

**CITY OF OAKBROOK TERRACE
MINUTES OF THE REGULAR CITY COUNCIL AND
COMMITTEE OF THE WHOLE MEETING
TUESDAY, NOVEMBER 13, 2018**

I. CALL TO ORDER

Mayor Ragucci called the November 13, 2018, Regular and Committee of the Whole Meeting of the City Council to order at 7:00P.M.

II. ROLL CALL

Roll call indicated the following Aldermen were in attendance:

Present: Esposito, Greco, Przychodni, Thomas, Vlach, and Mayor Ragucci

Absent: None

Also in attendance were City Administrator A. Marrero, Assistant to the Mayor and Administrator M. Sarallo, Building and Zoning Administrator M. Dragan and City Attorney R. Ramello.

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 October 23, 2018

Motion to approve the minutes of the October 23, 2018 Regular City Council and Committee of the Whole as presented was made by Alderman Przychodni and seconded by Alderman Esposito.

Alderman Ayes: Esposito, Greco, Przychodni, Thomas, and Vlach

Alderman Nays: None

Motion passed.

VI. PUBLIC PARTICIPATION

None.

VII. ACTION ITEMS/CONSENT AGENDA

1. Payment of City Bills: November 13, 2018 In The Amount Of \$2,299,463.36.

**CITY OF OAKBROOK TERRACE
MINUTES OF THE REGULAR CITY COUNCIL AND
COMMITTEE OF THE WHOLE MEETING
TUESDAY, NOVEMBER 13, 2018**

2. Appointment Of Patricia E. Freda To The Planning & Zoning Commission For A Term To Expire In 2019.
3. Ordinance No. 18-44: An Ordinance Granting Exceptions From The Zoning Ordinance And Amending The Previously Approved Planned Unit Development For Advocate Health And Hospitals Corporation At 1901 S. Meyers Road, In The City Of Oakbrook Terrace, Illinois.
4. Approve Pay-Off Of The General Taxable Refunding Bonds, Series 2010, In The Amount Of \$1,191,731.25.

Motion to approve all the items contained on the Consent Agenda for November 13, 2018 as presented was made by Alderman Thomas and seconded by Alderman Vlach.

**Alderman Ayes: Esposito, Greco, Przychodni, Thomas, and Vlach
Alderman 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 Greco.

**Alderman Ayes: Esposito, Greco, Przychodni, Thomas, and Vlach
Alderman Nays: None**

Motion passed.

X. MAYOR RAGUCCI

Mayor Ragucci suggested the City coordinate a Veteran's Day event for next year.

XI. COMMITTEE OF THE WHOLE CONSIDERATIONS

1. Presentation By Foster & Foster For The Actuarial Valuation For FY 2018.

City Administrator Marrero referenced the 15-Year Open actuarial method included in her memorandum. City Administrator Marrero said staff is recommending the City apply this method going forward rather than the current normal cost approach. Heidi Andorfer, of Foster and Foster, said the actuarial required contribution is made up of the

**CITY OF OAKBROOK TERRACE
MINUTES OF THE REGULAR CITY COUNCIL AND
COMMITTEE OF THE WHOLE MEETING
TUESDAY, NOVEMBER 13, 2018**

current year accruals for the active police officers and a payment to pay down past accruals. Currently the plan is funded at 52%, while 48% of past accruals remain unfunded. There are different approaches to paying down past accruals including the normal cost approach or the 15-Year Open. Currently the state guidelines require pension funds be at a 90% funded ratio by 2040. However, the City is shooting for a 100% funded ratio. Under the normal cost approach, the contribution becomes volatile because as you begin approach 2040 and if the market drops then you only have two (2) years to amortize that extra payment into the tax levy. Andorfer explained that 75% of the City's levy is paying down the unfunded liability.

Andorfer indicated a better approach is the 15-Year Open where the unfunded liability is smoothed out. In the first seven (7) years with the 15-Year Open, the City will be amortizing faster and the contribution will be higher than with the normal cost. However, over the longer term the 15-Year Open will provide a more consistent annual contribution. With the 15 Year-Open the actuarial required contribution for the 2018 levy is \$1,380,875, which is \$250,376 higher than under the current normal cost method. Under the 15-Year Open, the City will pay down the unfunded portion at a faster pace. Andorfer said the 15-Year Open is good for the health of the Police Pension Fund and for the City's annual contribution.

Alderman Greco asked when the City is paid up in 2040, will we be keeping pace with all the new charges and higher costs. Andorfer replied on an annual basis the calculation includes the payment on the benefits earned for that year, while the 15-Year Open relates to paying down the unfunded portion. Once the City reaches the 100% level, then the City will only be paying accruals of the active officers. Alderman Esposito asked if the 15-Year Open is common practice. Andorfer responded other municipalities are exploring this approach in order to get the funded status up.

City Administrator Marrero said even if the City retains the normal cost method it is still just an assumption because we do not know what the market will do and it is possible that no municipality will be fully funded. Andorfer said every year the actuary revisits the annual contribution and if the City continues to fund the actuarial recommended contribution then eventually we will achieve full funding. With the 15-Year Open the City will approach the 100% funded level and what will most likely happen is that assets will have a really good year and push the fund over the 100%. Andorfer recommended the City apply the 15-Year Open over the next 7-10 years and once an improved funded status is achieved and then possibly apply a different method that will get the City to the fully funded status in a fiscally responsible manner. Vlach asked what is the rate of return for the pension investments. Andorfer replied the interest rate assumption is 6.5% over the life of the investments. City Administrator Marrero said the actual investment return was over 9%.

Mayor Ragucci said the 15-Year Open approach is the right direction for the City and recommended the City begin using this method for the actuarial required contribution.

**CITY OF OAKBROOK TERRACE
MINUTES OF THE REGULAR CITY COUNCIL AND
COMMITTEE OF THE WHOLE MEETING
TUESDAY, NOVEMBER 13, 2018**

The Council concurred to move forward with using the 15-Year Open calculation for the annual actuarial required contribution.

2. 2018 Property Tax Levy Determination/Police Municipal Compliance Report.

City Administrator Marrero said the proposed 2018 levy is based upon the 15-Year Open. City Administrator Marrero referenced the table in her memorandum comparing the 15-Year Open to the Normal Cost approach and noted that if the City remained with the normal cost approach the required contribution would be over \$2 million in 2040. In contrast the 15-Year Open contribution levels off and stabilizes. In the first seven (7) years the City will be paying more than the normal cost method, but then the contribution decreases.

City Administrator Marrero explained the tax levy calculation includes increasing last year's extended levy by the Consumer Price Index (CPI) by 2.1% and then capturing assessed value of new construction for the 2018 tax year bringing the total levy request to \$1,005,214. Under the locally imposed Tax Cap, the City can only levy \$1,005,214, and the actuarial required contribution is \$1,380,875. General Fund reserves would need to cover the difference of \$375,661 between the levy amount and the required contribution. City Administrator Marrero indicated using the 15-Year Open in the long term will be a cost savings to the residents.

City Administrator indicated the Municipal Compliance Report is certified by the Police Pension Board and states that they agree with the actuarial recommendation's 15-Year Open.

The Council concurred to place this on the December 11, 2018 agenda.

3. Renewal Of Property, Casualty And Workers Compensation Insurance.

Assistant to the Mayor and Administrator Sarallo indicated Assurance secured some pricing for the City's property, casualty, and workers compensation insurance renewals. From the current year, property and casualty increased by about \$1,800 and workers compensation increased about \$30,000. Some of this increase will be offset by the IPRF Safety grant program which was \$7,342 this year and \$7,554 next year. Assistant to the Mayor and Administrator Sarallo said Bob Davidson of Assurance will be speaking tonight about possibly increasing the City's umbrella threshold from \$7 million to \$10 million. Davidson thanked the Council for the opportunity for Assurance to present the insurance renewal proposals. Davidson said the City's benchmark and risk profile for umbrella coverage is around \$10 million. Davidson said increasing the umbrella or excess liability to \$10 million from \$7 million will cost the City an additional \$1,700 per year.

**CITY OF OAKBROOK TERRACE
MINUTES OF THE REGULAR CITY COUNCIL AND
COMMITTEE OF THE WHOLE MEETING
TUESDAY, NOVEMBER 13, 2018**

Mayor Ragucci said it was a good idea to increase the current umbrella policy from \$7 million to \$10 million umbrella policy. The Council concurred to place this on the next consent agenda.

4. Proposed Text Amendments To The City's Zoning Ordinance.

Building and Zoning Administrator Dragan said recently a committee was formed to review various sections of the City's Zoning Ordinance for modifications. The committee is comprised Alderman Dennis Greco, Planning and Zoning Chairman Steve Caslin, Planning and Zoning Commissioner Jan Donoval, City Administrator Marrero and Building and Zoning Administrator Dragan. The Committee reviewed the City's 1980 Zoning Ordinance and neighboring community codes including Villa Park, Elmhurst, Lombard, and Downers Grove. The committee finished reviewing the codes governing the Single Family Detached District and the section of the Code concerning yards, which applies to both residential and commercial.

Building and Zoning Administrator Dragan said the Committee recommends the following modifications:

1. **Side Yards** – Currently the code requires side yards in the single family residential detached district to be not less than 12% of the front yard at the building line or 10 feet whichever is greater.

The Committee recommended this be changed to requiring a side yard on each side of the main building of not less than 10 feet. There are no proposed modifications for the front yard, which remains at 30 feet and the rear yard remains at 25 feet.

2. **Maximum Lot Coverage** - The current code allows not more than 40% of the lot area to be occupied by the building and structures including accessory buildings, pavements, driveways, and walkways and no more than 35% of the required front may be occupied by structures.

The Committee recommended the maximum lot coverage to remain the same at 40% for lot area. However, the Commission recommended a modification to the definition for structures so that it no longer includes decks, fences, swimming pools, pavements, driveways, walkways, and gazebos for the purpose of calculating the maximum permitted coverage.

Alderman Greco said the lot coverage has not changed and remains at 40%, but we have separated out the structure and accessory buildings separately, but this does not dictate how much lot coverage goes to the accessory and how much to the building structure. Building and Zoning Administrator Dragan said when she receives permits she will only calculate the 40% based upon the footprint of the house, garage, and shed, while driveways, walkways, and gazebos will no longer be computed under

**CITY OF OAKBROOK TERRACE
MINUTES OF THE REGULAR CITY COUNCIL AND
COMMITTEE OF THE WHOLE MEETING
TUESDAY, NOVEMBER 13, 2018**

this proposed modification. Alderman Greco said there would be a separate percentage for these.

Building and Zoning Administrator Dragan explained the required front yard remains the same at 35%, which only allows driveways and walkways in the front yard. There will still be a minimum of 65% greenspace in the required front yard. Side-yards are proposed to be at 10 feet on each side of the front of the house and certain permitted obstructions in the current code will no longer be allowed to encroach in the side yards under the proposed modifications. It is proposed that the side yards remain open green space unless a detached garage exists and a driveway would be a permitted obstruction in the required yard. Lot coverage for rear yard will be permitted, but again side yards which go all the way to rear of 10 feet on each side must remain green space. Only driveways and walkways will continue to be allowed. The other structures such as a deck, patio will not be allowed to encroach in the minimum required of 25 feet for the rear yard. However, driveways, walkways, detached garages, gazebos, and sheds will be allowed. A minimum of 25 feet in the rear yard would need to be maintained as open green space unless you have detached garage, shed, or a gazebo.

3. **Garages** - The Committee also recommended limiting the number of garages to only one (1) either attached or detached. A detached garage should not exceed 800 square feet and a shed not to exceed 150 square feet.

Building and Zoning Administrator Dragan summarized her comments and said lot coverage remains the same, but we will no longer calculate certain structures, however in general the minimum required yards must remain open space. Alderman Greco said in short we used to allow 40% lot coverage for everything, but now it is proposed that the building itself can occupy 40% and the driveway and garage is above and beyond this. Under the modifications, the accessory structures must not exceed 950 square feet.

Alderman Thomas expressed concern because he felt this proposal diminishes the size of the lot and allows more building on the lot. Alderman Greco noted under the proposed guidelines if you want to build an accessory building, this will be calculated under the 950 square feet requirement. Alderman Greco noted a number was set for everything else. Building and Zoning Administrator Dragan explained the average lot area in Oakbrook Terrace is 11,000 square feet and you are allowed for the house, detached garage, and shed up to 4,400 square feet. Alderman Thomas asked why do we want to cover the lot with more building. Alderman Greco stated the Committee reviewed the building code in a way to relax it in order to entice developers come in and rebuild. Alderman Greco noted the Committee looked at the average lot size and felt this was a fairly comfortable.

**CITY OF OAKBROOK TERRACE
MINUTES OF THE REGULAR CITY COUNCIL AND
COMMITTEE OF THE WHOLE MEETING
TUESDAY, NOVEMBER 13, 2018**

Mayor Ragucci said the Council has granted variances for some of the newly built homes in Oakbrook Terrace. Mayor Ragucci said now if a developer wants to build a house in Oakbrook Terrace the City provides them with our updated guidelines. Mayor Ragucci said this should limit the number of requested public hearings. Alderman Greco said setbacks remain the same and you cannot encroach the front yard and aesthetically from the street perspective it still should look fair.

4. **Building Height** – The Committee proposed building height be allowed up to 35 feet to the ridge. Alderman Esposito asked if the maximum 35 feet for building height was an increase. Building and Zoning Administrator Dragan replied it is an increase depending on how you look at it. The current code allows 25 – 35 feet in height. However, for every foot over 25 feet, more side and front yard and more open space to be provided. Alderman Greco said before the guideline was 35 feet to the chimney, and we took this out making it 35 feet to the ridge. Alderman Greco said you still cannot add a third story to the homes and they will remain at two (2) stories.
5. **Landscaping Requirements for new construction** – Building and Zoning Administrator Dragan indicated the Committee proposed eliminating the landscaping requirements for new construction and allowing homeowners to choose their desired landscaping.
6. **Sheds** – Building and Zoning Administrator Dragan indicated the Committee also recommends that sheds under 64 square feet situated directly on the ground be exempted from the requirements for a building permit. Sheds over 64 feet will still need a building permit.

Alderman Thomas expressed concern about the potential size of newly constructed homes. Mayor Ragucci said the new guidelines are not out of line with the newly constructed homes that were granted variances in the past. Alderman Esposito said he respects what Alderman Thomas is saying. Alderman Esposito said we have a lot of older homes in the community and supports new construction in the City. Alderman Esposito expressed concern over the proposed building height and invading neighbor's privacy. Alderman Esposito said if this is approved then there will be no more variances granted.

Mayor Ragucci asked if we could decrease the maximum building height. Building and Zoning Administrator Dragan said if the Council feels more comfortable with 30 feet, then staff needs specific direction from the City Council to discuss at the Planning and Zoning Commission meeting. Alderman Greco said the proposed changes will go to Planning and Zoning Commission for discussion. Alderman Greco recommended his fellow Council members to attend the Planning and Zoning Commission meeting and to share their comments. Alderman Greco said after the

**CITY OF OAKBROOK TERRACE
MINUTES OF THE REGULAR CITY COUNCIL AND
COMMITTEE OF THE WHOLE MEETING
TUESDAY, NOVEMBER 13, 2018**

Planning and Zoning Commission discusses the proposed changes, then it will appear before the Council and be voted on.

Building and Zoning Administrator Dragan said the Committee will meet again to discuss signage for the commercial district and parking and some other sections of the code. Mayor Ragucci said the proposed changes will be discussed by the Planning and Zoning Commission, but in the meantime he suggested emailing the City Administrator any other further suggestions. Mayor Ragucci stated something be put together before it goes to Planning and Zoning. Alderman Greco said these changes allow the City to reset and gives the Planning and Zoning Commission direction as to how the Council feels about new construction. Alderman Greco suggested that every five (5) years the City's code be reviewed. Mayor Ragucci thanked everyone for their time on this and said this was a good start.

XII. COUNCIL MEMBER COMMENTS

Alderman Greco said Fik Point looks excellent and recognized former Mayor Mazaika who was in attendance at the meeting this evening. Alderman Thomas said he is leaving the City Council at the end of his term. Alderman Thomas recommended that Kreml Park be renamed to Sarallo Park in honor of Mayor Sarallo's contributions to the City of Oakbrook Terrace. Mayor Ragucci asked who Kreml was and Assistant to the Mayor and Administrator Sarallo responded George Kreml was one of the first directors of Public Works.

XIII. CITY ATTORNEY RAMELLO

None.

XIV. CITY CLERK SHADLEY

None.

XV. CITY ADMINISTRATOR MARRERO

None.

XVI. RECONVENE THE CITY COUNCIL MEETING

Motion to reconvene the City Council meeting was made by Alderman Vlach and seconded by Alderman Thomas.

Alderman Ayes: Esposito, Greco, Przychodni, Thomas, and Vlach

Alderman Nays: None

Motion passed.

**CITY OF OAKBROOK TERRACE
MINUTES OF THE REGULAR CITY COUNCIL AND
COMMITTEE OF THE WHOLE MEETING
TUESDAY, NOVEMBER 13, 2018**

XVII. OLD BUSINESS

None.

ADJOURN

Motion to adjourn was made by Alderman Greco and seconded by Alderman Esposito at 8:15PM.

Motion carried unanimously.

Submitted,

Aileen Haslett
Recording Secretary