

**CITY OF OAKBROOK TERRACE
MINUTES OF THE REGULAR CITY COUNCIL AND
COMMITTEE OF THE WHOLE MEETING
TUESDAY, AUGUST 27, 2013**

I. CALL TO ORDER

The Mayor called the August 27, 2013, Regular and Committee of the Whole Meeting of the City Council to order at 7:00 P.M.

II. ROLL CALL

Roll call indicated the following Aldermen were in attendance:

Present: Esposito, Przychodni, Shadley, Thomas, Vlach, and Mayor Ragucci
Absent: Sarallo

Also in attendance were City Clerk D. Greco, City Attorney R. Ramello, Police Chief W. Holakovsky, Finance Director A. Marrero, Building and Zoning Administrator M. Dragan, and D. Lynch of Christopher B. Burke Engineering (CBBEL).

III. PLEDGE OF ALLEGIANCE

The Mayor led everyone in the Pledge of Allegiance.

IV. ADDITIONS OR DELETIONS TO THE AGENDA

None.

V. APPROVAL OF MINUTES – CHANGES OR CORRECTIONS

1. Regular Meeting Minutes Of August 13, 2013

Motion to approve the minutes of the August 13, 2013 Regular City Council and Committee of the Whole Minutes as presented was made by Alderman Przychodni and seconded by Alderman Shadley.

Ayes: Esposito, Przychodni, Shadley, Thomas, and Vlach

Nays: None

Motion passed.

VI. PUBLIC PARTICIPATION

None.

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VII. ACTION ITEMS/CONSENT AGENDA

1. Payment of City Bills, August 27, 2013 In The Amount of \$130,186.63.
2. Personnel & Payroll Report For July 2013.
3. Treasurer's Report For July 2013
4. Ordinance No. 13-41: An Ordinance Approving And Ratifying The Issuance Of A Purchase Order To Currie Motors – Frankfort For A 2014 Ford Escape For The City Of Oakbrook Terrace, Illinois
5. Ordinance No. 13-42: An Ordinance Approving And Ratifying The Issuance Of A Purchase Order To Currie Motors – Frankfort For A 2014 F-350 XL For The City Of Oakbrook Terrace, Illinois
6. Resolution No. 13-20: A Resolution To Approve And Authorize The Execution Of An Economic Incentive Agreement Between The City Of Oakbrook Terrace And Sirva Worldwide, Inc.
7. Resolution No. 13-21: A Resolution Authorizing And Approving A Revised Intergovernmental Agreement And A Permanent Easement Agreement Between The City Of Oakbrook Terrace And The Oakbrook Terrace Fire Protection District For The Relocation Of The Tornado Warning System In The City Of Oakbrook Terrace, Illinois.
8. Resolution No. 13-22: A Resolution Awarding And Authorizing The Execution Of A Contract For The 2013 Curb Replacement Project For The City Of Oakbrook Terrace, Illinois

The Mayor asked the Council if there were any items to be removed from the Consent Agenda. Hearing none, he asked for a motion to approve the Consent Agenda.

Motion to approve all the items contained on the Consent Agenda as presented for August 27, 2013 was made by Alderman Shadley and seconded by Alderman Esposito.

Ayes: Esposito, Przychodni, Shadley, Thomas, and Vlach

Nays: None

Motion passed.

VIII. ITEMS REMOVED FROM THE CONSENT AGENDA

None.

IX. RECESS TO THE COMMITTEE OF THE WHOLE

Motion to recess to the Committee of the Whole portion of this meeting was

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made by Alderman Shadley and seconded by Alderman Przychodni.

Ayes: Esposito, Przychodni, Shadley, Thomas, and Vlach
Nays: None

The Regular Meeting recessed to the Committee of the Whole.

X. MAYOR RAGUCCI

1. Presentation of 4th of July Platinum Sponsorship Plaque –Flood Brothers.

Ragucci presented Bob Flood, of Flood Brothers Disposal Company, with an appreciation plaque for the company's generous \$10,000 sponsorship for the City's July 4th concert and fireworks. Ragucci indicated that Flood Brother has been the Platinum Sponsor for the past three (3) years. Ragucci and the Council thanked Flood for the generous donation.

2. 2013-2015 Goals & Objectives Action Plan

Marrero said the Goals & Objectives package will be distributed within the next couple of weeks and a meeting date to discuss these will have to be set at the next Council meeting. Marrero explained that during the goals and objectives session the Council meets with senior staff members to go over City-wide goals, while staff develops departmental goals. Marrero explained the goals will be ranked and then become a formal plan for the City.

XI. COMMITTEE OF THE WHOLE CONSIDERATIONS

1. Investment Advisory Agreement - Sawyer Falduto Asset Management, LLC.

Marrero said the proposed agreement was omitted from the packet in error. Marrero apologized and said she would provide copies of the agreement to all the Council members before the next meeting. Marrero said approximately a year ago, Mr. Tom Sawyer and Mr. John Falduto made a presentation to the Council about their firm. Marrero said at that time, the City was starting to look at other investment management firms, but was not ready for a formal switch.

Marrero indicated that staff is experiencing customer relations issues with MB Financial, the current investment advisor. Marrero added that the customer service has been relatively poor for the past several years. Marrero said the Police Pension experienced some serious issues with MB Financial and switched to Sawyer Falduto Asset Management.

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Marrero recommended that the Council consider switching to Sawyer Falduto Asset Management as well. Marrero noted that the City has worked with Sawyer Falduto in the past.

Tom Sawyer of Sawyer Falduto Asset Management addressed the Council and summarized his professional experience. Sawyer noted his firm manages investments totaling \$998 million and represents 76 pensions as well as other local government entities. Sawyer said his firm charges 15 basis points. Marrero noted that MB charges 20 basis points. Marrero reported that the City currently has approximately investments of \$2.8 million managed by MB Financial, which could be switched over.

Ragucci said the investment agreement will be distributed to the Council this week. Ragucci said Sarallo contacted him and that he is okay with this agreement as well. The Council concurred to place this item on the next consent agenda, given after their review of the investment agreement they do not have any problems with it.

2. Budget Recap – New Police Station/City Hall

Chris Kozak addressed the Council and provided an estimated budget summary for the new Police Station and City Hall remodel. Kozak stated the budget process has five (5) phases including: schematic design, constructability reviews, value engineering, design development, and guaranteed maximum price. Kozak explained for the last two (2) weeks the budget process has been in the constructability review and value engineering phase. Kozak said during the constructability review, his firm is looking at the design to achieve efficient work flows for the contractors. Kozak explained that during the value engineering phase, the building team determined which options to include in the building design.

Kozak said the building project is currently in the design development phase. Kozak said the next and final step will be getting to the guaranteed maximum price. Kozak discussed the estimated budget for the project as indicated in the tables below.

Estimated Construction Hard Costs

General Requirements (<i>temporary fencing, survey work, etc.</i>)	\$86,800.00
Site Work Costs (<i>parking, lighting, etc.</i>)	961,851.33
New Police Station Costs	5,120,395.51
City Hall Renovation Costs	<u>1,648,146.50</u>
Total	\$7,817,193.35

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Estimated Construction Soft Costs

Subcontractor Bonds	\$126,052.24
Estimated Construction Manager Costs	578,627.00
Insurance	125,379.55
Construction Manager & Performance Bonds	97,714.92
Design Consultants (<i>Williams Architects</i>)	970,000.00
Fixtures, Furniture, & Equipment	400,000.00
Miscellaneous Owner Cost Allowance	<u>70,000.00</u>
Total	\$2,367,773.56

Total Budget Recap

Construction Hard Costs	\$7,817,193.35
Construction Soft Costs	2,367,773.71
Contingency (<i>7.5% of the budget</i>)	<u>586,289.50</u>
Total	\$10,771,256.56

Kozak explained the contingency will go down to 5% of the budget, once the guaranteed maximum price is determined. Vlach asked if the entire contingency is not used, do they still charge the City this amount. Ramello replied said no the contingency was not included in the contract. Ramello added that the contingency is a budgeted item, not a contract item.

Kozak said the design phase should be completed by October 23, 2013. Kozak projected that the new Police Station will take 12 months, while the City Hall renovation will take four (4) months. Kozak explained two the (2) bidding processes available to the City.

Kozak said the traditional full public bid process entails breaking down the project into 35 trade packages and doing a public advertisement whereby the contractors respond with sealed bids and typically the lowest bidder is selected. Kozak said there is the lowest qualified bidder, but there are steps that must be met in order to disqualify a bidder.

Kozak said the modern approach to bidding has evolved over the last 20 years. Kozak said with this approach Harbour will work with the City and Williams to develop a contractor list. Kozak explained the proposed contractors will have good references, be financially solvent, and have experience with this type of project. Kozak explained that Harbour will review all the bids and then make a recommendation to the Council with a minimum of three (3) bids for their review. Kozak said the modern approach allows for higher qualified contractors, offers more flexibility for local participation, and fewer change orders. Kozak said it is up to the Council as to which way they would like to proceed.

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Marrero said over the past several months, key staff met with Williams and Harbour on several occasions to discuss preliminary budgets during the value engineering phase. Marrero noted the preliminary budget presented by Harbour was much higher than the City's capital budget, and some cuts were made. Marrero said staff closely reviewed each line item within the development budget to ensure the cuts would be more in line with the FY 2014 budget amount. Marrero added in reviewing the development budget, staff achieved approximately \$535,000 in savings. Marrero said the total project estimate is \$10.8 million, while the City's FY 2014 budget is \$9.8 million, for an overage of \$1 million. Marrero said the overage is due to construction manager fees and insurance costs, which were not anticipated when the budget was compiled.

Ragucci recommended that the modern bidding approach be used for the project because it saves time and allows for qualified bidders. Thomas said he was initially opposed to utilizing a construction manager for the project. However, Thomas indicated since that time, he has had a chance to discuss this approach with a church that utilized a construction manager and extolled the benefits of hiring a construction manager. Thomas expressed that he now sees the value in hiring a construction manager. Marrero said with a project of this magnitude the construction manager has been wonderful and justified.

3. Letter Of Recommendation To Allow A Municipal Campus

Dragan stated a public hearing was held before the Planning and Zoning Commission to consider the City's request for a special use for a preliminary and final planned unit development (PUD), a special use to allow a Police Station and the City Hall building, and variations from the Zoning Code. Dragan stated at the public hearing the architect, landscape architect, and civil engineer presented the proposed plans for the new Police Station and City Hall renovations. Dragan stated the Planning and Zoning Commission voted in favor of this request.

The Council concurred to direct the City Attorney to prepare the necessary ordinances for the next consent agenda.

4. Plat of Consolidation For The New Police Department/City Hall

Dragan referenced the plat of consolidation included in the agenda and the memorandum from D. Lynch of CBBEL. Lynch said the purpose of the consolidation is to combine the existing eight (8) lots one into (1) lot for zoning purposes. Lynch added that the plat includes the vacating of public utility easements. Lynch said the overhead utilities on the property have been ordered for removal, which is pending. Lynch explained that vacation of this easement will clean up the property legally and administratively so that the utilities no longer have a right for a utility in that corridor.

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The Council concurred to direct the City Attorney to prepare the necessary ordinance for the next consent agenda.

5. Request To Propose Surplus Of Personal Property – 2000 Ford Crown Victoria

Ragucci indicated the Public Services Director has requested that the 2000 Crown Victoria be auctioned on E-Bay, which has been successful in the past. The Council concurred to direct the City Attorney to prepare the necessary ordinances for the next consent agenda.

6. Status Report Payout Number Five (5): Harbour Contractor's Inc – New Police Department/City Hall Renovation.

Ragucci asked for consideration for Payout Number Five (5) in the amount of \$23,136.75 for Harbour Contractor's Inc. Ragucci stated that Harbour is requesting payment for overseeing the demolition and site clean-up of the old Public Services garage, which was delayed due to the holdup for the termination of utilities. The Council concurred to place this item on the next consent agenda.

7. Additional Curb Replacement Proposal

Lynch said at the last meeting the Council directed staff to utilize the remaining budget for the curb replacement program. Lynch added that the Council suggested that 16th Street be outfitted with additional curbs. Lynch said he worked with Ward and they are recommending that 16th Street from Monterey to Leahy be curbed on both sides of the street with the remaining budget. Lynch noted that this work will tie-in nicely with the curb work being done on Wainwright. Esposito asked how many additional square feet of curb will be constructed. Lynch replied approximately 1,250 lineal feet.

The Council concurred to vote on this during the reconvened meeting.

XII. COUNCIL MEMBER COMMENTS

Thomas said he recently had a conversation with a resident who expressed concern about temporary signage throughout town. Ragucci said this issue has been discussed before and he recently told Dragan that this was going to be reviewed in September. Ragucci added that permission to use the feather-type signs would possibly be based upon square footage.

XIII. CITY MANAGER CARPINO

None.

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XIV. CITY ATTORNEY R. RAMELLO

None.

XV. CITY CLERK GRECO

None.

XVI. RECONVENE THE CITY COUNCIL MEETING

Motion to reconvene was made by Alderman Shadley, and seconded by Alderman Thomas.

Ayes: Esposito, Przychodni, Shadley, Thomas, and Vlach

Nays: None

The Regular Meeting of the City Council reconvened.

XVII. OLD BUSINESS

8. Ordinance No. 13-43: An Ordinance Authorizing The Execution Of A Contract For Additional Curb Replacement Work For The City Of Oakbrook Terrace, Illinois.

Motion To Approve Ordinance No. 13-43: An Ordinance Authorizing The Execution Of A Contract For Additional Curb Replacement Work For The City Of Oakbrook Terrace, Illinois was made Alderman Thomas by and seconded by Alderman Przychodni.

ADJOURN

Motion to adjourn was made by Alderman Przychodni, and seconded by Alderman Esposito s at 7:37P.M.

Motion carried unanimously.

Submitted,

Aileen Haslett
Recording Secretary