

**CITY OF OAKBROOK TERRACE
MINUTES OF THE REGULAR CITY COUNCIL AND
COMMITTEE OF THE WHOLE MEETING
TUESDAY, NOVEMBER 26, 2013**

I. CALL TO ORDER

The Mayor called the November 26, 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, Sarallo, Thomas, Vlach, and Mayor Ragucci
Absent: Shadley

Also in attendance were City Clerk D. Greco, City Attorney R. Ramello, and Finance Director A. Marrero.

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 November 12, 2013

Motion to approve the minutes of the November 12, 2013 Regular City Council and Committee of the Whole as presented was made by Alderman Vlach and seconded by Alderman Przychodni.

**Ayes: Esposito, Przychodni, Sarallo, 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, November 26, 2013 In The Amount of \$1,065,185.38.
2. Personnel & Payroll Report for October 2013
3. Treasurer's Report for October 2013
4. Approval Of Contribution Payout To RB/W Associates (Wendland) In An Amount Of \$33,000 For The Water Main Project Located At 17W642 Butterfield Road.
5. Resolution No. 13-27: A Resolution Adopting The 2012 DuPage County Natural Hazards Mitigation Plan As The Official Natural Hazards Mitigation Plan Of The City Of Oakbrook Terrace.
6. Ordinance No: 13-55: An Ordinance Authorizing The Disposal Of Surplus Personal Property Owned By The City Of Oakbrook Terrace, Illinois.
7. Ordinance No: 13-56: An Ordinance Granting Variations From The Requirements Of The Zoning Ordinance Of The City Of Oakbrook Terrace For 17W755 Butterfield Road In The City Of Oakbrook Terrace, Illinois.
8. Approval Of Payout Number Eight (8): Harbour Contractor's Inc. In The Amount Of \$9,691.34 For The New Police Facility/City Hall Renovation.
9. Approval Of Payout Number Two (2): LumQuest Lighting LLC. In The Amount Of \$200,448.00 For The City's Street Lighting Project.

Motion to approve all the items contained on the Consent Agenda as amended for November 26, 2013 was made by Alderman Przychodni and seconded by Alderman Esposito.

**Ayes: Esposito, Przychodni, Sarallo, 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 made by Alderman Esposito and seconded by Alderman Przychodni.

**Ayes: Esposito, Przychodni, Sarallo, Thomas, and Vlach
Nays: None**

The Regular Meeting recessed to the Committee of the Whole.

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X. MAYOR RAGUCCI

1. Reminder: City Hall Will Be Closed For The Thanksgiving Holiday On Thursday November 28, 2013, and Friday November 29, 2013
2. Reminder: Children's Holiday Party And Christmas Tree Lighting On Friday December 6, 2013 at 6:00 pm.
3. Cancellation Of The Tuesday, December 24, 2013 City Council Meeting.
4. Ragucci wished everyone a Happy Thanksgiving.

XI. COMMITTEE OF THE WHOLE CONSIDERATIONS

1. Presentation Of The Recent Hotel/Motel Audit Performed By Wolf & Company, LLC.

Marrero stated the City engaged Wolf and Company to perform a hotel tax audit. Marrero noted the audit findings revealed that several hotels underpaid and one (1) hotel overpaid. Brian Anderson of Wolf and Company addressed the Council regarding the audit he recently completed. Anderson explained the audit covered a four (4) year period ending December 31, 2012. Anderson stated that he reviewed the hotels internal trial balances and revenue reports on a test basis and then recomputed the hotel tax amount and verified these amounts against the returns receipted by the City.

Anderson reported that Holiday Inn actually overpaid hotel taxes by \$7,575 because Holiday Inn's centralized accounting department picked another Holiday Inn location and paid the hotel tax on this wrong location. Anderson indicated that Comfort Suites underpaid by \$793 due to some data entry errors and they were incorrectly reducing their revenue by bad debt. Anderson stated that LaQuinta Inn underpaid by \$4,694 due to some in-house software issues. Anderson noted that Wolf only reviewed Staybridge returns for the period of June 2012 through December 2012 because of a change in ownership and found that this hotel underpaid by \$466. Anderson noted that Wolf did not have access to the prior owner's records. Anderson explained that Staybridge underpaid because they were unaware of the City's extended stay hotel tax.

Marrero said Wolf discussed the audit findings with all the hotels so they are aware of the under and over payments. Marrero stated the Finance Department will send a letter to the hotels explaining the hotel audit results and requesting the under-payments be made. Marrero suggested the City payback the Holiday Inn over-payment in one (1) lump sum. Ragucci agreed and said the City owes Holiday Inn the over-payment. Council concurred to payback the Holiday Inn the over-payment amount of \$7,575.

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Greco asked for clarification regarding Staybridge's prior owner not realizing that they were required to pay the extended stay hotel tax as well. Marrero said staff was well aware that Staybridge switched owners last year and the Finance Department actually sends out the monthly returns to each hotel. Marrero said it is probably something internal with the new owner. Greco asked if the City can go back any farther with Staybridge. Anderson replied that the previous owner has the records somewhere, but where these records are located is unknown. Greco said at least Staybridge is current now as to what they are supposed to do.

Sarallo said the audit was for the period ending December 31, 2012, so there could possibly be more issues in 2013. Anderson replied yes there could be some issues. Marrero asked Anderson how often you recommend a hotel audit be completed. Anderson replied annually because typically after a one (1) year period, the hotels send their files off-site, which caused a delay with the City's audit. Anderson also said an annual audit is a good practice if there are ownership changes. Marrero noted that the statute of limitations for hotel audits is four (4) years. Ragucci asked how much the hotel tax audit cost. Marrero replied \$7,000 for the four (4) year period. Ragucci recommended the City conduct the hotel audit every other year. Anderson estimated that an annual audit would be less expensive because it is only covering one (1) year and would probably be a quarter of the price for this audit. Discussion ensued whether this audit could be conducted internally. Ragucci said this could be looked at, but he would like Wolf to audit the hotel records every couple of years.

2. 2013 – 2015 Goals And Objectives Plan

Ragucci referenced the Goals and Objectives Plan included in the agenda packet. Ragucci noted the Plan was prepared based upon the discussions from the October 29, 2013 meeting. Marrero noted the Plan is simplified from prior years and that staff will be providing periodic reports to the Council on the status of the Plan. The Council concurred to place this item on the next consent agenda.

3. Water Rate Increase – Ordinance Amendment

Ragucci noted the City's current water rate became effective on January 1, 2013 and was approved by the Council back in December of 2012. Ragucci stated that the proposed increase will offset the DuPage Water Commission (DWC) charges, which will go from \$3.58 to \$4.24 per 1,000 gallons. Ramello stated that there have been ongoing negotiations between the municipal conferences and the City of Chicago regarding the water rate increases. Ramello added the last he heard, was that Chicago resisted the conferences efforts to negotiate a lesser increase in the water rate. Marrero said Chicago's increases extend over a four (4) year period, so she hopes that after 2015, there will not be any more increases, but this

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is unknown. Ragucci said there is nothing the City can do about this right now. Przychodni clarified that the City of Oakbrook Terrace is passing on the DWC increase in dollars; not by the percentage increase. The Council concurred to place this on the next agenda as a separate item.

4. Payout Number Two (2) For The Regency Place Watermain Extension Project

Ragucci referenced the memorandum included in the agenda packet recommending a payout of \$129,364.95 to J. Congdon for the Regency Place watermain extension project. The Council concurred to place this item on the next consent agenda.

5. Payout For 2013 Curb And Gutter Project For Davis Concrete Construction Co.

Ragucci referenced the memorandum included in the agenda packet recommending a payout of \$67,440 to Davis Concrete Construction Company for the 2013 curb and gutter project. The Council concurred to place this item on the next consent agenda.

XII. COUNCIL MEMBER COMMENTS

The City Council members wished everyone a Happy Thanksgiving. Vlach noted that Adam from BMO Harris expressed concern over the appearance of the entrance to the Oakbrook Terrace Square Shopping Center. Vlach asked when Curt Hurst, the developer for the Oakbrook Terrace Square, will be addressing the Council. Ragucci replied that Hurst will attend a meeting in January. Marrero said she will place another call into Hurst to do something with this lot. Vlach asked about the status of the lobbyist. Ragucci replied that the lobbyist will attend the December City Council meeting.

XIII. CITY ATTORNEY RAMELLO

None.

XIV. CITY CLERK GRECO

Greco noted that Hokkaido reopened last week. Greco said the Oakbrook Terrace Lyons Club is still selling trees and people can contact him about this program. Greco said he looks forward to seeing everyone at the Christmas Tree lighting next Friday.

XV. FINANCE DIRECTOR MARRERO

Marrero wished everyone a Happy Thanksgiving.

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XVI. RECONVENE THE CITY COUNCIL MEETING

Motion to reconvene was made by Alderman Sarallo, and seconded by Alderman Przychodni.

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

Nays: None

The Regular Meeting of the City Council reconvened.

XVII. OLD BUSINESS

6. Resolution No. 13-26: A Resolution In Support Of The Proposed Development Of The Chapel Hill Gardens West Cemetery In The City Of Oakbrook Terrace, Illinois.

Motion To Approve Resolution No. 13-26: A Resolution In Support Of The Proposed Development Of The Chapel Hill Gardens West Cemetery In The City Of Oakbrook Terrace, Illinois was made by Alderman Sarallo and seconded by Alderman Thomas.

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

Nays: None

Motion passed.

ADJOURN

Motion to adjourn was made by Alderman Sarallo, and seconded by Alderman Przychodni at 7:26P.M.

Motion carried unanimously.

Submitted,

Aileen Haslett
Recording Secretary