

**MINUTES OF LONG RANGE FINANCIAL PLANNING
VILLAGE WORKSHOP MEETING
VILLAGE OF DOWNERS GROVE**

August 18, 2009

**TCD 3 and Strategic Plan
Transit Service**

Mayor Ron Sandack called the meeting to order at 7:25 p.m. in the Committee Room.

Council Members Present: Mayor Ron Sandack; Commissioners Marilyn Schnell, William Waldack, Sean P. Durkin, Bruce E. Beckman, Bob Barnett, Geoff Neustadt

Staff Present: Dave Fieldman, Village Manager; Judy Buttny, Finance Director; Mike Baker, Deputy Village Manager; Tom Dabareiner, Community Development Director; Doug Kozlowski, Communication Director; Kurt Bluder, Deputy Police Chief; Jamie Belongia, Intern; Nan Newlon, Public Works Director; Andy Matejcak, Director, Counseling and Social Services; Mary Scalzetti, Director Community Events; Brandon Dieter, Management Analyst; Jeff Waxman, Bus Driver; Beth Janicki-Clark, Assistant Village Attorney; Linda Brown, Deputy Village Clerk; April Holden, Village Clerk

Village Manager Dave Fieldman said this is the sixth long range financial planning meeting. The focus is TCD 3 and Strategic Plan. One additional session will be held in two weeks.

TCD3 and Strategic Plan

Mr. Fieldman said long range financial planning offers multiple opportunities for input and discussion, allows for a dialogue among the community, Council and staff, creates awareness of issues and potential solutions, consensus for solutions and strategies, and creates a three to five year plan.

Mr. Fieldman said he would like to review elements of the Strategic Plan 2008-2013 including the mission statement, vision 2023, core beliefs, core services, our customers, goals 2013, and action agenda. The mission statement is to provide exceptional municipal services, to be fiscally responsible, to have passion for our customers, to have an eye on the future, to engage our citizens, to partner with others and to make Downers Grove a great community. Primary customers include residents (owners/tenants), corporations and businesses, and local governments including schools, Park District and Sanitary District. Secondary customers include potential new residents and businesses, visitors and guests of Downers Grove, daytime employees, non-profit and community organizations, resident and non-resident shoppers, and developers and investors in Downers Grove.

Core services are to provide water; enforce laws, Codes and ordinances; provide emergency response;

collect and dispose of solid waste; regulate land use and building; facilitate responsible development; plan, design, build and maintain public buildings and infrastructure; and manage stormwater and drainage system. Core beliefs are to produce results, take responsibility, act with integrity, be dedicated, and strive for excellence.

The vision includes a beautiful Village, unique neighborhoods, authentic downtown, technology community, hometown feeling, access to Chicagoland region, and a great place for families to live and businesses to thrive.

Goals for 2013 are: Top quality infrastructure and facilities; strong, diverse local economy; exceptional municipal organization; vibrant major corridors; preservation of our residential and neighborhood character; and an authentic downtown – the heart of our community.

Mr. Fieldman reviewed the 2009 action agenda including: Village facilities plan, capital projects plan and funding, Comprehensive Plan/TCD3, long range financial plan, customer service enhancement and performance measures, health insurance evaluation, Village fleet evaluation, downtown parking study and plan, Ogden Avenue strategy implementation, green energy policy and plan, unified economic development plan, integrated branding and marketing plan, downtown façade program, downtown alley improvement program, business incentive development, 63rd Street corridor plan, future fire station study, Public Works plan and projects to include public notification and information, building code update, and gateway entrance signs.

Mr. Fieldman then discussed preliminary results of TCD3 as follows: Infrastructure, economic development, residential, public services and facilities, public finances, environmental sustainability, parks and recreation, and education. A common thread from TCD3 is the need for responsive and accountable local government; better communication, cooperation and coordination; and maintain, enhance and improve neighborhood character and quality of life. He then reviewed the TCD3 recommendations: A new model for improved communication, cooperation and coordination to include intergovernmental, business community and neighborhoods; establishment of neighborhood organizations to include enhanced communication, enhanced coordination, enhanced cooperation, more responsive to localized issues, and establishing the framework for on-going neighborhood-based quality of life initiatives.

Mr. Fieldman then discussed the 2010-2014 Strategic Plan. He recommended no change to the mission statement, vision 2023, core beliefs and customer base. He discussed updating the core services based on the exercise done by Council during the Long Range Financial Planning sessions. He further discussed updating the 2013 goals and action agenda based on TCD3 and the Long Range Financial Planning sessions. Mr. Fieldman discussed the following core services for 2010: Emergency services (Fire, Medical, Police, etc.); solid waste collection; infrastructure construction and maintenance for the stormwater, street and water systems; Village facility maintenance; drug enforcement; Village Boards and Commissions; life safety related code enforcement and plan review; and economic development. The 2013 Goals would be the same as enumerated earlier. The 2014 Goals include: Top quality infrastructure and facilities; strong, diverse local economy; preservation of our residential and neighborhood character; authentic downtown – the heart of our community; exceptional services and communication; and steward of environmental sustainability. The 2010 action agenda would include the following: TCD3 implementation; partnership with Darien-Woodridge; prepare for stormwater utility creation; analyze and

consider annexations within planning boundary; update fees for services; update reserve policy; improve risk management; implement environmental sustainability best practices report recommendations; implement economic development plan; customer service enhancement and performance measurement; CIP project outreach implementation; and complete Comprehensive Plan. With respect to the 2010 Strategic Plan approval, Mr. Fieldman said this will be considered with the FY10 budget. He also noted that the FY10 budget decisions may affect the Strategic Plan action agenda.

Commissioner Waldack clarified that the portion of the Strategic Plan in conjunction with the budget is the action agenda. Mr. Fieldman said if some of the items on the action agenda require significant financial resources, they may be adjusted during the budget process.

The Mayor asked about a report that more fully integrates TCD3 responses and conclusions.

Mike Baker, Deputy Village Manager, said it is expected in mid-September and will be transmitted to Council shortly thereafter.

Commissioner Schnell asked about short-term and long-term implementation of TCD3, including concepts from the neighborhood meetings. Mr. Fieldman said the vision and mission statements may be reviewed as a result of these findings.

A resident said he liked the concept of TCD3. Regarding expenses and the 2010 budget, he said noted changes in the private sector with respect to salaries, pensions, job cuts, benefits, etc. and asked if those expenses were reviewed. He said about 12% of his tax bill goes toward pensions.

Mr. Fieldman said at previous meetings staff reviewed a typical tax bill and identified that the Village is 9-10% of a resident's tax bill. As to the impact of the economy on Village personnel, Mr. Fieldman said the Village has had a hiring freeze since April 2008 and has not filled 18 positions, has had eight retirements as a result of a voluntary separation program, has implemented furlough days with widespread participation, and is looking at further personnel cost reductions. Staff anticipates another \$2 million reduction in the 2010 budget in addition to the \$2.5 million cuts of the last 2 budget years. The Mayor said, with respect to pensions, there are constraints imposed by state statutes.

Mr. Whowell asked in what way the Library shares in the economic pain. The Mayor said they have their own budget and levy. The Village does provide administrative services to the Library. Mr. Fieldman said one of the models staff is looking at is to figure out the low-cost provider for any individual governmental service and have them provide that service.

In response to Mr. Schofield, the Manager said he anticipates the TCD3 report including the Citizen Summit will be an agenda item for a Council Workshop in mid-September which will be noticed and the report will be made available to the public.

Mr. Falesch asked about maintaining the residential character of neighborhoods.

Commissioner Waldack referenced a change in the Strategic Plan to include exceptional services and communication. He asked if that replaces exceptional municipal organization. The Manager said that was correct. Commissioner Waldack said the one goal refers to internal operations and the other to

external operations. Mr. Fieldman said managers and directors are hired to provide an exceptional municipal organization whether it shows up in a plan or not. Staff does not object to continuing to include this in the Strategic Plan. Commissioner Waldack suggested including both items.

Mr. Schofield said he supports the neighborhood empowerment concept that is coming out of TCD3. He asked if the Manager could speak to the financial implications of this. The Manager said this will be revisited when the budget is discussed. Staff has been researching other models and how this could be implemented. It ranges from no financial impact to a major impact of resources both in staff time and in money.

Mr. Falesch suggested coordination with the PTA.

Transit Service

The Manager introduced Naneil Newlon, Director, Public Works, to lead this discussion.

Naneil Newlon, Director, Public Works, discussed the status of the current program including the current operation, ridership statistics, and a review of revenues and expenses. She also discussed program goals for the future, both short term for 2010-2011 as well as 2012 and beyond.

Downers Grove is unique in its historical, financial support of commuter transit. Transit is the subject of discussion among many groups. She referenced a 2006 RTA station report showing 2,300 boardings daily from Main Street. She highlighted from the report the ways people get to the station: About 21% walk, 45% drive alone and park in the downtown, 19% are dropped off, 5% car pool, 6% are bussed, 2% ride bikes or use other methods to get to the train station. Ms. Newlon said Village figures indicate that 8 to 10% of people use the bus. Parking capacity for the Main Street train station is 924 spaces and is 93% utilized.

The Grove Commuter Shuttle provides weekday morning and evening feeder service to the Main Street and Belmont Road train stations. There are four designated fixed routes – north, west, southeast and southwest. In terms of the fare structure, one-way rides cost \$2.00; a 12-ride pass is \$18.00 and a monthly pass is \$45.00. There are two Park-N-Ride facilities; one is at the Fairview Shopping Center and one at Belmont Road at 64th Street.

Ms. Newlon then reviewed the current ridership status for the 2nd quarter 2009. The total number of trips was 19,309; the number of passengers to the Belmont was 4,368 averaging 66 per day; the number of passengers to the Main Street station was 14,941 averaging 226 per day. She compared ridership to 2008. She said ridership tends to vary based on the price of gas and the economy. She reviewed expenses for the first half of 2009 and noted that the expenses in June were the lowest for the six month period. Revenues are a combination of fare box collections, Pace subsidy and the \$.01 motor fuel tax. In comparing expenses and revenues, the average net monthly shortfall is \$13,155. In response to Commissioner Barnett, Ms. Newlon said projected expenses drop in FY10 as a result of lower maintenance costs due to the new buses, but then slowly increase due to personnel expenses, fuel costs and a gradual increase in maintenance costs. She said this assumes flat ridership and flat revenues. The Manager said fee updates should be reviewed annually as part of the Long Range Financial Plan. Regarding funding sources, 35% is the Transportation Fund, 26% the \$.01 MFT, 10% Pace contribution,

and 29% fare box collection.

Commissioner Schnell asked if the fare box number is consistent with other cities that run public transportation systems. Ms. Newlon said it is difficult to compare because Downers Grove is unique in that we have our own local transportation system. Commissioner Schnell suggested that the fare box fee should be reviewed.

Commissioner Durkin asked for information as to the revenues if the buses ran at full capacity.

Ms. Newlon outlined the following goals for 2010 and 2011: Increase efficiency and operate “in the black” with no contribution from the Transportation Fund; work with Pace to transition to “Highland Park” model as funds are available; implement “one ticket” model; reduce the contribution from local MFT after 2011; continue to work with regional agencies to increase transportation options; and continue to work with EDC and major employers to facilitate reverse commute options. There is an opportunity to do more to promote the system. Ms. Newlon explained that Highland Park and Niles operated a system similar to Downers Grove’s system. They created an operating arrangement with Pace whereby Pace paid them to continue their operation with their buses and their people because it was cheaper than having Pace run the system. Pace is very agreeable to this idea and staff is agreeable to the terms. The only issue is the economy and Pace’s current economy and financial situation are such that they are not in a position to move forward with this at the moment. The “one ticket” model allows a person to use the same ticket for the commuter bus and Metra. It makes the transportation system more user friendly for our users and may be an incentive to people to use public transportation.

Ms. Newlon then reviewed other current alternate transportation options. They include the taxi subsidy, Dial-a-Ride, Ride DuPage, Ride DuPage to Work, York Township program, Pace fixed routes and Pace vanpools.

Commissioner Beckman asked if Ride DuPage is a taxi or bus. Commissioner Waldack said it is both.

The Manager reiterated two points: With respect to operating in the black, staff is working on an operating efficiency that will be in the 2010 budget. Further, staff hopes to have the Pace partnership in place within two years which would shift the operating deficit.

The Mayor said that with respect to the 2010 budget, the operating expenses and revenues, and where this program fits into the budget will be discussed. He referenced a two year commitment with respect to the new buses.

Mr. Schofield asked about bicycle paths, racks and walking paths.

Ms. Newlon said there is a plan and there are plans for additional links. There will be additional bike racks for the downtown. Staff will continue to monitor the situation and apply for available grants.

Commissioner Schnell applauded staff on the Highland Park model.

Commissioner Durkin asked for a copy of the Highland Park model.

Commissioner Waldack said it is correct that there is a two year window in terms of our commitment as well as the time period in which the maintenance of the buses will be at its lowest. We have two years to make something happen or not. He would like to see attempts made toward reverse commuting and circulator. He would like to see this service operate at a break even point or in the black. He would like to look at this as an economic engine. The discussions in terms of the economy have been in terms of reducing services. He asked where Downers Grove would be if the BNSF did not go through Downers Grove. We owe our success to the fact that we have the train. In the future we are looking at reverse commutes which will probably happen through a light rail. We need to prepare for this western movement. We have two years to experiment and try to get something going to our economic advantage. This is an economic opportunity that we need to maximize.

Mr. Thoman asked if staff could discuss with Highland Park the payment timing from Pace.

Commissioner Durkin said it would be a huge win if the system operated on a cost neutral basis. He said he is interested in a marketing plan to increase ridership. We do not know what will happen with fuel costs, but we know we have two years to make the buses work. The buses were marketed last year and he asked about free rides vs. fares. He would like to know if that plan worked. The Manager said staff has the information and will provide it.

Commissioner Waldack suggested the Transportation and Parking Commission (TAP) work on this. He noted that they focus on parking and not much on transportation in terms of buses and systems.

Commissioner Beckman asked if the relationship the Village is endeavoring to develop with Pace may allow our shuttle system to evolve into a feeder system for Pace. If we can establish a healthier system, it will benefit our citizens. The Manager said in the short-run, staff has a goal to operate at a break even point. Further, staff is exploring working with Pace on a different funding model.

Commissioner Neustadt asked about current staff workloads and whether there are funds available to devote to this. The Manager said the operating efficiency would be implemented in 2010. He feels existing staff would handle the change in the operating agreement with Pace. The marketing plan might be a challenge given staff changes. Commissioner Neustadt suggested the Human Services Commission might be a venue for a marketing plan in conjunction with the TAP.

Commissioner Barnett said he is not sure that a government entity is deft at selling a bus system. It needs to be done now and he suggested this needs more thought before tasking Boards and Commissions to do this.

The Manager said staff is suggesting the shift may come through the operating efficiency outlined tonight and the potential partnership arrangement with Pace. The recommendation was not built on a marketing plan.

Commissioner Durkin said he has been asking for the marketing plan for a number of years. The Manager said a marketing plan has been done and he can provide it to Council.

A member of the audience asked if it would be easier to let Pace do this as they are the experts. The

Manager said that is the Highland Park model.

In response to Commissioner Barnett, the Manager said staff is open to marketing this differently, but noted serious resource allocation issues.

Commissioner Schnell suggested an intern might be interested in transportation issues and could work on this and relieve our staff.

Mr. Thoman said commuters are looking for low cost resources and the cost of parking is more cost effective than taking the bus. He asked if the Village has looked at cost structure of getting to the train station across the different methods available. The Manager said staff looks at those issues and understands the interrelationship between the cost of various resources in transportation. He noted that there are some things beyond the Village's control and ability to change. The Metra model is predicated on cheap parking and they control the parking.

Mr. Schofield said the parking garage supports some fraction of the commuter parking. If the ridership on the buses were to decline, would more parking spaces have to be made available. Ms. Newlon said there would be an increased demand for parking that would have to be addressed. Mr. Schofield said if the buses were more successful, it might free up more parking spaces for the benefit of downtown merchants.

Commissioner Neustadt said the Transportation Advisory Committee looked at this. The 792 spaces in the deck have been split up as best as they can be. If the entire deck was for commuters, it would be filled every day. The deck is designed to have a mix of shopper, commuter, and evening parking. If the Village had another deck elsewhere, it would be full. Mr. Schofield suggested that the Downtown Management Corporation would have an interest in successfully marketing the buses both in terms of bringing people into the downtown by bus and in freeing up parking resources closer to their businesses.

Commissioner Waldack referenced previous discussions regarding the availability of funds from the RTA and the County for a circulator system. The additional funding would have allowed the Village to offer a circulator, commuter and reverse commuter system for less than the cost of our current commuter system due to the subsidy from the RTA and the County. He said he hopes the Village is continuing to look at this. Ms. Newlon said those grants were predicated on a very specific model and needed to be ready to go within a certain timeframe.

In conclusion the Manager said staff is looking at an operating efficiency and restructuring the Pace agreement.

The Manager said the next meeting will be held in two weeks on September 1, 2009.

The meeting was adjourned at 8:45 p.m.

Linda J. Brown
Deputy Village Clerk