

**Committee of the Whole Minutes**  
**September 20, 2011 – 7:30pm**

**Mayor Rooney called the meeting to order at 7:30 pm.**

**COUNCIL IN ATTENDANCE: Mayor Rooney, Aldermen Mike Cannon, Jim Allen, Larry Buske, Brad Judd, Robert Banger, Jr., John D’Astice, Jim Larsen**

**STAFF IN ATTENDANCE: Deputy City Clerk Ginny Cotugno, Community Development Director Valerie Dehner, Fire Chief Ron Stewart, Deputy Fire Chief Scott Franzgrote, Assistant Finance Director Melissa Gallagher, Police Chief Dave Scanlan, Public Works Director Fred Vogt, Public Works Bill Suchecki, City Attorney Jim Macholl**

**DISCUSSION ITEMS:**

**1) Woodfield Chicago Northwest Convention Bureau**

Dave Parulo, President – gave an overview of the Woodfield Chicago Northwest Convention Bureau and passed out literature on the Bureau.

Mayor Rooney: Thanked them for coming out.

**2) Budget**

Mayor Rooney: This has been open to not just the city council but to the public for over a week now. The one thing that Mr. Krumstok had asked that we make sure it gets in the materials, is he wanted to start off saying they will be very open to everyone on the council as much as possible to arrange a convenient time for all of our different schedules to come in and go over the line item details. He said feel free to suggest an evening, feel free to suggest morning, feel free to suggest a weekend day, they will accommodate us as much as they can. Tonight’s presentation is meant to be the broad brush strokes, not delving into the actual nitty gritty of the minor items yet, but certainly the big ideas that come from here, we need to start banding them about now, because the amount of time we have between now and having to pass the budget at our last meeting in December, it might seem like a long time right now, but especially when we only meet three times a month, it is going to go quickly. The broad brush strokes are certainly open fodder for tonight.

Ms. Gallagher: I just want to start by saying this is a proposal. It serves as a dialogue for the next few months. It is important that members of the city council meet individually with the City Manager and staff to go over the budget. Your ideas and thoughts will help shape future efficiencies within the City’s operations. There are no cost of living adjustments budgeted for any employees in any of the funds, only the individuals that remain at steps. There are a lot of flat line revenues and those are actual dated trends that we are looking at. Looking at the State of Illinois, as well, there is data from the Department of Revenue that are showing flat lining and also trending

downward through a lot of the revenue line items. We're continuing to streamline across the board and you'll be seeing that as we walk through the budget. A couple of other notes, City levies for tax dollars and not percentages. While some of the fund balances are still negative, and some are building up, we're still seeing that we need to build up slowly to get it where we need to be. The City is addressing pension funding issues and as we've talked about before, in 2012 we will be evaluated as a City by the credit rating agencies. That covers the period 2009, 2010, and 2011. Ms. Gallagher gave a summary of each department's function, expenditures, and revenues. I want to move to taxes and intergovernmental. Property tax levee, again, we'll set that aside right now, it's just a proposal. It's 1.5 million in the current general fund budget. The Police & Fire Pension levee is brought up to what the actuarial determined amount that the Department of Insurance gave us last year and that amount is put in, as far as the 250,000 increase in the tax levee. Overall all of the taxes for intergovernmental revenues and taxes in general are conservative estimates. The natural gas tax is a place holder within the budget. It's a proposal. The fee in lieu of sales taxes from Chase Bank has been added to the 2011 projection and also the 2012 budget. We added all the grants for police and fire that we know of at this point and time. Licenses and permits - we have been reporting that right-of-way permits are about 39,000 as of now, the WOW cable permits will be completed, I do not think they are doing any work now. The other 50% increase for building permits is 12,000. Fines and forfeitures - we have been reporting that adjudication fines have been higher in 2011. That's primarily due to the one fine from Woodfield Gardens. Circuit Court fines are decreased based on the fact that more adjudication cases are being handled by the City. The parking tickets have been increased because more parking tickets are being adjudicated. Redlight enforcement fines - due to some of the weather related issues and construction we're being very conservative, but we've seen an uptick over the last two months. Charges for service is a very conservative estimate. Police special detail is that the Northrop Police detail closed out in 2011 so we've lowered not only revenues but expenditures. Service chargebacks has been in the budget as an allocation of personnel across the budget since the 1990's. It's a common cost allocation method and those have been updated for 2012. Investment earnings and miscellaneous - we did budget for the Community Events Foundation of 50,000, based on the fact that the Foundation will be in the next quarter or first quarter of 2012 up and running. I mentioned the rental income for the Lamar billboard. You'll see it in the Fire Department budget, reimbursement for Fire Special Rescue. We also include that in the revenue side. The same for federal seizure.

Alderman Buske: The property tax part, is that where the 15% came in?

Ms. Gallagher: Yes

Alderman Buske: The Community Events Fund, are you suggesting we will get 50,000 when we establish this?

Ms. Gallagher: That is what the City Manager is anticipating based on some initial conversations with businesses.

Ms. Gallagher: Went over the MFT fund, 911 fund, debt service fund, local road fund, TIF 1, 2, and 3, transit development fund, utilities fund, water fund, refuse fund, garage fund, vehicle & equipment replacement fund, building & land fund, liability insurance fund, and health insurance fund.

Mayor Rooney: The water charge that people pay encompasses water and other things. When the water goes up by 7%, we need to cover that because it is Chicago raising it. It's not 100% of the water charge. Why do we say water is going up 7% and then bump the whole charge 7% when it should come out somewhere around 5. At least thinking about it's not just the water. Any background on that for me?

Ms. Gallagher: That is a broad based question.

Mayor Rooney: As it applies to more things than just this fund. When we pass through things, we tend to say the pass through was this so we're going to pass through, and we call it a pass through when it's kind of a pass through plus. We've been haggling about this every year and I see it is here again. That's the reason for asking.

Ms. Gallagher: There are other costs other than just the water costs within the utilities fund. Maybe that's something we want to discuss and think about. If it's just 7% from Chicago and you feel it should be 5%, maybe that's the direction we need to take. I think it is a 7% plus number. I would agree. I think Fred can answer that a little bit better.

Mr. Vogt: That is something we have discussed at staff level from year to year in terms of trying to determine what those rates are. If there are no salary projections for increases that negates covering those as we've had to do in the past years. We do always see costs of materials in terms of maintaining our pumping facilities, maintaining the electrical systems; we increase nominally to be able to keep up with those costs, as well as the infrastructure improvements that we have to take on such as the water meter replacements, the sanitary sewer rehab.

Mayor Rooney: We will be looking at that again.

Alderman Larsen: The water increase and the so called pass through, the objection that Mr. Adams had is just the way it is positioned. I don't have a problem with Mr. Vogt's explanation that other things go up. To the extent that we're treating is as a pass through, I think that's where the disconnect is. Maybe if we could have it termed some different way, that would help.

Alderman Buske: Mr. Macholl, if the revenue that comes from the gasoline tax, does that have to go into the road fund or can it go into other funds.

Mr. Macholl: It's primarily the road fund. That can be encompassing more than just the actual road itself.

Alderman Buske: It can't go into the general fund.

Mr. Macholl: No. It's limited in scope.

Alderman Buske: Out of our road fund for 2012, 800,000 is accounted for lighting down on Algonquin Road. I thought we were paying for the engineer only and sharing it with Arlington and a grant came across for that. If that's the case, when we get a grant we still have to deposit it in an account and expend it from there.

Mr. Vogt: For the Golf Road/Algonquin Road/New Wilke Road street lighting, our share for that project is about 300,000. The other 500,000 that would add up to the 800,000 is what we're projecting for the local road resurfacing program for next year. So 500 for resurfacing, 300 for the street lighting project equals the 800,000. There are two grants that we do have for the street lighting. One is from the Federal stimulus AARA fund. The other is from the Federal Highway Department administered by IDOT. That whole project is over 2 million dollars. Our share is about 300,000.

Alderman Buske: I think that I'm mixing this up or you're not understanding. I'm talking about just the lights going down Algonquin, not Golf.

Mr. Vogt: That is one project. The lighting on Algonquin Road, there's new lighting going up on Golf between Algonquin and New Wilke, as well as lighting on New Wilke from Golf to Algonquin and then the Arlington Heights' portion goes up to White Oaks. It's a joint project involving three streets.

Alderman Buske: It's not just on Algonquin.

Mr. Vogt: No, Algonquin and Golf and New Wilke.

Alderman Buske: I thought we were just talking about Algonquin Road.

Mr. Vogt: It started as Algonquin Road and because there was additional funding made available to us about a year and a half ago, we and Arlington Heights both requested additional funding to be able to do the Golf Road section adjacent to Market Place, Continental Towers, as well as New Wilke.

Alderman Buske: I'm lost on this. When we first voted on this I agreed because we had contacted Arlington Heights already and they agreed to go halves on this. We were just talking Algonquin Road when we passed this. If you're saying it shoved into Golf Road, when did this happen?

Mayor Rooney: I remember when they were adding a third part. That had to be over the last two years.

Mr. Vogt: Correct. It was right after the AARA Federal stimulus money became available in 2009. We were successful in getting the monies to do the East/West Frontage Road pavements and right about at the same time we put in for the Golf/Algonquin/New Wilke as a larger project. 2/3's of the project is still on the Algonquin Road corridor. It's only from Algonquin Road to New Wilke that is the Golf Road section. Arlington Heights has some of that and then New Wilke was added to that as well because there were additional AARA monies available through the Northwest Conference, we were the last project and basically got some of the leftovers which was about 950,000, which is no local obligation. That's just money up front. The remainder of the project, about 1.1 – 1.2 million dollars is where we're splitting with Arlington Heights. Our share comes out just under 300,000. It is complex.

Alderman Buske: We agreed if we didn't get a grant we wouldn't do it. Now you're putting other projects in.

Mr. Vogt: One thing that caused us to look at a bigger project and add New Wilke and Golf elements is that we would have had to pay a share of that anyway when we do someday the Golf/New Wilke intersection. The fact that we had almost a million dollars in no strings attached in AARA money, we felt that the money was more wisely spent to expand the project. I can certainly get you the background on it.

Alderman Buske: When this project is done, the Golf Road project will pick up the balance that's short by Portillo's. The only difference would be, did Algonquin have lanes changed for turn lanes?

Mr. Vogt: Not yet

Alderman Buske: That will be finished when they finish right now.

Mr. Vogt: That is a project for several years out.

Alderman Buske: They are going to put turn lanes later then.

Mr. Vogt: If we and Arlington Heights want to pursue that project in future years, we do have Federal money committed to that. It's just a matter of when we want to start that project.

Alderman D'Astice: I am adamantly opposed to a tax on natural gas. I will not vote for it, I don't want it in the budget, and if it's in the budget, I will vote against the budget.

Mayor Rooney: All eight of us need to make time to come in and go over the line items with staff.

### **3) TIF – Downtown Area**

Alderman D'Astice: The Economic Development Committee's charge is to come up with ideas and brainstorm to come up with ways we can generate economic development for the city. The downtown TIF district came up and by unanimous vote the Economic Development Committee is recommending to the city council that we be very proactive and look at establishing a new TIF district in the downtown area to be used to generate economic development. Specifically we want to do something with the old Dominick's. We tried for 8 or 9 years to let market conditions dictate what could be done and nothing has been done. The economy has not been our friend and now the Economic Development Committee again by unanimous vote is recommending to the city council, we looked at establishing a new TIF district. We feel nothing is happening now, we want to establish something, and if nothing continues to happen, then we can always give back the money, if there is more money to give back. If we don't increase the value, there is not increment financing. We just are looking at ways to do something and we specifically have targeted the old Dominick's. We want to make something happen there. Another idea is to give them the whole thing and see what happens. We don't want to let the public think that condemnation of that property is out of the question.

Mr. Bob Rychlicki of Kane McKenna and Associates: We had a meeting with the Economic Development Committee and went over the report we did last year. We looked at three areas along Kirchoff, the old TIF, the area adjacent to it which included the Rolling Meadows Shopping Center, and some of the frontage properties including the bowling alley, and the areas moving further down

Kirchoff where you have the funeral parlor, auto, and bank services. We looked at three types of tools for those areas. We also looked at a new program called the Business District which has some of the same findings, but not all the same findings as it relates to TIF and allows for imposition of a new sales tax up to 1% within an area. Handed out a one page summary and went over it. The TIF terminates this year, but really ends December 31, 2012. Discussed setting up a new TIF. Without an eligibility study or qualification report on the TIF, you really can't set up a TIF program. One idea would be to look at a wider area than just TIF 1 where your Dominick's and Taco Bell is right now. It would include some of the surrounding properties as part of the review that would include the Rolling Meadows Shopping Center, the bowling alley and some of the properties adjacent to where the Fire Station is and those auto repair and gas stations are, as well as that little strip center that fronts the Dominick's site. The idea would be that if it does qualify under Illinois Law, you'd have the study in place and to the extent the user was identified, you'd be able to do two things. You'd be able to move forward with a TIF designation. You'd still have to do all the formal processes as it relates to the public hearing, joint review board, which includes all your taxing districts, but you'd have the eligibility work done in advance. It would cost an estimated 10,000 - 12,000 to do the eligibility study. What you get for that is firming up the boundaries and we think we have a good sniff test as it relates to, that the area would qualify as a conservation area, but what we would start to put together is the documentation that basically takes you through the ring of fire in terms of discussions with the taxing districts that the area would qualify. We would also do some economic analysis as it relates to what kind of uses would provide for a way to beat the base and to actually generate positive income for the city.

Alderman D'Astice: This 10,000 cost, explain how we could possibly fund that.

Mr. Rychlicki: Because TIF 1 is in place, and this would be an expansion of that existing redevelopment concept, you couldn't fund the actual setup of the new TIF through the TIF 1, and again subject to the fact as it relates to the initial eligibility and what I would call evaluation of the area including the TIF, we thought that this initial eligibility could be funded out of your original TIF fund.

Alderman D'Astice: We have discussed with EDC other opportunities for the City to utilize the existing TIF funds. There would be a possibility to reserving some of the funds for marketing.

Mr. Rychlicki: Yes, you could.

Alderman D'Astice: We could take a portion or is there an amount of the existing 800,000 that we could set aside for marketing the existing development.

Mr. Rychlicki: There are no percentages. The number is the number.

Alderman Buske: We could form a TIF without the approval of taxing bodies. If you try to extend the TIF, then you have to have their ok.

Mr. Rychlicki: That is correct.

Alderman Buske: You said it was in Springfield and it could be changed. How is that working?

Mr. Rychlicki: As of this week there is still a movement to get the anti-TIF legislation in place. This would allow the taxing districts to have veto power over the creation of a TIF. Right now that is not the case. If you want to get a 12 year extension, then you have to get the concurrence of each and every taxing district. If you're just setting up a TIF on your own, the city council is where the power resides. One of these provisions that were in this bill basically changes that. Another thing that is changed is the ability to shuttle money between two TIF districts that lie side by side. They are also trying to change that. The third thing that we're seeing is right now the base remains flat over the term of the TIF and you get any increase over the base, one of the provisions in the new bill would be to index that base to the CPI, so that changes from year to year.

Alderman Buske: If we want to do something, let's not wait a year to do it.

Mayor Rooney: I am a wet blanket on 1/3 of this discussion. I commend the Economic Development Committee for trying to come up with a whole lot of options for us. Kane McKenna represented by Mr. Rychlicki has done admirable work in the past and if the council chooses to go down the TIF road, you couldn't be in better hands. I will adamantly oppose any effort to have this bringing things to downtown be TIF oriented. 23 years is the maximum limit on a TIF. The reason it has a 23 year limit is because when it was set up people said is this going to go on forever, and they were assured no, it would not go on forever, it would have firm limits and even with the extensions, 23 years would be the maximum. That TIF district has run its course. There might be legal maneuverings that you could do to circumvent the intention of a 23 year deadline, but that's circumventing the intention, in my opinion. You break a promise to the public when you undertake a legal agreement that you say can only last for 23 years and then at the end of the 23 years you say it still looks like crud, let's extend it. We've given people here a very hard time and rightfully so when they've taken advantage of a tax benefit from Cook County called the 6b that lasts for 7 years and they've come back and ask for extensions and we said no, you got your benefit for 7 years. I get that you can do it, I get that it's legal, but it's not within the intention of the original law and there's a lot of things you can do that you shouldn't do. I would also point out that this entire idea of financing to me, I can't stand it. This idea that we can dip into the TIF fund money, first of all let's talk to the receiver first as the one's who are entitled to that money as whether or not they need some of that to do the remediation on the site or whatever else, but secondly that is one of the provisions of the anti-TIF legislation that was proposed. We don't want people shoveling money from one TIF district to another TIF district because that is just not right. And then we're going to do a 10,000 version of it. I am more than happy to talk about the Business District that I read about. I like the idea. I'm more than happy to talk about a special service area even though I know people have turned against those, as well. 2/3's of this conversation is still open as far as I'm concerned, but I will adamantly oppose any kind of TIFing and that even includes TIFing down Kirchoff Road.

Alderman Banger: I agree with everything you said. I have a problem with TIF's also. The TIF concept has been abused throughout the State. I think we should be very careful when we start casting a wider net to TIF things.

Alderman D'Astice: Everyone is entitled to their opinion. I do not believe any TIF was abused in Rolling Meadows. There is a baseline that is established and any funds above that base line, that's the TIF money. We used that money to redo that area. I think we were successful with that until the time that Dominick's closed their doors. The owner of that property had a nine or ten year lease with Dominick's. Dominick's continued to pay that lease up until about 6 months to a year ago. The owner had no reason whatsoever to want to sell the property or do anything with it because he

kept collecting his money. When the City tried to do something not TIF related, he wanted to sell it to us for 9.2 million when the property was valued at 7 million. His lease with Dominick's is expired and he's walked away from it and turned it back over to the bank. The City has made numerous calls to the receiver and we're not getting anywhere. That's a problem. If nothing happens after 7 years, what happens?

Mr. Rychlicki: The City would have to terminate the TIF.

Alderman D'Astice: We could start a new TIF to try to generate something in hopes that we could make something happen in 7 years on a piece of property that has been vacated for 9 years. If we can't do anything in 7 years, the money we collected we turn back over to those taxing districts. It's a no lose situation. If we do nothing, they get their money back. I don't think we should throw away this idea because the City of Chicago may have abused it or somebody doesn't like the idea. Yes, Mr. Rooney, 23 years have come and gone. If we don't do something with that money, the taxing bodies deserve to have it back. We have an opportunity to take 10,000 of that and setup something new. We can all have opinions, we can all spin this how we want, but I think we really need to take a hard look at this and say is this good for Rolling Meadows or not.

Mayor Rooney: Some of us would argue that our opinions are not just spin and we would try and characterize the arguments that our opponents just made correctly. I guess I would say that I would agree with what Mr. D'Astice just said every time he phrases it as doing something. I'm firmly in favor of doing something, but when we start to equate something with TIF as the only option, that's where I part company.

Alderman Judd: You mentioned the word condemnation. If the receiver is not going to respond, is that a viable option or are we hamstrung because it's in receivership court.

Mayor Rooney: There's nothing like we have in closed session that would say because that's not on the agenda, because I think it is because of this topic. I think it is wise to mention that the idea is out there and let it go. As legal proceedings go on with condemnations, one of the things that have been used against cities in the past is the idea that they were waving it around any chance that they got. They talk about it so much everyone thought that's the way they were going to go. It would be my preference to say let's let that go here tonight to not fall into the trap that some other cities have fallen into. It's out there. Everybody knows it's out there. Let's not dwell on it and give someone fodder to come back later and say that's what we were planning all along because I will state categorically that's not the hidden goal of this process. It's a tool that we have as last result. Could it be used, sure, but there's no plan to get there and I would say if you don't mind, let's not be one of those councils that gives that impression. Thanked Mr. Rychlicki for his time.

#### **4) The Term Micromanagement**

Mayor Rooney: I heard the term "micromanagement" used as a weapon from the staff toward the council and heard the term used as a weapon from the council toward the staff as well. Lots of cities have mayors, lots of cities have aldermen, but not all have a city manager. The council's role is the role of a referee. If you're on the city staff, if you're a citizen who's dealing with city staff, the buck almost stops at the city manager. If you get all the way to the city manager and still don't feel like you've gotten your fair shake, who do you appeal to, the answer is the council. So the

council's role is to step in if they feel that staff has overstepped, hasn't followed a policy that was set by the council. Every change to the legal code it has to be approved by us. We sometimes get tempted to get into staff things. Having sat through conversations where this body is actually discussing the hourly rate that should be set for a position, the whole time I have been waiting for this to come up. When those come up, it's really not what we're supposed to do. We're supposed to be focused on the bigger things.

Alderman Judd: I do understand where you're coming from. We have a fiduciary responsibility to the residents and part of that responsibility is keeping an eye on certain things. Salaries, in my opinion, have gotten a little bit high and the benefits when you add it all together have gotten a little bit high, so part of our fiduciary responsibility is trying to bring those back in line. I agree that there is a slight degree of micromanagement, I also don't think that, I think the term micromanagement is telling them who to hire and how to hire them, what hours they are going to work, what their duties are going to be, so when we tell them you are only going to get 15 bucks an hour not 20 or you're only going to pay 45,000 not 70, I don't know that that's really a micromanagement tool. I think when we start talking actual dollars and cents; I don't think we're crossing a line.

Alderman Larsen: How do we divorce ourselves from setting a budget? As Alderman Judd said, do we just say your budget was 10.3 million last year, now it's going to be 9.9 million, make it work? What's wrong with that? We've got professionals working for us. They are well paid. Maybe the way we've been doing it, we're just so used to it that way that seems the better way. I don't know that that's such a bad idea. How much a particular person is paid within a job category is the responsibility of the Manager.

Alderman Banger: I think we can look for warning signs of micromanagement and try to stop it.

Alderman Buske: I hear the term high paid people should know everything. I think that's nonsense. To me micromanaging is how many envelopes, stamps, paperclips, paper, should be used. Just because you pay someone a large amount of money doesn't mean that you have to bow down to them. I have the highest respect for all the department heads. I've never worked with better people, but I don't have to agree when it comes down to budgets and I think that is our responsibility to watch the purse strings.

Alderman Larsen: In no way shape or form did I suggest that the council should be subservient to the desires of the managers.

Alderman Buske: I wasn't talking about what you said.

Alderman Larsen: I said we have well paid people here and I don't think they are flawless. I don't expect anyone to be flawless. Given that we've got very capable managers, that is a valid approach to say to set some type of a budget and say this is what we've got to work with and work backwards from there as opposed to these are all the things we want, how do we make them fit into the budget.

Alderman Buske: I agree with exactly what you said. I think Mr. Banger said our high paying people. I was just tired of hearing that.

Mayor Rooney: I don't think there is any where near the disagreement that some folks might think. I think we are all on the same page. I can tick off some examples of micromanagement, but I won't. Now that we've discussed this, I will not rule anything out of order, but from time to time when the things do come up, I might point out that you might not want to go down that road.

### **5) Signs for Contractors – “Right to Know”**

Alderman Buske: I received a letter from Mr. Steck. The letter was in regards to signage. He would like to place a sign out where he is working.

Howie Steck, 2206 Robin: I do contracting work all over, live in Rolling Meadows, received a citation for having a sign in a yard at a house that I was working on. You can travel anywhere and see no signage ordinances. This one is silly. I don't know why it is on the books. I can't find the history as to why this is on the books. I want to see if we can get this turned around. We put all our energy and time and money into our business. We work really hard. It would be nice if the City would back us with something we would like. This is something that is common sense. How can we back contractors in our City? Let us put a sign in the yard so when people drive by they can look at the project and call the number on the sign.

Alderman Buske: Thanked Mr. Steck for coming. All contractors and subcontractor's equipment, trucks, and trailers, and any drivable contractor equipment must be lettered. I believe lettering on trucks is better than signage.

Alderman Cannon: I would support what Mr. Steck talked about. We spend way too much time on signs. I don't see anything wrong with having a sign up and taking it down when the job is finished. My suggestion is to change the ordinance to allow them to put up a sign on the first day of the job and take it down after the final inspection. I don't feel they should have to put it up and take it down every day.

Alderman Banger: I agree with Mr. Cannon.

Alderman D'Astice: I agree with Mr. Cannon.

Alderman Buske: Are we opening a can of worms here?

Mr. Macholl: I'd have to take a look at what we currently provide for. I looked at this issue 5-6 years ago. I'd like to revisit it. It's certainly not along the same lines as signs in the right-of-way. The regulation is much more restrictive if you're talking about private property.

Alderman Buske: Either way is ok.

Mayor Rooney: If folks wanted to move forward, it would be placed in Mr. Macholl and Ms Dehner's lap.

Alderman Cannon: I would like to see Community Development doing community development, not chasing signs down the street.

Mayor Rooney: If this does come forward, I would want to see how are we handling when they don't take them down when they're supposed to. How are we handling when folks are not doing something. I would want to see those provisions. How many folks would like to see an ordinance developed to allow contractor signs in yards? That's direction.

Alderman Judd: Can we take a break?

Mayor Rooney: Without objection we'll take a five minute recess.

Recessed at 9:47pm.

Reconvened meeting at 9:57pm.

#### **6) 4-Day a Week Refuse Collection/Garbage Truck Disposal**

Mr. Vogt: At the July Committee of the Whole Meeting we had a discussion on Saturday refuse pickup and the cost. We did a study for a 4-day a week refuse collection to see if we could save money. However, after looking at it, it won't save us money to do that. We still have the same number of customers to serve. But on a 4-day, rather than a 5-day cycle, to collect then what currently is an average of 1200 customers a day, becomes 1500 customers a day. In order to do that, in order to run the cycle to the transfer station and back and be able to get that extra 300 per day, we estimate that our overtime exposure is significant on many days that could add up to 40,000 in additional overtime hours to make sure that we do get everything picked up. The overtime that we project that it would cost us additionally could be reduced significantly if we were to increase by one the number of refuse trucks to cover the routes, which would add an additional employee to operate that truck. With the salary and the maintenance operations for the additional vehicle, we project that could cost us up to 60,000 to provide that. Lastly we looked at the location of the tipping that we currently go to. The facility in Des Plaines, Glenview area on River Road, if we were to use the Veolia site on Berdnick Street, we would expose ourselves to increased transit costs in order to take the solid waste out to wherever we would make arrangements to dispose of that because we would have to use private haulers for that. The City has obligations as a member of SWANCC to provide for a certain tonnage to their facility. If we were to divert our solid wastes elsewhere, it would be an obligation for us to make up that difference or to get into some significant negotiations with SWANCC. We can certainly do that and pursue that, and I think it would be a good idea to do that with the SWANCC executive director at some point in the future. In doing this analysis and looking at our operations, several things came up that we would like to point out in terms of potential cost savings, one being yard waste. For several years we have been using the SWANCC facility for our yard waste disposal. We started looking at some other opportunities because we're not obligated for yard waste to take certain amounts of tonnage to the SWANCC facility and we did locate a couple of locations that we're going to try that we've already started that process. One is further away, one is closer, but charge different amounts. We project that if it does work out, we may be able to save up to 10,000 annually in terms of our yard waste disposal costs. Recycling initiative is another avenue that we pursued about 8 years ago in terms of recycling initiatives. In addition to the toter carts we started 3 years ago, added up so far to an 80,000 annual savings in terms of diversion of materials from solid waste disposal to the recycling disposal process. It might be the right time next year or in the foreseeable future to do another initiative and education process to try to increase that diversion out of the waste stream. The Berdnick Street transfer station is based on a 1996 or 1997 facility lease. We do get revenues from that for rent as

well as the amount of money we get on a per ton basis for refuse that goes through that station. That has a few more years to run, but we have during the past 14 years of its operation, not looked to discuss with the operator, which is currently Veolia, whether there is any opportunity to renegotiate that in advance of the lease expiring. It might be worth discussing whether we can change the revenue stream or if there is some quid pro quo in terms of any things that they may need that we should open negotiations on. I also point out some personnel costs certainly over the years in terms of the cost centers, in terms of talking about true ups, in terms of administrative fees and the like. Our refuse operation is reliant on the Finance Department in terms of a billing standpoint and the Public Works Department to serve as backup to the refuse collection because that is our first priority on a day-to-day basis. If we have vacations, absences, injuries, whatever it is, scheduling needs, we do have to draw from other divisions in order to cover our refuse operations. How we account for that could be an exercise if one wanted to emphasize or prioritize, no matter what we want to save money in the refuse funds to keep those costs down. We could start to look at all the hours that we don't spend in refuse, yet the salaries are being charged to refuse in order to do that. The caution that I have is that because the general fund street operations supports much of that on the backside. Whatever we saved in refuse would have to be paid for somewhere else. If we're willing to look at trying to true that up, or trying to be more accurate in terms of what the true costs of refuse collection is vs. what else the employees do every day, the other funds, whether it be water, sewer, or street operations is going to bear that cost because that's where the employees work if they're not doing refuse duties. We do have the opportunity with some new employee hires, based on the retirements. Those employees quite likely will spend a considerable amount of time in refuse in the upcoming year or years as far as training and as far as crossing training. If you truly wanted to do a true up in terms of what it costs us on the street to do the refuse, that may be able to be reflected in terms of the salaries that are assigned to new employees. It is significantly lower than what we saw with the retirees. Back to the Saturday operation in the future in terms of keeping those labor costs down, it's about 8,000 to do that Saturday collection. It is our recommendation that we keep refuse as a 5-day collection schedule. We don't see any cost savings to do a 4-day collection.

In terms of the refuse truck, previously it was declared surplus and was intended to be sold to the Palatine Township. They are anxious to get the truck. Our new truck was delivered two weeks ago. We put it in service last week. This truck is truly a surplus vehicle. It has been with us for 9 years. It's time to get rid of it and we recommend moving as quickly as possible to sell it to the Township.

Alderman Buske: I thought we were holding it until we got ours.

Mr. Vogt: We postponed it at the last council meeting.

Alderman Cannon: Mr. Judd said he would like to hold off until we decided if we were going to go to a different collection system or if we wanted to use the truck ourselves. We wanted to make sure we were comfortable with everything before we let it go. We didn't give a date.

Alderman Buske: It sounds like if we're going to sell them the truck, they want the truck.

Mayor Rooney: Yes, but I remember asking at that meeting, we deferred and it was ok to hang on for a while. We were going to hold on to it for a two or four week period while we tested and ran around with the new one just to make sure.

Mr. Vogt: The matter was postponed at the August meeting and is on the agenda for next week, the September 27<sup>th</sup> meeting for consideration. I did receive a phone call from the Township supervisor, that while disappointed that it was going to take some time, they understood that it's our call and that we're hopeful that we can complete this and sell them the truck by the end of this month because they have the need.

Mayor Rooney: It will be on the next meeting.

Mr. Vogt: That was our plan.

Alderman Buske: My concern was that we hold out on it too long and they are going to back out of buying it.

Mr. Vogt: They want it for yard waste collection and the season is coming up.

Alderman D'Astice: We would go from, for the 4-days a week, instead of collecting 1200 customers a day we would have to go to 1500

Mr. Vogt: Correct.

Alderman D'Astice: Currently our employees are working a full 8 hour shift?

Mr. Vogt: Correct. They work an 8 hour shift. They complete the refuse operation part of that in typically 6, 7 hours on a typical day, not a heavy day such as holiday weeks.

Alderman D'Astice: Currently they are collecting 2.5 houses a minute; if we moved it up to 1500 we would be collecting 3 houses per minute. If they currently do 6 – 7 hours, we can't get more productivity. Instead of collecting 2.5 houses a minute, they collect 3 houses per minute. If they are doing it in 6 on a regular day, they need 8 to do it in the future.

Mr. Vogt: When we looked at numbers alone, it felt much the same. There are a lot of logistics that need to be looked at. If we just looked at the numbers, it loses a lot of logistics.

Alderman D'Astice: I'm challenging us to know so that I know that we are not looking at doing this the same way we've always done this. If we do, that's all we'll get. I just want to make sure we didn't look at this and say this is how we do it and if we continue doing it the same way, this is how it's going to be. Have we challenged ourselves to look at it differently to try to re-work this, to try to redesign this, to look at this a different way. If we look at it the same way, I agree, it's just going to be the same thing. Have we looked at it as differently as possible? Are you convinced that we've looked at it as differently as possible that we can't do it any better than we're doing it right now?

Mr. Vogt: I've spent enough time on this and with staff to be confident that we have looked at different scenarios. We've looked at working 4 ten hour days. Logistically what that does to the employees in the summer months did not make a lot of sense to us.

Alderman D'Astice: I looked at the numbers and I want to make sure that you have challenged yourself to look at different ways to doing this and if you're convinced that you have, you are the professionals, so I'll have to go along with that.

Mr. Vogt: The exercise was not to see how this wouldn't work, it was one of what would we do to try and make it work.

Alderman Cannon: What happens to the truck overnight? Do they work on them?

Mr. Vogt: No, not unless there is an emergency.

Alderman Cannon: Why would a driver spend one hour of his day looking at the truck, making sure everything works alright in the morning and then do it again at night. Do they fuel the truck every day? Do they use that much fuel?

Mr. Vogt: Fuel the trucks, check the grease. Do we fuel them everyday, Bill?

Mr. Suchecki: We fuel them everyday. We don't want to stop in the middle of a load to go refuel the truck.

Alderman Cannon: That makes perfect sense. If the truck checks out at 2:00 at night, why the next day it has to be inspected again? It seems odd to me.

Mr. Suchecki: It is part of our requirement because we hold a CDL to do a pre-trip inspection. Every morning they need to do a pre-trip inspection. At the end of the day, we check our trucks out again because if there is anything wrong with it, our mechanics work until 3:30. They can have that shipped back to the mechanics and have it fixed and ready for the road at 6:00. Our mechanics don't start until 7:00, otherwise they're waiting for an hour to get that truck looked at and repaired. They fuel them, grease them, clean them and check them out again.

Alderman Cannon: The subdivision I live in has 28 houses. On a normal day they are done in 12 minutes at the most. That's 28 houses so you should be able do 400 stops in 4 hours.

Mr. Vogt: Just because we do 28 stops in your area, it doesn't take into account the other traffic time. I would be happy to run some of that again for you.

Alderman Cannon: They seem to be in a rush to wherever they are going.

Mr. Suchecki: It's not only the home count. It takes an hour to haul it.

Alderman Cannon: They use six hours of their day between getting the truck checked out, doing the first load, and doing lunch. They still have two full hours to do other stuff.

Mr. Vogt: Refuse operations to some extent supports street operations and vice versa. Because we're not just a separate refuse collection entity, we do work side by side. We rely on street maintenance staff to fill in from time to time, or at the very heavy times and vice versa.

Alderman Banger: I don't have any comments on the numbers. If we could dump at our tipping station on Berdnick, that would be a huge savings. You mentioned transporting yard waste. How soon are you going to be able to drop off at Great Lakes?

Mr. Vogt: We've already started that process to evaluate those two facilities and will continue to do so this fall.

Alderman Banger: We are not under any obligation to do yard waste at SWANCC are we?

Mr. Vogt: No

Alderman Banger: We should be doing Great Lakes. Things that we can pull out of our waste stream, like phone books, maybe that could be considered, because these are tons of pounds of recyclables.

Alderman Judd: I wanted to eliminate the overtime being picked up on the holidays. You're paying them for Labor Day, then you're paying them the four regular days, then you pay them overtime on Saturday. We do 1390 residents, because we do the Friday pickup. You can do all that in a matter of 3 guys in five hours. Yet, when we have other days that we only have 1000 residents to pickup, we end up with extra time. Tuesday you have 30% less people. Thursday you've got 30% less pickups. I don't understand how these numbers work.

Mr. Vogt: We do put more than 3 people on Saturdays. We put seasonals on whenever we can in order to, our mission on Saturday is to get it done, get in and get out as quickly as possible. If I've got seasonals in the summer, if I've got a seasonal or two that's available.....

Alderman Judd: I'm talking about your hours, whether it's a seasonal guy or a full-time guy, that's irrelevant. I'm looking at the total number of hours. We brought a garbage truck that cost us 250,000. We made a huge error buying this truck without making sure that this is what we wanted to do. Now you're saying we can't switch the carts, correct, without a huge cost.

Mr. Vogt: We can't switch to carts?

Alderman Judd: Correct

Mr. Vogt: That's something that staff is suggesting that we look at, in the future, in terms of evaluating that. There may or may not be ways to collect garbage as we transition. That is something I would never expect to propose as we did with recycling where everyone got a cart and we switched over over the course of one weekend or as quickly as we could deliver the carts. If we were going to consider going to toter carts and automating, I think we would likely recommend that we would phase that in over several years so that we could purchase the right trucks.

Alderman Judd: Well we just purchased one. We could have started that process but instead we didn't.

Mr. Vogt: If we want to look at that process, that's up to the council to direct us to do that. We can start that process at any time.

Alderman Judd: I guess we can do what we talked about and Mr. Larsen said maybe it's not a bad idea to say this is your number, work with it. I want to eliminate overtime on holidays. I'm not sure why that can't be done. Instead of taking the hour to drive to SWANCC we could go right across the street to Berdnick.

Alderman Banger: I'd love Mr. Vogt to find out when the next garbage truck would be at its normal end of cycle and at that point we could start looking at transitioning one at a time.

Mr. Vogt: That is probably the soundest way to do that. 2013 would be the next likely replacement of a truck.

Alderman Banger: I'd be a big fan of definitely having that set up that we can evaluate at that time.

Alderman D'Astice: I agree with what Brad & Rob said. My question is on the holiday weeks, the person is off on Labor Day and they get paid their 8 hours holiday pay, they work Tuesday, Wednesday and Thursday, so they work 32 hours. Why do they get time and half on Saturday if they haven't worked 40 hours? Isn't time and half after 40 hours?

Mr. Vogt: I believe holiday pay is part of that 40 hours.

Mayor Rooney: If you don't do that, it's not a holiday. It's somebody being forced to shift their work day one week. Then you didn't get a day off that week. If you work a five day week during a holiday week, it's not a holiday.

Alderman D'Astice: Is that a government thing?

Mayor Rooney: Overtime and holiday pay are not the same thing.

Alderman D'Astice: Monday is a holiday and you get your holiday pay. Then you work Tuesday, Wednesday, and Thursday so you work 32 hours. Now you work Saturday. You haven't worked 40 hours, so why are you getting time and half?

Mayor Rooney: You're getting holiday pay because of a holiday. Maybe it is a government thing, but quite frankly, in this particular case, the reason why government gives holidays is to try to set the example that that is what a holiday is. Maybe if folks don't do it, they're actually getting short sheeted rather than government doing it the wrong way. If every time Labor Day comes around, you're telling me I'm going to have to work Saturday and get nothing different than I get any other week, it's not a holiday.

Alderman D'Astice: I'd like an opinion from HR for overtime.

Mayor Rooney: You can have that, but it's not going to happen tonight.

Mr. Vogt: That is exactly one of the topics I was referring to earlier. I was talking to our city manager about some scheduling options that we may look at for those Saturdays.

Mayor Rooney: Mr. Vogt, can you with 7, 8, and 9, I believe we would categorize all those as reports that you wouldn't need feedback from us on. Is that correct?

Mr. Vogt: For items 7 & 8, that's correct. For item 9 we are looking for direction from council as to continuing that program.

Mayor Rooney: We'll push 7 & 8 to the report part of next week's meeting.

### **7) Recycling RFP's**

Moved to September 27, 2011 Staff Reports

### **8) Flooding Update**

Moved to September 27, 2011 Staff Reports

### **9) Senior Snow Plowing Program**

Mr. Vogt: We need council's direction as to whether we should continue the Senior Snow Plowing Program.

Alderman Buske: I've supported this for all these years and I will continue to do so.

Alderman Larsen: I too think it is a good program. However, I'm going to be asking the City Manager to put together a proposed budget that will not include tax increases. He would then go to each department head and say what would each of your department's look like with this much less revenue coming in. If it turns out that this 15,000 is something that Mr. Vogt doesn't see being able to fit into his budget, then that would be something that, then we would know what the difference is between what are we giving up because there's a lot of people out there that are saying I don't want my taxes increased. That's conceivable, but this is what it will potentially look like and then let the residents have further input as to well, I didn't mean that I wanted to give up that or this. Then we can make a little more informed decision when it comes down to actually laying out the budget.

Mayor Rooney: As far as it relates to this particular item, you stand?

Alderman Larsen: I'm not opposed to it. It could be that this would be on the table for potential reduction.

Alderman D'Astice: I agree with Mr. Larsen. I'm not opposed to this, but it costs \$3.00 more on their tax bill. For the time being, I'm ok with it because I don't want to short change anyone from a service we have provided. However, Mr. Larsen and I had talked briefly about it and we're of the same mindset that we will probably be asking staff to do what was suggested. Here is your dollar amount, what does that picture look like? If this is in that picture, then great, and if it's not, then residents you said you don't want any tax increase, here's what it looks like with no tax increases. For the time being, I'm good with it, but I'm going to be asking staff to do the same thing Mr. Larsen is.

Alderman Banger: I would not go that route because this is an item that I wouldn't want to give anyone an opportunity to take away. I'm going to support this.

Alderman Larsen: By no means do I want to single out this particular program. I will vote to move forward with it.

Mayor Rooney: Show of hands, how many want the Public Works Department to continue with the Senior Snow Plowing Program. That's enough hands, you have your direction.

**CLOSED SESSION:**

**1) Personnel – 5 ILCS 120/2 (c) (1) of the Illinois Open Meetings Act**

The question is should the council go into closed session?

AYES: Cannon, Allen, Buske, Judd, Banger, D'Astice, Larsen

NAYS: 0

ABSENT: 0

The Mayor advised the press and audience that no action will be taken when we come back.

Entered into Closed Session at 11:00pm

Entered into Open Session at 11:21pm

Unanimous Consent to adjourn the meeting. Committee of the Whole Meeting adjourned at 11:22pm.

Respectfully submitted by Ginny Cotugno, Deputy City Clerk

The September 20, 2011 Committee of the Whole minutes approved at the October 11, 2011 Council Meeting

---

Ginny Cotugno, Deputy City Clerk