

**CITY OF OAKBROOK TERRACE  
BUDGET MEETING OF THE CITY COUNCIL MINUTES  
WEDNESDAY, MARCH 15, 2017**

**I. CALL TO ORDER**

The Mayor called the March 15, 2017, Budget Meeting of the City Council to order at 6:06P.M.

**II. ROLL CALL**

The following Aldermen were in attendance:

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

Absent: None

Also in attendance were City Administrator A. Marrero, Public Services Director C. Ward, Building and Zoning Administrator M. Dragan, and Finance Consultant A. Haslett.

**III. PROPOSED FY 2018 BUDGET DISCUSSIONS**

City Administrator Marrero welcomed everyone to the second FY 2018 Budget meeting and displayed a PowerPoint presentation.

**Building and Zoning**

Building and Zoning Administrator Dragan stated the FY 2018 budget for Building and Zoning is \$434,269 representing an increase of \$13,052 or 3% from the FY 2017 estimate. Building and Zoning Administrator Dragan also noted the FY 2018 budget actually decreased by \$3,000 from the FY 2016 actual due to lower salary and insurance costs. Building and Zoning Administrator Dragan reported that last year's building permits of \$379,181 were the highest on record and that \$27,450 was collected in contractor registration fees.

Building and Zoning Administrator Dragan stated everything is about the same as last year. Building and Zoning Administrator Dragan noted the code enforcement officer currently works 30 hours per week spending 15 hours on building and zoning concerns and 15 hours on business licensing. Building and Zoning Administrator Dragan noted the other part-time code enforcement officer performs the residential property maintenance inspections. Building and Zoning Administrator Dragan added all but two (2) homes are in compliance. Alderman Esposito expressed concern about allocating enough time to the code enforcement officers so that it remains a top priority of the City. Building and Zoning Administrator Dragan said there were no concerns this past year and the new code enforcement officer helped a lot with the property maintenance inspections. Building and Zoning Administrator Dragan noted one of the code enforcement officers is now in charge of the placement and removal of public hearing signs.

Alderman Greco said he would like to see more hours for the code enforcement officers. Alderman Greco added he would like the code enforcement officers to spend more time on residential construction sites to ensure the property is maintained during the renovation process. City Administrator Marrero said the Council will be

**CITY OF OAKBROOK TERRACE  
BUDGET MEETING OF THE CITY COUNCIL MINUTES  
WEDNESDAY, MARCH 15, 2017**

reviewing the code enforcement officer position during the next Executive Session when other personnel matters are discussed.

Building and Zoning Administrator Dragan said the City has utilized the services of EIS to inspect the elevators throughout the City for several years. Building and Zoning Administrator Dragan noted the City currently has 148 elevators. Building and Zoning Administrator Dragan said she hopes the City will collect significant building permits fees from Butterfield Point, La Quinta Hotel remodel, interior and exterior renovations at Mid America Plaza, and renovations by ComEd at the Lincoln 2 and Lincoln 3 buildings. Building and Zoning Administrator Dragan noted the last three (3) units at the Oliviabrook subdivision are now under construction.

Alderman Greco suggested the Planning and Zoning Commission hold a meeting every year to discuss their accomplishments, goals, and any areas of concern. Alderman Greco recommended this meeting not include any public hearing cases under review. Alderman Esposito said the City is heading in the right direction for maintaining the residential properties. Alderman Esposito suggested the code enforcement officers make a quarterly presentation to the Council on the status of the residential property maintenance codes. Mayor Ragucci said this is something the City can look into and recommended the code enforcement officers appear before the Council every six (6) months.

**Streets**

Public Services Director Ward stated the FY 2018 budget for the Street Department is \$598,715 representing a 1% increase over the FY 2017 budget. Public Services Director Ward explained the increase is due to higher seasonal wages resulting from the change to 1,000 hours under the new IMRF guideline for the City. Public Services Director Ward indicated that the City's storm sewers successfully passed the EPA's MS4 inspection. Public Services Director Ward commented with the mild winter, the City still has half of the salt allotment remaining in reserve. Public Services Director Ward said beginning in 2018, salt supplies must be covered. Public Services Director Ward explained he has been researching ways to cover the salt which may cost around \$10,000.

**Water Fund**

City Administrator Marrero stated the FY 2018 Water Fund revenues are estimated at \$1.3 million, down by \$25,000 from the current year estimate. City Administrator Marrero said Water Fund revenue is slightly down from last year because of less tap-on fees. City Administrator Marrero indicated that Water sales at \$947,000 comprise the largest revenue source at 75% of total revenues. Public Services Director Ward indicated La Quinta is connecting to the City's water system, and will most likely be one of the City's top five (5) customers.

Discussion ensued regarding the acquisition of other water customers along 22<sup>nd</sup> Street near the Home Depot shopping center and Route 83. Public Services Director

**CITY OF OAKBROOK TERRACE  
BUDGET MEETING OF THE CITY COUNCIL MINUTES  
WEDNESDAY, MARCH 15, 2017**

Ward said the City will have to pay a fee to acquire these potential new customers, and the infrastructure at these locations is old so this will factor into the price.

City Administrator Marrero said expenses for the Water Fund are estimated at \$1.2 million, which represents an increase of about \$51,000 from the current year estimate. City Administrator Marrero explained that salaries and benefits account for 27% of total expenses, while contractual services comprise 47%. City Administrator Marrero indicated the majority of contractual services are for the DuPage Water Commission charges of \$455,000. City Administrator Marrero reported the 2003 and 2004 bonds matured in the current year and the only outstanding bond series is from the 2010 restructure, which was done to improve the cash flow in the Water Fund.

Public Services Director Ward said the FY 2018 Operations and Maintenance budget at \$1,010,049 represented at 1.6% increase over the FY 2017 budget. Public Services Director Ward said this increase is due to allocating 100% of the part-time Accounting Assistant's salary to the Water Fund, whereas in the past 50% of the wages were applied to the General Fund. Public Services Director Ward also noted the professional fees line item includes money for the SCADA update.

Public Services Director Ward highlighted some of the FY 2017 accomplishments detailed below.

1. Accounted for 95% of the City's water pumped under the newly implemented M-36 AWWA Audit.
2. Completed the 16<sup>th</sup> year of not testing positive for coliform and bacteria sampling.
3. The Water division partnered with the Fire Department and ISO to complete an analysis of the structural fire suppression system, receiving high marks which is good news for the businesses within the City.

Alderman Greco asked if the City adds anything to the water. Public Services Director Ward replied the DuPage Water Commission may add disinfectant to the water; if the level is low and by the time the water gets to the City it is good to go. Mayor Ragucci asked if the 18<sup>th</sup> Street project ever comes around if this property could connect to the City's water system. Building and Zoning Administrator Dragan noted the project is in the preparation stage. Public Services Director Ward replied yes. Mayor Ragucci asked if the City can provide water to the Berkshire subdivision as well. Public Services Director Ward said once the City provides water to the 18<sup>th</sup> Street development then a pathway would exist to provide water service to the Berkshire subdivision as well as the Trans Am buildings. Mayor Ragucci said this would be a nice addition.

**Motor Fuel Tax Fund**

City Administrator Marrero estimated FY 2018 revenues at \$56,556 and expenditures at \$45,500. City Administrator Marrero explained nearly all the expenditures are related to snow removal. City Administrator Marrero projected a surplus of \$11,000,

**CITY OF OAKBROOK TERRACE  
BUDGET MEETING OF THE CITY COUNCIL MINUTES  
WEDNESDAY, MARCH 15, 2017**

which may increase if the City experiences another mild winter. City Administrator Marrero estimated the fund balance at the end of FY 2018 to be \$409,000.

**Capital Improvement Fund**

City Administrator Marrero said the Home Rule Sales tax is the largest revenue source for the Capital Improvement Fund at \$1.78 million. City Administrator Marrero noted between 2010 and 2012, the City diverted \$1.2 million to the General Fund and no diversion has been necessary for the past five (5) years.

City Administrator Marrero reported bond costs of \$345,350 representing the largest expense at 61% of the budget, while infrastructure represents 21%, and equipment and services represent 3%. City Administrator Marrero said the only outstanding bonds in the Capital Improvement Fund are the 2013 Series, which mature in 2028.

City Administrator Marrero estimated the FY 2017 year end fund balance at \$1.1 million and noted the fund balance is slowly being restored for future projects with \$5.3 million projected by the end of FY 2022.

City Administrator Marrero stated the projects in the five (5) year Capital Improvement Plan will now be discussed. City Administrator Marrero noted the FY 2018 budget includes \$75,222 for the scheduled replacement of two (2) **police cars**.

Public Services Director Ward noted every year he looks at the capital purchases and determines if some equipment can be utilized for another year. Public Services Director Ward discussed the Water Fund capital improvement projects as detailed below:

1. the scheduled replacement of the **W3-Pickup Truck** at \$33,000 in FY 2019;
2. the addition of the **Midwest-Drennon Water Main Loop** at \$167,900 in FY 2019 – Public Services Director Ward noted with La Quinta connecting to the City's water system the Midwest-Drennon water loop would need to be done for redundancy purposes; and,
3. the addition of a **Water Main extension at Summit Avenue** – Public Services Director Ward explained there has not been much interest in pursuing this project by the current property owners and the City would need to secure private easements for the project to move forward because there is not enough room in the right-of-way.

Building and Zoning Administrator Dragan discussed the **Document Imaging** capital request of \$62,000 for FY 2018. Building and Zoning Administrator Dragan said the request includes funding for the software, equipment, installation, consulting services, and training. Building and Zoning Administrator Dragan said it will take years until all the Building and Zoning records are digitized and part-time assistance will be needed. Alderman Greco asked if the system can be shared across departments. Building and Zoning Administrator Dragan said yes and City Administrator Marrero added the goal is to be completely digitized. Alderman Esposito said this is an important step for the Building and Zoning Department especially considering the

**CITY OF OAKBROOK TERRACE  
BUDGET MEETING OF THE CITY COUNCIL MINUTES  
WEDNESDAY, MARCH 15, 2017**

business growth in the community. Alderman Greco said he would like to see the plans appearing on the monitors in the City Council meeting room.

City Administrator Marrero discussed the Police Department's capital request for the **ETSB report writing system**. City Administrator Marrero said the Council discussed this request at a previous meeting and the switch to the system is required because the current system will be obsolete. City Administrator Marrero indicated the new system will be phased-in over an eight (8) year period and will cost more than the current system. Public Services Director Ward discussed the **curb and gutter** capital request of \$80,000 which provides approximately 1,000 feet of curbs. Alderman Esposito asked about the costs for sidewalk installation. Public Services Director Ward replied approximately \$2.5 to \$3 million to install sidewalk throughout the community.

Public Services Director Ward said a capital request for **fire hydrant resurfacing** at \$22,000 is included for FY 2018. Public Services Director Ward said the last resurfacing was done eight (8) years ago. Public Services Director Ward stated the CIP includes \$16,000 for the **Spring Road Decorative Landscape Project**. Public Services Director Ward explained this area needs an overhaul and will include low profile plants. Alderman Thomas suggested landscaping improvements at Hodges and Fik Point as well. Public Services Director Ward said these areas can be improved in the coming years as well.

Public Services Director Ward highlighted some future equipment purchases as detailed below.

1. In FY 2019 – replace two (2) **lawn mowers** for a total of \$14,000.
2. In FY 2019 – replace the **front end loader** at \$80,000.
3. In FY 2019 – replace the **Public Services Director's vehicle** at \$30,000.
4. In FY 2019 – begin the three (3) year project for the **street resurfacing program** at a cost of \$650,921 annually. Public Services Director Ward noted that he has been reviewing some alternatives for the street resurfacing program that will be cut the cost in half. Public Services Director Ward suggested that the City try the micro-surfacing alternative on half of the City.
5. In FY 2019 – replace the T-4 2002 **Dump Truck** with plow package for \$130,000. Public Services Director Ward noted that the manufacturer for these trucks offers free financing over a five (5) year payment period.
6. In FY 2020 – replace the T-1 2003 **Pick-up Truck** with plow package for \$38,000.
7. In FY 2020 – replace the T-5 2003 **Dump Truck** with plow package for \$145,000.
8. In FY 2020 – replace the T-2 **Versa Lift Truck** at \$115,000.

**Business District**

City Administrator Marrero projected the FY 2017 taxes collected within the Business District will increase by 8% over the FY 2016, but anticipated no growth for FY 2018. City Administrator Marrero commented that although it is nice to see the higher revenues, the growth in revenues does not cover the principal and interest

**CITY OF OAKBROOK TERRACE  
BUDGET MEETING OF THE CITY COUNCIL MINUTES  
WEDNESDAY, MARCH 15, 2017**

payments. City Administrator Marrero reported that since 2015 there is a cumulative deficit of \$58,096 in bond payments exceeding actual taxes received. City Administrator Marrero projected that by FY 2025 the Business District's reserves will be gone and no longer be able to cover the bond expenses. City Administrator Marrero indicated that two (2) of the Business District bonds are callable in 2019 and another is callable in 2020 and another in 2022. City Administrator Marrero noted this will be further discussed at an upcoming Council meeting.

Mayor Ragucci suggested offering a rebate once a year to owner occupied units in Oakbrook Terrace for a possible total of 606 units. Mayor Ragucci said the Council can discuss this proposal further at a later time. Alderman Vlach said he favored reducing property taxes.

**ADJOURN**

**The meeting was adjourned at 7:50P.M.**

Submitted by,

Aileen Haslett  
Recording Secretary