

**CITY OF OAKBROOK TERRACE
MINUTES OF THE REGULAR CITY COUNCIL AND
COMMITTEE OF THE WHOLE MEETING
TUESDAY, NOVEMBER 14, 2017**

I. CALL TO ORDER

The Mayor called the November 14, 2017, Regular and Committee of the Whole Meeting of the City Council to order at 7:04 P.M.

II. ROLL CALL

Roll call indicated the following Aldermen were in attendance:

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

Absent: None

Also in attendance were City Clerk M. Shadley, City Administrator A. Marrero, Public Services Director C. Ward, Building and Zoning Administrator M. Dragan, Assistant to the Mayor and Administrator M. Sarallo, 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 24, 2017.

Motion to approve the minutes of the October 24, 2017 Regular City Council and Committee of the Whole as presented was made by Alderman Vlach and seconded by Alderman Esposito.

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

Alderman Nays: None

Motion passed.

VI. PUBLIC PARTICIPATION

None.

VII. ACTION ITEMS/CONSENT AGENDA

1. Payment of City Bills: November 14, 2017 In The Amount Of \$1,185,924.65

**CITY OF OAKBROOK TERRACE
MINUTES OF THE REGULAR CITY COUNCIL AND
COMMITTEE OF THE WHOLE MEETING
TUESDAY, NOVEMBER 14, 2017**

2. Ordinance 17-26: An Ordinance Amending Chapter 121 Entitled “Rental Dwellings” of the Code of Oakbrook Terrace, Illinois

Motion to approve all the items contained on the Consent Agenda for November 14, 2017 as presented was made by Alderman Swartz and seconded by Alderman Przychodni.

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

Motion passed.

X. MAYOR RAGUCCI

Mayor Ragucci introduced Finance Coordinator Jen Haug to the Council. Mayor Ragucci said Haug is doing a great job and thanked her. Mayor Ragucci said there is a new sign in front of the Fik Historical House. Mayor Ragucci also noted a volunteer will be present at the Fik House on Wednesday afternoons from 1PM – 3PM starting November 22. In addition, there will be a volunteer at the Fik House once a month on either a Saturday or a Sunday.

XI. COMMITTEE OF THE WHOLE CONSIDERATIONS

1. Presentation by Foster & Foster for the Actuarial Valuation for FY 2017

Jason Franken, of Foster and Foster, referenced his May 1, 2017 actuarial valuation report included in the agenda packet. Franken noted this year’s recommended contribution to the Police Pension Fund is \$1,115,355, which is \$75,584 higher than last year’s contribution of \$1,039,771. Franken explained that the increase resulted from an updated mortality table that better reflects longer life expectancies and a 4.5% increase in the amortization payment. Franken explained the amortization payment is similar to a

**CITY OF OAKBROOK TERRACE
MINUTES OF THE REGULAR CITY COUNCIL AND
COMMITTEE OF THE WHOLE MEETING
TUESDAY, NOVEMBER 14, 2017**

mortgage payment that the City is paying to decrease the unfunded liability. The City will begin to see the unfunded liability start to decrease in 2035, which is five years before the unfunded liability must be fully funded in 2040.

Alderman Greco asked what happens if the City contributes an extra \$500,000 towards the police pension. Franken responded not nearly as much as you would think because it reduces the unfunded liability over 20 years. However, Franken noted the advantage to contributing extra funds now allows the plan to earn more interest income and will lower the contribution over the long term. Alderman Swartz asked about the investment loss experienced in 2016. Franken replied the City did not meet its interest rate return assumption that year so the loss reflects the amount by which the returns fell short of the 6.5% assumption. Alderman Vlach asked if most of the investments are in the stock market. Franken responded under the Illinois statute, equities may only comprise 65% of total investments and more specifically mutual funds may only represent 10%, and stocks 55% of the total portfolio.

City Administrator Marrero asked Franken to explain the 15-year open, which is what many communities are moving to. Franken said the 15-year open offers a different approach for amortization. Franken said under the current closed model the unfunded liability must be funded by 2040, so the City has 23 years left. With the current closed model, contribution requirements will become volatile as we get closer and closer to 2040. In contrast, the 15-year open eliminates negative amortization and allows the unfunded liability to be paid down. Franken noted the Illinois Municipal Retirement Fund (IMRF) utilizes the 15-year open model. Franken said the issue with the 15-year open is you have to contribute more. Franken noted most clients are easing into the 15-year open and shaving off a year or two to eventually get to the 15-year point. Franken noted the current approach is not financially sound and pushes contributions into the future.

2. 2017 Property Tax Levy Determination/Police Pension Municipal Compliance Report

City Administrator Marrero noted the actuarial recommendation for the 2017 Police Pension levy is \$1,115,355. City Administrator Marrero indicated that there are several variables that factor into the levy calculation including: last year's extended levy, the Consumer Price Index (CPI) of 2.1%, and the new construction value of \$2.1 million. City Administrator Marrero explained with factoring in these components the total levy is \$979,534, which is a 2.94% increase over last year. The actuarial recommendation for the police pension is \$1,115,355, which is \$75,584 higher than last year's. The actuarial recommendation exceeds the amount that can be levied under the Property Tax Cap rules by \$135,821. City Administrator Marrero said the difference will be made up through General Fund reserves. Mayor Ragucci commented there will be no increase in property taxes for the upcoming year.

The Council concurred to place this on the December 12, 2017 agenda.

**CITY OF OAKBROOK TERRACE
MINUTES OF THE REGULAR CITY COUNCIL AND
COMMITTEE OF THE WHOLE MEETING
TUESDAY, NOVEMBER 14, 2017**

3. Renewal of Property, Casualty and Workers Compensation Insurance

Assistant to the Mayor and Administrator Sarallo noted the City's broker, Assurance, obtained insurance quotes for the 2018 calendar year. The City's current provider Trident-Argonaut is recommended to provide risk management insurance for 2018. The risk management premium increased by \$5,913 or 7.4% over the current year due to higher property values. Assistant to the Mayor and Administrator Sarallo recommended in the near future to conduct a full appraisal for all the City-owned properties. Assistant to the Mayor and Administrator Sarallo noted staff is very happy with the service levels provided by Trident.

Assistant to the Mayor and Administrator Sarallo said other carriers were not willing to offer quotes for workers compensation. Accordingly, the City will retain IPRF for another year. The workers compensation insurance renewal came in at \$25,661 higher than the current year due to some heavy outstanding claims. Assistant to the Mayor and Administrator Sarallo said with IPRF the City will receive a \$7,342 grant which can be applied towards a variety of purchases.

Mayor Ragucci thanked Assistant to the Mayor and Administrator Sarallo for his efforts. The Council concurred to place this on the next consent agenda.

4. Extension of the Redevelopment of 1S722 Midwest Road (Former Burger King Site)

Mayor Ragucci stated the developer requested another year for the redevelopment of the site. Building and Zoning Administrator Dragan noted the variations approved through Ordinance No. 16-24 will no longer be valid if construction does not begin by January 26, 2018. The City Code allows the Council to authorize extensions of one (1) year and the current owner is seeking an extension until January 26, 2019.

Building and Zoning Administrator Dragan also noted that on November 21, 2017 a public hearing will be held to consider an alternate development request for the property which includes: a gas station, convenience store, car wash, and gaming café. Building and Zoning Administrator Dragan said the owner wishes to maintain the previous approvals under Ordinance 16-24; to make sure all those variations remain in place in the event the property buyer does not obtain all the necessary approvals to begin construction.

The Council concurred to place this on the next consent agenda.

5. Letter of Recommendation-1S533 Halsey Road

Building and Zoning Administrator Dragan noted the owners of the vacant property hope to build their dream home in Oakbrook Terrace. In order to build a house with a height of

**CITY OF OAKBROOK TERRACE
MINUTES OF THE REGULAR CITY COUNCIL AND
COMMITTEE OF THE WHOLE MEETING
TUESDAY, NOVEMBER 14, 2017**

33 feet, side yard variations have been requested. The owners are requesting side yard variations of 18 feet to 10 feet and front yard variations from 34 feet to 32.9 feet.

Building and Zoning Administrator Dragan noted at the public hearing meeting, the Planning and Zoning Commission expressed concerns with the front and side yard variations requested in order to allow for a building height of 33 feet. The Commission requested a detailed explanation concerning the request. The owner's engineer explained that a hardship exists due to the property's slope and since the land is not flat; the foundation must be raised four (4) feet.

Building and Zoning Administrator Dragan noted in response to the Commissioners storm water concerns, the engineer explained that the storm water will be controlled and it will not cause flooding to nearby properties. The Commission voted against the request made by the applicant. The Commission attempted to make another motion to permit a building height not to exceed 30 feet, instead of 33 feet, in order to eliminate the front yard variation and reduce the side yard variations from 15 feet to 10 feet. With this motion three (3) Commissioners voted in favor and three (3) against it. The proposed house is in conformance with the City Code lot coverage requirements. Building and Zoning Administrator Dragan explained when a building height exceeds 25 feet, then the City Code requires more open space for front and side yards.

Alderman Greco asked why the foundation has to be raised three (3) feet. Casey Puchlerz, property owner, said the foundation at the back of the property is only going to be raised three (3) inches, while the front of the property will be raised three (3) feet for storm water purposes. Alderman Thomas said this is a small lot for the size of the house. Building and Zoning Administrator Dragan said the house is in compliance with the lot coverage requirement of not exceeding 40%. Alderman Greco said he likes big houses and higher property values. Alderman Greco said there are ways to avoid flooding issues. Alderman Greco said the Council will be reviewing the Code soon and under new guidelines, the City would not even be possibly reviewing this project. Alderman Greco said the neighbors have no problem with the house.

Alderman Esposito said a lot of newer homes tower over the existing nearby homes. Alderman Esposito indicated in some cases the older homes experience drainage problems due to the newer homes. Alderman Esposito indicated the new home will be tied into the storm drains, which will alleviate part of the problem. Alderman Esposito said it seems that variances are always brought before the Council, and why can't a home be built that conforms to the lot.

Alderman Greco asked if there is a way to review the lot and review the water run-off. Building and Zoning Administrator Dragan replied the Storm Water Administrator uses the Best Management Practices under the storm water code. Alderman Greco asked how is it possible then for water problems to exist. Building and Zoning Administrator Dragan replied there were issues in the past because the Best Management Practices were not

**CITY OF OAKBROOK TERRACE
MINUTES OF THE REGULAR CITY COUNCIL AND
COMMITTEE OF THE WHOLE MEETING
TUESDAY, NOVEMBER 14, 2017**

used and since then the City Code became more stringent. Public Services Director Ward noted under normal circumstances when water is redirected to the storm sewer, the run-off issues to other properties is eliminated.

Planning and Zoning Commission Chairman Steve Caslin stated the main discussions held by the Commission related to the proposed home's height and bump-out on the north wall. Caslin said the homeowners would like to get the house above the road level, which will dramatically change the direction of the natural water flow. Caslin said the proposed home is too big and too high. Caslin said four (4) feet off the ground for the foundation is too high. Caslin suggested more rigid rules in the future to stop such large homes from being built. Alderman Greco said he does not understand how the height changes the water run-off, because it is still the same lot coverage.

Mayor Ragucci indicated the Council needs to establish guidelines for constructing new homes rather than deal with requests for variances. Mayor Ragucci polled the Council regarding granting the variances. Alderman Greco, Alderman Przychodni, and Alderman Swartz supported granting the variances and Alderman Esposito, Alderman Thomas, and Alderman Vlach opposed the variances. Mayor Ragucci said in order to grant the variances a 2/3 vote would be needed, so this request would fail.

Building and Zoning Administrator Dragan noted the property owners cannot apply for another variance for another 12 months. Alderman Greco asked if there is anyway the City could work with the property owners. City Attorney Ramello said the petitioners cannot reapply for a variance for 12 months if this request is denied by the Council, unless the City Code is modified. However, City Attorney Ramello said the City Council could approve variations, which are less than originally requested.

Alderman Thomas suggested a motion to table this request. Mayor Ragucci agreed that a motion to table this request would be a good idea to gather additional information and see if the property owners will modify their proposal or wait another year before they can request another variance. The petitioner agreed to modify their request and come back before the Council.

Motion To Table the Request for Variances at 1S533 Halsey Road was made by Alderman Greco and seconded by Alderman Przychodni.

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

Motion passed.

6. 2017-2018 Bulk Rock Salt Contract

**CITY OF OAKBROOK TERRACE
MINUTES OF THE REGULAR CITY COUNCIL AND
COMMITTEE OF THE WHOLE MEETING
TUESDAY, NOVEMBER 14, 2017**

Public Services Director Ward stated with the mild winter, there is a rock salt surplus. This year the City decreased the salt allotment by half and the price is \$45.97 per ton, representing a 6% decrease from last year's \$49.08 price. Public Services Director Ward reported this is the lowest salt price in 10 years.

The Council concurred to place this on the next consent agenda.

XII. COUNCIL MEMBER COMMENTS

Alderman Esposito noted there were oil markings along some of the streets in the residential neighborhood. Public Services Director Ward said the culprit was most likely hydraulic oil from a garbage truck. Public Services Director Ward noted most of the markings are gone and were absorbed into the asphalt.

Alderman Greco suggested pushing back trick-or-treating hours next year so that it begins when the schools let out at 3PM. Alderman Greco also noted the new curbs look good. Alderman Thomas asked if the City could contact the Jimmy John's in town and request their drivers to slow down.

XIII. CITY ATTORNEY RAMELLO

None.

XIV. CITY CLERK SHADLEY

None.

XV. CITY ADMINISTRATOR MARRERO

City Administrator Marrero stated Alderman Vlach recently asked her about when the Amusement Tax reverts back to 5%. City Administrator Marrero said the 5% rate becomes effective on April 1, 2018 and reminder letters have been mailed to these businesses. City Administrator Marrero also noted the City will host an employee appreciation dinner in January.

XVI. RECONVENE THE CITY COUNCIL MEETING

Motion to reconvene the City Council meeting was made by Alderman Greco and seconded by Alderman Esposito.

Alderman Ayes: Esposito, Greco, Przychodni, Swartz, 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 14, 2017**

XVII. OLD BUSINESS

None.

ADJOURN

Motion to adjourn was made by Alderman Vlach and seconded by Alderman Swartz at 8:27PM.

Motion carried unanimously.

Submitted,

Aileen Haslett
Recording Secretary