Halik recalled for the Committee that during the March 8th regular meeting of the Village Board, staff advised the Board that with the recent elimination of the Village planner position, arrangements were made with Jo Ellen Charlton, Senior Planner with the consulting firm, Wills Burke Kelsey Associates, Ltd. to provide planning services to the Village when the need may arise. After brief discussion, the Board recommended that information pertaining to the qualifications of the individual be shared with the Board. The discussion also resulted in direction to staff that when a consultant is being considered, the qualifications of the individual and/or firm should first be presented to the appropriate Committee to seek authorization. Halik stated that at that time staff had not made any formal work arrangements with Ms. Charlton. She was merely asked to provide planning services on an as-needed basis upon receipt of future development applications or other planning type work. Halik further explained that prior to the creation of the full-time Village planner position in December of 2006, Ms. Charlton worked for the Village providing part-time planning services through the firm, Robert H. Anderson & Associates, Inc. Ms. Charlton had previously served as the Director of Community

Development for the City of Darien and had extensive experience in the municipal planning and development field. In addition, she was very familiar with the Willowbrook area and local contacts. Her previous employment with the Village through RHA&A also enabled her to become familiar with our development application process and zoning and subdivision ordinance requirements. She had also previously presented development projects to the Village Plan Commission. Halik stated that Ms. Charlton coordinated well with all Village employees and the Village Consulting Engineer on project reviews and preparation of Plan Commission agendas. Her prior experience with the Village, and the high quality work she provided, made her the obvious candidate to assist the Village at this time. Halik stated that a copy of Ms. Charlton's biography was included in the Committee packet. Trustee Mistele stated that he thought prior experience is the key. Halik agreed. Halik further advised that since WBK Ltd. is a subsidiary of Christopher B. Burke Engineering Ltd., our current consulting engineering firm, approval of a new professional services agreement was not required. The Village will be billed on an hourly basis for as-needed planning services and invoiced through CBBEL. We also obtained a discounted rate given it was determined that the rate charged for planning services should not exceed the rate we currently are charged for engineering services, which is also at a discounted rate. Halik stated that Ms. Charlton's normal consulting rate is \$140 per hour. Director Stanish distributed information relating to the discounted consultant rates for professional services the Village has obtained from both CBBEL and WBK. The Committee concurred with staff's recommendation to utilize the services of Ms. Charlton through WBK.

7. DISCUSSION – Municipal Services Department

- a) Director Halik advised that the monthly department permit activity report for March was included in the packet. The report indicates that over \$18,000 in permit revenues was collected for the month which brings us to within \$950 of making our revenue projection for FY 09/10.
- b) Halik reported that the water system pumpage report was also included in the agenda packet for information. The report indicates that at this time we have pumped about 6% less water than the same period of time last year. Halik indicated that if the current consumption trend continues, we will likely pump around 360 or 370 million gallons for the fiscal year, which is below our year-end projection of 390,000,000 gallons. Trustee Mistele asked if staff had lowered their pumpage projection for FY 10/11. Halik responded in the affirmative, and stated that the FY 10/11 pumpage projection was set at 385,000,000 gallons.

Director Halik advised the Committee that the Village obtained a very competitive bid for the completion of this year's roadway maintenance program. Sealed bids were opened on Monday, April 5th. A total of eight bids were received with the low bidder being James D. Fiala Paving Company in the amount of \$191,689. Halik advised that the engineer's estimate for this year's program was \$221,050 and the FY 10/11 budget includes \$200,000 in available MFT funding to conduct this year's program. Halik stated that the bid award to Fiala is on the Board agenda immediately following the Committee meeting. Halik stated that once IDOT approves the contract, a Notice to Proceed will be issued, and work should commence in early May.

8. DISCUSSION – Finance / Administration

Director Stanish reviewed the financial information provided within the Committee packet. She reviewed the detailed sales tax report and advised that the revenues should increase next month due to two businesses that have filed late with the state. Trustee Mistele asked what percentage of sales tax makes up our total revenue. Director Stanish responded that sales tax is about 42% of our income. Director Stanish advised the Committee that income tax is currently tracking at 13% below last year, and we have received the November payment. Trustee Mistele asked if the FY 10/11 budget includes these numbers. Director Stanish responded that it does. Director Stanish advised that utility tax is down 10%, and that the places of eating tax is currently down 1%, but should increase. Director Stanish advised the Committee that staff had just started tracking red light fines. Chairwoman O'Connor asked where we are at overall. Director Stanish advised that we are about \$100,000 in the red, which is about 5 days of operating expenses. Director Stanish advised that the budget will be on the April 26th Board agenda for approval. Trustee Mistele stated that salary increases need to be considered. Interim Administrator Maholland stated that police negotiations need to happen first, and then the Board could consider salary increases.

9. VISITOR'S BUSINESS

Carol Lazarski asked whether there is going to be a water rate increase. Director Halik responded that the Committee had agreed to recommend a 20% increase in water rates as a result of the rate increase the Village will incur from the DuPage Water Commission. Halik stated that, if approved by the Board, the increase would be effective May 1, 2010.

10. ADJOURNMENT

Motion to adjourn was made by Chairman Mistele, seconded by Chairwoman O'Connor. The meeting was adjourned at 7:30 PM.

(Minutes transcribed by: Tim Halik 5/6/10)