

**COMBINED MEETING OF THE GENERAL GOVERNMENT COMMITTEE AND
PUBLIC WORKS AND WATER COMMITTEE MINUTES**

June 8, 2016

Presidents Chambers

3:00 p.m.

Present

General Government Committee Chair Glowiak, General Government Committee Member Gallagher, Public Works and Water Committee Chair Allen (by phone), Public Works and Water Committee Member Hansen, Village Manager Higgins, Deputy Village Manager Velkme, Director of Municipal Services Matthew Supert, Director of Finance Grace Turi, Municipal Services Coordinator Casey Biernacki, Ridgewood Residents: Bob Wiegmann, Janet and Paul Wallin

Electronic Attendance at Meeting: Public Works and Water Committee Chair Allen attended the meeting by telephone because he was unable to attend physically because of employment. 5 ILCS 120/7(b)

Chair Glowiak called the Combined Meeting of the General Government Committee and Public Works and Water Committee to order at 3:00 p.m.

Agenda Items

1. Public Comment

Resident Bob Wiegmann said he was present to learn more about the roadway referendum. Director Supert stated that an opportunity for questions and public comment on that topic will be provided during the discussion of the roadway referendum matter. There were no other comments.

2. Approval of Minutes

Chair Glowiak moved, seconded by Committee Member Gallagher, to approve the minutes of May 8, 2016 as amended.

3. Roadway Referendum

The committee continued discussion on placing a binding referendum on the November 8, 2016, General Election ballot requesting bonding authority to fund street improvements for the Village's 2017 street improvements program. Manager Higgins said the purview of this committee is to superintend the process and to determine the amount and which one of these financial options appears to be the most viable. It is up to the Public Works and Water Committee to make a recommendation

on which roads the Village will eventually improve. Director Supert said the annual roadway review process sets the standard and procedure of how roads get prioritized. Manager Higgins said the only question and issue affecting the amount is whether the Village decides to fund a well out of the referendum funds and build the well sooner rather than later so there may be a water component to the referendum question. Trustee Glowiak asked if that would need to be separate. Manager Higgins said that inclusion would be dependent on how the roadway referendum question is written.

General Government Committee Chair Glowiak asked Director Turi to report on the various financial options to fund the street improvements based on several assumptions. Director Turi provided repayment schedules and the estimated annual impact to an average homeowner's tax bill on two bond issue options: \$10 and \$12 million. Manager Higgins advised the assumptions provided by Director Turi today were based on an average taxpayer's bill, at the median of the array of 4,500 tax bills, which is at an approximate market value of \$500,000 (EAV \$101,000). Director Turi said the referendum bond debt service will be based on how the Village decides to split it up, whether over a 20 year period and in one or several parts. Further, Director Turi said the annual debt service is placed on the property tax levy as an item which is going to be paid by the tax levy. Director Turi stated that the average tax increase per household for property taxes would be approximately \$131, assuming a \$10 million bond issue, 4% interest, starting in 2017. This equates to \$760,000 in debt service annually.

Director Turi provided several possible debt service schedules assuming various amounts and payment schedules splitting up the bond issues. The highest annual average household impact based on other assumptions for a \$10 million bond issue is \$156. Manager Higgins noted that the proceeds of referendum funds must be issued over 5 years and spent over 8 years. Further discussion on the assumptions and repayments followed. A \$12 million bond issue, at 20 years, would increase annual debt service approximately \$915,000 (average household impact \$157 per year) or with staggered issuance, \$1,096,000 annual debt service (average household impact \$189 per year). These amounts were provided as examples based on bond issuance terms. Committee Member Allen asked about the interest rate used in the assumptions, which is 4%, and what impact a 3% interest rate would have. Director Turi said the lowered interest rate would lower the debt service.

Member Allen asked about the contract the Village recently signed with Baxter Woodman for work on a loan application to secure a \$3 million water system loan through the IEPA. Director Supert noted that the only item clearly defined as part of that loan application is the painting of the two tanks. Other projects could include a new well, water distribution system improvements or other improvements to the water infrastructure.

With regard to the proposed Referendum Bonds Series 2017, Director Turi said that no matter what the amount is recommended, it should be noted that the referendum debt service will be added to the Referendum Bond Series 2009 and Referendum

Bond Series 2012 which came from the 2008 roadway referendum. Those two bonds were structured evenly and repayments run through 2025. Further discussion about the structure of the bond issue followed. Once the determination of the dollar amount of the referendum question has been determined, the average annual impacts will be revisited. Trustee Allen asked how the motor fuel tax played into this analysis. Director Turi said it doesn't. The motor fuel tax represents approximately \$300,000 annually and the Village has been accumulating the funds to supplement the roadway program including resurfacing and asphalt work. Committee Member Gallagher asked Manager Higgins how confident he is that the motor fuel tax funds will continue to funnel to the Village from the State. Manager Higgins said he felt reasonably confident that would continue.

Mr. Wiegmann asked what came first, the \$10-12 million proposal or a look at the roads. Director Supert explained the evaluation of roadway program and said the proposed referendum figure was determined based on need along with what sort of funds request the taxpayers will accept for roadway improvements. Mr. Wiegmann referenced the Baxter Woodman Ridgewood Infrastructure Study and the needs identified in it. Mr. Wiegmann asked what percentage of the problem the \$10-12 million would address. Director Supert said the Baxter Woodman study does not address when the repairs should take place and the prioritization of the Ridgewood roadway repairs which must be considered. Director Supert encouraged Mr. Wiegmann to review the roadway ranking on the website and to contact him with any questions.

Director Supert explained the process of evaluating roadways in the Village and directed him to the Village website to see the in-depth information on the process. Mr. Wiegmann also expressed concern that Ridgewood roadway improvements be included in the proposed roadway referendum. Further discussion on determination of roadway improvements and planning followed. Mr. Wiegmann also expressed concern about the poor condition of the roadway in the subdivision. Director Supert said the road maintenance is an ongoing program. It is never over. Mr. Wiegmann said including the well in the roadway referendum projects would detract from the improvements to roadway in Ridgewood and to the Village as a whole. Director Supert said the roadway referendum is a balancing act in terms of what the taxpayers will bear based on what funds are needed. The well issue is a separate issue which staff wants to try to remedy to avoid using Well #1 for back-up. The referendum funds would allow for a quicker remedy to the new well funding. Discussion on the need for a new well followed. The \$12 million proposal would include the new well. Manager Higgins said the options should be presented to the Board and a consensus must be reached. General Government Committee Chair Glowiak will provide the Board with an update on the process at the June 13 workshop meeting. The goal is to approve a referendum ordinance or resolution no later than the July Board meeting cycle.

4. Ordinance Ascertaining Prevailing Rate Of Wages For Laborers, Workers And Mechanics Employed On Public Works Projects In The Village Of Western Springs

A draft prevailing wage ordinance was presented to the committee. Illinois law requires all public bodies to ascertain the prevailing wages for laborers, workers and mechanics employed on public works projects. This ordinance must be approved by the Village Board in June. In addition, the ordinance must be published in the local papers and must be filed with the Illinois Department of Labor by July 15, 2016.

The Act requires contractors and subcontractors to pay laborers, workers and mechanics performing services on public works project no less than the current "prevailing rates of wages" in the county where the work is performed. These rates do not apply to the employee wage rates of the Village of Western Springs. The Cook County Prevailing Wage rates were not yet available as IDOL is reassessing the wage rates in the month of June 2016 and will likely post any changes to the IDOL website prior to July 1, 2016 which is later than usual. The 2015 PWA wage rate data is being used by the Village as a placeholder for the resolution. As soon as IDOL makes the wage rate determination the rates will be included. If IDOL makes no change to the wage rate determination, this data will carry over to 2016. The draft ordinance will be presented to the Board on June 13 with approval intended for June 27, 2016.

5. Other

Manager Higgins requested a General Government Committee Executive Session to discuss personnel matters on Tuesday, June 28, 2016, at 3:00 p.m.

Adjourn

With no further business to discuss, Member Gallagher moved, seconded by Chair Glowiak, to adjourn the meeting at 3:39 p.m.

Respectfully submitted,



Elaine Haeske
Deputy Village Clerk