

ROLLING MEADOWS CITY COUNCIL  
COMMITTEE OF THE WHOLE  
July 20, 2010

Mayor Nelson called the meeting to order at 7:30 pm.

COUNCIL IN ATTENDANCE: Mayor Nelson, Aldermen Barb Lusk, Brad Judd, Glenn Adams, Jim Larsen

STAFF IN ATTENDANCE: City Manager Sarah Phillips, Public Works Director Fred Vogt, Community Development Director Valerie Dehner, Fire Chief Ron Stewart, Police Chief Dave Scanlan, Senior Accountant Rob Fredrickson, City Attorney Jim Macholl, Assistant City Manager Barry Krumstok

**DISCUSSION ITEMS:**

**1) Community Development Block Grant (CDBG) Program – City Hall Project**

Mr. Vogt: A grant was approved for a PNR project for \$60,000. We notified the county that we could not proceed with the project. They did not un-obligate the monies and informed us that the money is still available as long as it is used for accessibility in any city building. We took an assessment of the buildings and City Hall has an elevator project for approximately \$40,000. They are in support of the project. The remaining \$20,000 is available for our use should we choose.

Alderman Lusk: Commended Mr. Vogt for not losing this money. Is Station 15 ADA accessible?

Mr. Vogt: The public parts of the building are up to code.

Alderman Larsen: These funds are for new construction only? We couldn't use this money to offset funds that were spent previously?

Mr. Vogt: It is for new construction only.

**2) Building Codes**

Ms. Dehner: For the past several months, staff has been working on our building codes. 2003 ICC codes are currently used. It is prudent to update codes every 5-10 years. These codes are tied into home/building insurance. We are proposing to update the codes to 2009 codes. There are generally not any major changes to the codes. There is one, effective January 1, 2011, where all new residential construction will have to be sprinkled. Based on conversations we have changed the following codes: Changed the Grass Code Enforcement from 10" to 8" being in violation, enhanced the Property Maintenance Code to deter illegal bedrooms and basements, and changed the means of appeal to the Zoning Board of Appeals. Staff would like to bring codes forward to Council for approval in the next 30-60 days.

Alderman Larsen: Since ICC codes change every 3 years, why don't we adopt those codes on an ongoing basis?

Ms. Dehner: She has been advised not to adopt right after ICC codes are issued.

Alderman Larsen: Grass height code is our own call?

Ms. Dehner: Yes, it is blank in the code so we can put our own height.

Alderman Larsen: Is there a common standard?

Ms. Dehner: 10" has historically been the standard.

Alderman Adams: Explain what constitutes a legitimate bedroom?

Ms. Dehner: The ceiling height, light and ventilation, door openings among other things. There is a definition under Chapter 4 in the Property Maintenance Code.

Alderman Adams: It sounded like something that was very attractive. With the overcrowding issues this gives a solid definition. Sprinkler question: If they fail and go off prematurely....what will stop the resident from suing us?

Mr. Macholl: If that happens, it wouldn't be the result of any negligence by the City.

Alderman Judd: The sprinkling will be required by us or the state?

Ms. Dehner: It is in the ICC building codes. It was proposed in 2009 to be included in 2011. It states that if the builder chooses not to put the sprinkler in he would be liable.

Chief Stewart: The consensus is that liability will shift in the opposite direction....to the builders.

Alderman Judd: What if someone builds their own house? They should be able to make that determination. He does not think that we, as a City, should force someone to put a sprinkler in.

Chief Stewart: He will do some research on false activations. We also need to look at the number of fires in the community.

Alderman Judd: Clarified that his issue is only with single family homes. In Section 305 of the Property Maintenance Codes, what does Open Fire mean?

Chief Stewart: Recreational type fires, fire pits, etc. They are not allowed to burn trash or combustibles. We also expect a good neighbor policy. There is also a nuisance policy in place should there be too much smoke, etc.

Ms. Phillips: The intent of this is to prohibit open burning of trash and leaves, etc.

Alderman Judd: Would it be possible to break this up over 4 meetings and discuss certain sections at each meeting?

Ms. Dehner: Yes, we can do that.

Mayor Nelson: On page 65-66 of the Property Maintenance Code for prohibited sleeping areas – are there provisions in those instances for someone with a medical ailment?

Ms. Dehner: Absolutely, this was meant to prevent overcrowding.

### 3) Permit Fees

Ms. Dehner: These fees have not been increased since June 1997. We highlighted those fees that we felt were low. She believes it is time to consider these increases.

Alderman Lusk: Did not have a problem addressing these increases. These are still below survey averages. After 13 years it should not be a big issue to increase these fees.

Alderman Judd: He is **was** not in favor **last year** because of the economy. Now we have hit the new "norm". Thinks it is time to raise these, but may be more in favor of a tier system (50% this year/~~50%~~ **60%** next year).

Alderman Adams: Would not have a problem with some of the fees for new construction, but the other fees for some of the day to day stuff, he has a problem with the increases due to the economy.

Alderman Lusk: Has no problem with that suggestion. Was under the assumption these would not go into effect until 2011.

Ms. Phillips: That is the intent.

Mayor Nelson: Suggests bringing it forward in August to be effective January 2011.

**4) Wheel Tax**

Ms. Phillips: The Sunset clause expires at the end of 2010. Every 5 years it is brought back up for renewal. We are asking that this be continued and consideration be given to eliminate the sunset clause.

Alderman Adams: Not in favor of eliminating the sunset clause. It should be discussed every 5 years. He suggested rolling this fee into property taxes.

Alderman Larsen: What would be the benefit for removing the clause?

Ms. Phillips: It would not have to be brought back to Council.

Alderman Larsen: A resident asked if this is a fee or a tax.

Ms. Phillips: In effect, it is a fee.

Alderman Larsen: This resident would rather have it as a tax because they are deductible. He does not have a problem keeping the sunset clause in.

Mayor Nelson: Do we want to keep the tax?

Alderman Larsen: Yes.

Mayor Nelson: Does not like it in the property taxes. A resident with one car will pay the same as a resident with 3 cars.

Alderman Larsen: What are some fees that could be included in the property tax?

Ms. Phillips: Refuse, some Capital improvement projects, and more.

Mayor Nelson: Directed Staff to bring forth for renewal intact.

**5) Utility Tax**

Ms. Phillips: Same discussion as above. There is a 2 year clause on this tax.

Alderman Lusk: When we adopted this, she was hoping 2 years would do it. She does not feel that we should get rid of this tax at this point and wants to keep the sunset clause.

Alderman Adams: Did not support the first time and will not support this time. The purpose of this tax was to replenish our reserves. How are we doing?

Mayor Nelson: Believes it was earmarked to pay off the deficit.

Ms. Phillips: We have paid off \$1.6 million in debt.

Mayor Nelson: Consensus is to bring forth intact.

**6) Chargebacks**

Ms. Phillips: We want to take some time to explain what the chargebacks are all about. Human Resources spends time with all employees, their time should be allocated to different accounts. Through chargebacks we can attribute those costs to the appropriate cost center.

Alderman Judd: The concept of chargebacks is the way it is supposed to be done. What are Admin Fees in the proprietary funds?

Ms. Phillips: They would be the billing, the Utility Review Board, Human Resources.

Alderman Judd: If we are going to implement the chargebacks the way they are supposed to be done, all the employees from Finance should be in the General Fund and charged to the appropriate fund.

Ms. Phillips: Understands and we can certainly do that. An employee assigned to a particular cost center is there a majority of the time.

Alderman Judd: Believes the way it is currently done muddies the water.

Ms. Phillips: Agrees, but based on the matrix we are presenting, we are clearing the waters.

Alderman Larsen: What is the downside of what Alderman Judd is proposing?

Ms. Phillips: There is no downside. It would create a difference in the numbers from last year. The bottom line would be even, but the cost centers will be different.

Alderman Larsen: Is in favor of pursuing something like this.

Mayor Nelson: Agrees that it may be interesting to look at.

Alderman Larsen: In the Building and Land Chargeback, why did it go from \$105,000 to \$285,000?

Ms. Phillips: In the past chargebacks were used to move funds around. It was a way to move funds from the Refuse Fund to the General Fund.

Alderman Adams: All in favor of the material chargebacks. Agrees that the personnel chargebacks are getting a little confusing. Part of his issue has to do with some of the fees being used for personnel.

**7) Capital Improvement Plan (CIP) Presentation**

Ms. Phillips: Every year we look at our CIP and at what we have accomplished and what we have to look forward to. There are certain things that still need to be accomplished.

Alderman Judd: All but one of these funds gets buried by 2015. If we want to accomplish 50%, how do we get there?

Ms. Phillips: Raise taxes, issue bonds, raise user fees, or apply for available grants.

Alderman Larsen: Reserves the right to ask questions at a later date after he is able to review the document.

**8) Budget**

Alderman Judd: Would like to have staff give their presentations anytime before September 15<sup>th</sup>. With regards to union employees, we are looking at giving back \$300,000 in concessions and another \$525,000 in salary increases. With regards to liability insurance, we have been using a rebate from monies that we've had for some time, roughly \$175,000, which we will not have next year. There will also be a health insurance increase. As we add all these numbers up we are looking at a \$1.5 million hole in next year's budget. Even if revenues go up 2-3%, that is only \$750,000. He thinks we should consider picking a surplus dollar amount that we want to generate and how we are going to get to that number. Thinks it would be prudent to approach the unions and continue the concessions for another year and forego their increase for one year. If they don't want to do that, at least we will know now. He would like to eliminate the carryover of vacation and sick time.

Alderman Larsen: Echoes Alderman Judd's comments. Everyone would benefit by getting this process started sooner rather than later.

Alderman Adams: Agrees. He has always said that he wants to make sure that things are fair to the residents and the employees.

Alderman Lusk: Has no problem with talking to our unions at this point.

Ms. Phillips: With regards to the budget process this year, it is not our intention to present departmental reports. A preliminary budget will be presented at a meeting in August. In September, Council will get the City Manager Draft Unofficial Budget. The intent is to start discussion with revenues and then expenses.

**9) Refuse Survey Results**

Mr. Vogt: The Survey was completed of area communities. Every one has some uniqueness.

Mr. Hartnett: One thing that stood out was a sticker program for yard waste. A couple of communities are subsidized by property tax...their rates are lower.

Alderman Larsen: Is there any reason this information can't be shared by residents?

Mr. Hartnett: It can be shared with residents.

Alderman Larsen: Do we have a general sense of where our average monthly cost per residents stacks up against other communities.

Mr. Hartnett: That information is in the packet.

Alderman Adams: It would be interesting to see how much is subsidized through property taxes in the other communities. Thinks we should speak with the company that handles our recycling program and see what they would charge.

Ms. Phillips: Unfortunately, in the public sector, we would have to go out for an RFP.

Alderman Adams: That is one thing that irritates him.

Alderman Lusk: Felt there was no need for this survey. It does show that residents are getting a pretty good deal for their money.

Alderman Larsen: Appreciates Alderman Lusk's thoughts. The point of exploring this was to see if there was an opportunity for saving.

Alderman Judd: Appreciates the work done but does not think it changes his mind. The Refuse Fund has operated under a deficit. Thinks we may not be representing all the true costs. Does not think it is worth letting this die.

Committee of the Whole

July 20, 2010

Page 6 of 6

Mr. Vogt: There are a number of operational matters we could look at. We must realize what that will do to the schedules that the residents are used to. Also, when are the transfer station hours?

Alderman Larsen: Has Staff talked with the other communities?

Mr. Vogt: No, other than the initial contact.

Alderman Adams: Was surprised by the number of communities that were not a member of SWANCC. Why?

Mr. Vogt: It goes back to the creation of SWANCC. Some are part of DuPage County. We can get more details if Council wishes.

Alderman Adams: Is not interested in doing any more detailed research. He was just surprised by that fact. What is the advantage of being a part of SWANCC?

Mr. Vogt: It is the process which we use to dispose of our solid and yard waste. Part of the rationale was the cost savings by combining resources with other towns.

Alderman Adams: One advantage to us is the tipping station.

Mayor Nelson: Interested in what the other communities are doing.

**ADJOURNMENT:**

Meeting adjourned at 9:42 p.m.

Respectfully submitted by Lisa M. Hinman, City Clerk

July 20, 2010 Committee of the Whole Minutes approve by Council on July 27, 2010

  
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Lisa M. Hinman, City Clerk