



Village of Downers Grove Meeting Minutes Downers Grove Village Council

Civic Center
801 Burlington
Downers Grove, IL 60515
630-434-5500

Tuesday, March 13, 2012

7:00 pm

Council Chambers

1. Call to Order

Mayor Martin Tully called the regular meeting of the Village Council of the Village of Downers Grove to order at 7:00 p.m. in the Council Chambers of the Downers Grove Village Hall.

Pledge of Allegiance to the Flag

Mayor Tully led those present in the Pledge of Allegiance to the Flag.

2. Roll Call

Present: Commissioner Marilyn Schnell, Commissioner Bob Barnett, Commissioner William Waldack, Commissioner Sean P. Durkin, Commissioner Becky Rheintgen, Commissioner Geoff Neustadt and Mayor Martin Tully

Non Voting: Village Manager David Fieldman, Village Attorney Enza Petrarca and Village Clerk April Holden

The Council meeting is broadcast over the local FM radio station, WDGC. In addition, a tape recording and videotape of the meeting are being made using Village owned equipment. The videotape of the meeting will be used for later rebroadcast of the Council meeting over the Village cable television Channel 6.

The Council will follow the rules of conduct for this meeting as provided in Sec. 2.5 of the Downers Grove Municipal Code. These offer the public the opportunity to comment at several points in the meeting. First, immediately following approval of the minutes of the past meetings, an opportunity will be given for public comments and questions of a general matter. If a public hearing is scheduled for this meeting, an opportunity is given for public comments and questions related to the subject of the hearing. Finally, an opportunity is given for public comments and questions on items appearing on the Consent Agenda, the Active Agenda and the First Reading.

The presiding officer will ask, at the appropriate time, if there are any comments from the public. If anyone wishes to speak, the individual should raise their hand to be recognized and, after acknowledgment from the presiding officer, approach the microphone and state their name and address. Remarks should be limited to five minutes, and asked that individuals refrain from making repetitive statements.

Mayor Tully said there are agendas located on either side of the Council Chambers, and he invited the audience to pick up an agenda and follow the progress of the Council meeting.

3. Minutes of Council Meetings

*Executive Session Minutes for Approval Only - February 21, 2012
Council Minutes - March 6, 2012*

Mayor Tully asked for a Motion to approve the minutes as submitted.

Commissioner Schnell moved to approve the minutes as presented. Commissioner Durkin seconded the motion.

The Mayor declared the Motion carried by voice vote.

4. Public Comments - General Comments on Matters Not Appearing on Tonight's Agenda

D'Anne Gordon, 6237 Pershing, commented on the proposed Walgreens at 63rd and Woodward. She said she reviewed information regarding a proposed Starbuck's petition that was ultimately denied. It was found that this project was not appropriate because it would detrimentally affect home values, particularly new homes in the area. Ms. Gordon said Walgreens is similarly not appropriate in this area.

5. Public Hearings

6. Consent Agenda

BIL 00-04815 A. List of Bills Payable: No. 5964, March 13, 2012

Sponsors: Accounting

A motion was made to Approve this file on the Consent Agenda.

Indexes: N/A

MOT 00-04812 B. Motion: Award a Contract for \$25,380 to Traffic Control Corporation, Woodridge, IL, for Purchase of Four Traffic Detection Video Cameras

Sponsors: Public Works

A motion was made to Award this file on the Consent Agenda.

Indexes: Police Equipment, Traffic Detection Video Cameras

MOT 00-04816 C. Motion: Renew the 2011/2012 Road Salt Contract with the State of Illinois for the Purchase of 4,200 Tons of Road Salt for 2012/13 Winter Season

Sponsors: Public Works

A motion was made to Authorize this file on the Consent Agenda.

Indexes: Salt

MOT 00-04811 D. Motion: Authorize \$503,996.95 for the Purchase of 11 Vehicles and Equipment

Sponsors: Public Works

A motion was made to Authorize this file on the Consent Agenda.

Indexes: Vehicle Purchases

RES 00-04818 E. Resolution: Authorize an Intergovernmental Agreement with the Illinois Department of Transportation for the Resurfacing of Carpenter Street from Maple Avenue to Gilbert Avenue

Sponsors: Public Works

Summary of Item: A RESOLUTION AUTHORIZING EXECUTION OF AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE VILLAGE OF DOWNERS GROVE AND THE ILLINOIS DEPARTMENT OF TRANSPORTATION FOR THE RESURFACING OF CARPENTER STREET BETWEEN MAPLE & GILBERT

RESOLUTION 2012-14

A motion was made to Pass this file on the Consent Agenda.

Indexes: Illinois Department of Transportation

MOT 00-04823 F. Motion: Award a Contract with The Owens Group for Risk Management and Broker of Record

A motion was made to Award this file on the Consent Agenda.

Indexes: Insurance - Risk Management

MOT 00-04821 G. Motion: Note Receipt of Minutes of Boards and Commissions

Summary of Item: Community Events Commission - 2/9/12

Transportation and Parking Commission - 10/5/11; 11/16/11; 01/11/12

Stormwater and Flood Plain Oversight Committee - 9/22/11

A motion was made to Note Receipt Of this file on the Consent Agenda.

Indexes: Boards and Commissions Minutes

Passed The Consent Agenda

A motion was made by Commissioner Schnell, seconded by Commissioner Durkin, that the consent agenda be passed. The motion carried by the following vote:

Votes: Yea: Commissioner Schnell, Commissioner Barnett, Commissioner Waldack, Commissioner Durkin, Commissioner Rheintgen, Commissioner Neustadt and Mayor Tully

7. Active Agenda

ORD 00-04814 A. Ordinance: Amend Certain Parking Provisions

Sponsors: Public Works

Summary of Item: This amends certain parking provisions for disabled persons and the sale of parking permits.

AN ORDINANCE AMENDING THE CERTAIN PARKING PROVISIONS

ORDINANCE NO. 5256

A motion was made by Commissioner Schnell, seconded by Commissioner Durkin, to Adopt this file. Mayor declared the motion carried by the following vote:

Votes: Yea: Commissioner Schnell, Commissioner Barnett, Commissioner Waldack, Commissioner Durkin, Commissioner Rheintgen, Commissioner Neustadt and Mayor Tully

Indexes: Parking Provisions

RES 00-04776 B. Resolution: Authorize an Agreement for the Purchase of Services for the Provision of Bus Service

Sponsors: Public Works

Summary of Item: This authorizes execution of an agreement with Pace for bus services.

A RESOLUTION AUTHORIZING EXECUTION OF AN AGREEMENT FOR THE PURCHASE OF SERVICES FOR THE PROVISION OF BUS SERVICE

RESOLUTION 2012-15

Commissioner Waldack said transportation and the commuter bus service has always been important to him, along with other issues. He thanked the Village staff and Pace staff for their work. He thanked Mayor Tully for taking a brave stand when he was a Commissioner to keep

the commuter system going. He also thanked board and commission members and the riders. Commissioner Waldack said Pace was always a stumbling block at the municipal and county levels and municipalities had to work around them, which is why the taxi coupon program was started. Pace later hired T. J. Ross as Executive Director who was innovative and allowed his staff to be innovative as well. The County paratransit service, Ride DuPage, has or will shortly provide the one millionth ride. This model has been used in many other communities. A few years ago Pace partnered with grant funding to get new buses for the Village. He is thrilled with this agreement.

A motion was made by Commissioner Durkin, seconded by Commissioner Barnett, to Adopt this file. Mayor declared the motion carried by the following vote:

Votes: Yea: Commissioner Schnell, Commissioner Barnett, Commissioner Waldack, Commissioner Durkin, Commissioner Rheintgen, Commissioner Neustadt and Mayor Tully

Indexes: Pace

8. First Reading

Mayor Tully announced an agenda change. Item B, the electrical aggregation informational presentation, will be the first item on the First Reading. Consideration of a stormwater utility will follow.

INF 00-04826 B. Information: Electrical Aggregation Informational Presentation

Sponsors: Manager's Office

Village Manager Dave Fieldman asked Allison Deitch, Management Analyst, to present this item. Mr. Fieldman said this item is a referendum on the March 20, 2012 ballot and, as such, this presentation is informational only. The Council and staff cannot take a position on this matter.

Allison Deitch, Management Analyst, began background information. Electricity bills from ComEd have two components: 1) Distribution, which can only be provided by ComEd; and 2) Supply, which is deregulated and means that consumers may seek alternative suppliers. In terms of electrical aggregation, consumers may use any of the 23 state-approved suppliers. Municipalities have the authority to seek a bid for electrical supply on behalf of residents and eligible commercial accounts. The goal is to take advantage of economies of scale for more competitive rates.

Ms. Deitch then described the aggregation process. Step #1 is the referendum, which is on the March 20, 2012 ballot. Step #2 is a plan of governance, requiring two public hearings. Step #3 is a competitive bid process, open to any of the 23 suppliers that meet the requirements of the plan. Step #4 is an opt-out process.

With respect to the referendum, the ballot question is:

Shall the Village of Downers Grove have the authority to arrange for the supply of electricity for its residential and small commercial retail customers who have not opted out of such program?

If the referendum is approved, eligible accounts will be enrolled unless they opt out. Ms. Deitch emphasized that all customers will have an opportunity to opt out of the program. If the referendum is not approved, the Village may operate an opt in program.

In terms of the bid process, there are two options: 1) Formally join the aggregation group by approving an intergovernmental agreement, or 2) continue alone. In either case, the bid process will be fair and competitive. Bids that do not lower the current rate will not be accepted.

Ms. Deitch reiterated that ComEd will still deliver power and service will not be affected. The electricity bill will come from ComEd. Some accounts will be excluded including real-time pricing, customers under contract with another supplier, and customers with space heating.

Ms. Deitch then reviewed the rates of recent aggregation program. The ComEd rate per kw/h is \$0.07753. The average rate per kw/h for recent programs is \$0.0575.

Tom LeCren, 545 Chicago Avenue, asked for more information as to why ComEd's rates are what they are and what might happen to those rates. The rates are the result of an auction and a new auction will be held that could possibly result in lower rates than anything the Village could offer. Further, the Village might be able to join a group in DuPage County.

Commissioner Neustadt said there is a FAQ section on the Village's website that explains this matter in detail.

The Mayor said a flyer was sent to all residents as well.

Commissioner Waldack said that currently ComEd customers get a bill for both supply and delivery of electricity. Currently people can choose a supplier and get two bills. If the referendum passes, customers may get a bill from ComEd and choose a supplier.

Commissioner Barnett suggested staff add a link to the Illinois Commerce Commission.

Indexes: Referenda Questions

INF 00-04817 A. Discussion: Consideration of a Stormwater Utility

Sponsors: Manager's Office

Mr. Fieldman said staff has spent the last 90 days conducting public meetings and providing information to the public about a stormwater utility. He introduced David Hyder, Municipal & Financial Services Group, to address the matter.

David Hyder, Municipal & Financial Services Group, provided the results of the stormwater utility study and recommendations. Mr. Hyder began by providing background information as to the benefits of a stormwater fee. A stormwater fee provides for improved equity. Users contribute based on stormwater impact. He noted that property value does not correlate to impact. Further, tax exempt organizations are not contributing in an equitable manner. A stormwater fee is fiscally accountable. Fees are driven by level of service, and needs and fees are exclusively used for stormwater needs. A stormwater fee provides revenues to support unfunded mandates. Mr. Hyder said that regulatory requirements will only become more stringent and costly. A stormwater fee is a dependable revenue stream which allows for pro-active management of the system resulting in lower life-cycle costs and long-term sustainability of the system. The current approach to funding is subject to competing needs. Lastly, a stormwater fee brings stormwater services to the forefront as a vital service to Village property owners. The fee gets the public's attention and provides an opportunity for education. Stormwater services are currently unseen. A fee motivates on-site stormwater management.

Mr. Hyder then addressed common concerns. With respect to impacts on tax-exempt organizations, Mr. Hyder said they are benefiting from the stormwater system and are not exempt from other utilities, such as water, electric, etc. In terms of impact on commercial development, the fee represents a fraction of the total cost of doing business. He said effective stormwater management attracts development. Another common concern is that a stormwater utility creates more government. There are no new layers of government; a stormwater utility is simply a funding mechanism. Billing requires limited resources and a relatively static data set.

Mr. Hyder then turned to level of service issues. The current level of service is made up of day

to day operations, annual principal and interest payments, and planned capital improvement projects. At the current level of service, the cost of the stormwater system is \$3.358 million dollars in FY13 and \$4.042 million in FY17. Under this scenario, the stormwater mains are on a 220 year replacement cycle. Mr. Hyder then reviewed the cost of the recommended level of service. Under this scenario, the stormwater mains would be on a 100 year replacement cycle and funds would be available for watershed improvement projects. The recommended level of service would cost \$5.614 million in FY13 and \$6.992 million in FY17.

In terms of revenue, current revenues for the stormwater system are \$2.523 million in FY13, resulting in a gap of \$834,900 as compared to the cost of the current level of service, and a \$3.090 million gap as compared to the cost of the recommended level of service.

Mr. Hyder said that, based on industry best practices, the base rate for a stormwater utility fee would be determined by impervious area as this relates directly to runoff and demand on the system. He noted that impervious area is readily available for all parcels in the Village. Mr. Hyder said that residential parcels represent 47% of the impervious area; commercial parcels represent 36% of the impervious area; and 8% of both the industrial and tax-exempt parcels represent impervious areas. In terms of revenue, 76% of property tax revenues for stormwater currently come from residential properties, but these properties only represent 47% of the impervious area; only 21% of property tax revenues for stormwater come from commercial properties even though these properties represent 36% of the impervious area.

Mr. Hyder summarized the recommendations of the study. The Village should implement a stormwater utility and a stormwater fee. It will provide improved equity, fiscal accountability, a dependable revenue stream and long-term sustainability, and it will increase public awareness. In terms of the fee structure, Mr. Hyder recommended the Village implement the utility using impervious area based on a Equivalent Runoff Units (ERUs). He recommended three tiers (small, medium or large) for single family residential properties. A small property, Tier 1, (1-2,500 sq. ft. of impervious area) would represent .75 ERUs; a medium property, Tier 2, (2,501-4,000 sq. ft.) would represent 1 ERU; and a large property, Tier 3, (4,001-7,000 sq. ft.) would represent 1.5 ERUs. The ERUs for non-single family residential properties would be based on the actual impervious area of the parcel.

Mr. Hyder discussed credits and incentives of a stormwater utility. In terms of credits, he recommended offering stormwater fee credits for properties that install and maintain stormwater management controls. These would be offered to non-residential properties and only residential properties draining to privately owned regional control facilities. He further recommended one-time incentives or rebates for the purchase and installation of stormwater controls. Examples would include rain barrels, rain gardens, and other facilities. These incentives would be available for all property owners on a first-come, first-serve basis with an annual budget for incentives.

Mr. Hyder recommended that the Village fund for the current level of service in FY13. The stormwater management portion of the property taxes would be reduced to fund only the 2008 debt service. A stormwater fee would be implemented to fund the remaining balance of the current level of service in FY13. Using this funding approach would result in a reduction in property taxes of \$1.33 million in FY13. Mr. Hyder said the Village should adopt a monthly stormwater fee beginning in 2013. Based on the tiered approach for single family residential properties, a Tier 1 property would pay \$4.20 per month; a Tier 2 property would pay \$5.60 per month, and a Tier 3 property would pay \$8.40 per month. Non single-family residential properties would pay \$5.60 per ERU. He provided examples of the costs for commercial and tax-exempt parcels.

In terms of long-term funding, Mr. Hyder recommended the Village increase funding for the stormwater system over time to provide the recommended level of service. The long-term plan would include increasing the stormwater fee annually at a level to reach the recommended level

of service by 2022. This would require annual increases in the stormwater fee of approximately 15%.

In closing, Mr. Hyder said the implementation of the recommendations of the study will bring the level of funding for stormwater up to the current level of service in FY13. It will reduce the property tax levy by \$1.33 million. It will begin to address the inequity of the current funding approach. It will put into place a stormwater fee that will generate \$2.4 million in revenues dedicated to stormwater. It maintains a source of funding for the existing debt service and it encourages on-site stormwater management.

Mr. Fieldman said that staff has been working on this for nine years beginning in 2003. The primary question before the Council is how should this be paid for and how should they address the gap. This is a policy question for the Council, and staff recommends a commitment to the Long Range Financial Plan (LRFP) to fund the stormwater system in a sustainable manner.

Mayor Tully said that the Council has received many e-mails on this issue. There will be no vote on this matter tonight.

1. John Schofield, 1125 Jefferson, commented that he has been inclined to think this is a good idea, but he has questions. In the early years he would save a few dollars per month; however, he then hears that there is a recommended 15% annual increase for ten years. That sounds like a big number to him. He wonders if that means that his stormwater bill will get a great deal larger in order to achieve the Village's stormwater objectives.

The Mayor responded that if the Village were to fund up to the recommended level of service, the dollars have to come from somewhere -- property taxes or somewhere else.

Mr. Schofield asked what would happen to his rate over the course of time. Mr. Fieldman responded that the website has a FAQ and questions 11 and 23 provide that information. Funding necessary for stormwater would take the levy from \$13 million now to \$20 million in 2022. Question 23 shows that the 15% increase would go from \$5.60 per ERU to \$19.70 per ERU in the same period of time. Mr. Schofield said that because of the equity issue, the property owner would be better off with the stormwater utility as described, rather than staying with the current system.

2. Joe Phillips, 840 Jay Drive, said he is an ex-utility consultant and officer and he is against the utility fee. Mr. Phillips said he sees the question as whether the fees are being assessed fairly. The options are to continue with property tax or establish a utility. He went through what he saw as the pros and cons of this. Mr. Phillips said that the Village could generate revenue either through stormwater fee or property tax. Property taxes are presently deductible on federal or state forms amounting to \$300,000 to \$1 million loss of tax funding. He noted that the fee is buried. He said there would be a cost to collect the revenue, as a new bill would be expensive. It would be cheaper to put this on the existing water bill. As to allocating fees to non-residential entities, they will pass the fees back on to the residential customers. Mr. Phillips noted that impervious streets were excluded from the study, and it doesn't make sense to him to exclude the streets. Streets are generally used by residents. Including the street in front of his home brings the impervious space up by 25%. He also sees the fees as being considered an increased cost of doing business in the Village.

Mr. Phillips summarized that the Village should continue with the property tax, which would not increase costs. The utility fee is another bill. He asked why the Village would want to lose federal or state funding, and a stormwater utility system would do that. Property tax is business friendly. Mr. Phillips added that the perceived cost shift from residential properties is invalid.

Commissioner Durkin asked for a copy of Mr. Phillips' presentation. Mr. Phillips said that staff has it.

Commissioner Durkin then asked, as a new utility, how would this be managed. He questioned whether the Village has the manpower to handle this, or would they have to go through a third party.

Mr. Fieldman said that a part-time GIS person would be added and the fee would piggyback on the water billing. There would be low incremental cost on the billing side. He thinks there will be heavy customer service demand at the beginning which would require hiring temporary employees.

Commissioner Durkin asked if there are stipulations as to how the revenue will be used if they go out for bonding. Mr. Fieldman said the revenue would be operated like an Enterprise Fund, and monies would stay in that fund. Commissioner Durkin then inquired as to whether this would have any bearing on the Village's bond rating. The Manager responded that he would ask.

Commissioner Durkin asked for slides of the savings through 2023. Mr. Fieldman replied that this is included in the FAQs. They looked at the total levy going from \$13 million to \$20 million. They can also put together a 2-3 year model for the tax levy.

Commissioner Durkin then asked for clarification on federal funding. Mr. Fieldman said this is not money to the Village; it is the value of tax deductions on income taxes. It is not an actual check from the federal government to the Village. Commissioner Durkin said his biggest issue with the proposal is that a home owner gets the benefit of a tax deduction if the fee is included in one's property taxes, but this is an opportunity to look at the non-profit side and all those exempt from taxes. The utility provides for an equal system.

Commissioner Schnell commented that in 2003 she was dead set against a utility fee. Since then she has seen progress in the stormwater utility. One way or another this has to be funded, and because of that she feels she can now look at this. She noted that right now this is paid for by property taxes, but priorities in the community may change and the Council could change directions. She has seen this happen in her 20 plus years with the Village. The Village has other problems in the community including street problems, and other issues. However, there is not a huge pot of money available. Stormwater issues may be toned down in the future. The Council has to prioritize and this concerns her and makes a stormwater utility look "better," and it would be an Enterprise Fund. Enterprise Funds allow for dedicated funds that are earmarked only for stormwater. She asked if the cost of ERUs would be adjusted at some point to account for the credits and incentives. Mr. Hyder replied that this is already factored in the reduction in revenue. Commissioner Schnell asked if that means the projected fees are what they expect the Village to receive, and Mr. Hyder said that was correct.

Commissioner Barnett inquired whether the Village would be seeking a specific dollar amount. The Manager responded that they would, and would have to adjust that amount every year.

Commissioner Schnell asked whether a church could apply for credit if they did a stormwater control, and Mr. Hyder said they could. Commissioner Schnell then asked whether the years could be spread out. Mr. Hyder said they could. They feel a ten-year time frame is reasonable; however, it is purely at the discretion of the Council.

Commissioner Schnell then asked staff to look at funding alternatives, as she is uncomfortable with the 15% annual increase. Mr. Hyder replied that there are things the Village could do to lessen the impact. Commissioner Schnell said she would like to see how the 15% could be reduced to a more palatable number making it more advantageous to the community. The Manager said staff would provide information.

Commissioner Rheintgen noted that in the credit program it refers to a "significant financial

contribution,” and asked if a parameter has been set. Mr. Hyder said that would be a unique circumstance, and it would have to be better defined. Mr. Fieldman added that the only entity qualifying now is the Park District.

Commissioner Neustadt added that this credit program is for a public storage facility, not private.

Commissioner Rheintgen then asked the cost of the stormwater credit application which has to be completed by an engineer. Mr. Hyder replied that he would have to get back to her on that, but it would probably be between \$200-\$300. Commissioner Rheintgen asked if they need a professional engineer for the credit renewal. Mr. Hyder replied that they submit an application and the Village would do a site visit,

Commissioner Rheintgen then asked whether the Village could consider incentives for the first year residential not being on a first-come, first-served basis. The Manager said that staff would try to look at the impact.

Commissioner Neustadt said there has been a lot of good information provided tonight, and a lot of work completed before this meeting. He referred to Commissioner Schnell's comments about the 15%, which is designed to get the Village to the recommended level of service. He thought that could be stretched out a bit. Also, with regard to street repairs, he said that in 2007 the Village handled some of the larger flooding issues in the Village. He said that the Village has to maintain and increase the services. He thinks the Enterprise Fund ties in well. The conversation about tax deductions, not-for-profits as well as commercial vs. residential are the major policy issues. Conversation has brought this issue to everyone's attention, and it will affect everyone. Commissioner Neustadt commented that he wanted to hear from colleagues about a long-range plan and funding the gap. He asked what the plan would be if the stormwater utility was not implemented. The information provided so far gives a comprehensive view.

Commissioner Barnett commented that one of the things that has come from this is the awareness that there is a major problem and real challenges that need to be met. They need a commitment to take on these challenges; they are not optional. He asked why they are not taking out current bond service. It is a sustainable and predictable program. The Manager responded that they could do that. It is a policy option the Council has. Staff decided to stick with the original funding plan. Also, in preliminary discussions, some Council members said there are positive attributes of both the current and the proposed system, and they asked for a way to create a hybrid system, which is the proposal presented tonight. Mr. Hyder added that there was the potential for outcry from the citizens. It is common to form a bridge. In terms of grants, they have seen the federal government look favorably at stormwater utilities with dedicated funding.

Commissioner Barnett said one of the choices he does not agree with is bonding as a solution to the funding gap. They're talking about a revenue stream to support future bonding. The Manager said bonding is an infusion of cash upfront, but it has to be paid off over time. There is a relationship between the bond and the revenue source. Commissioner Barnett said he is having difficulty with the concept of equity. There is a lot of this that is appealing; however the 8% shift to NFPs may just be passed to residents. With respect to credits, they're talking about a credit to the Park District. He asked as to the net effect of the percentage of the education credit. The Manager said if all public schools and the Park District come away with no fees, the result is \$60,000.

Commissioner Barnett then addressed the anticipated substantial increased revenue stream for stormwater in the next ten years. Eliminating the opportunity for a property tax deduction weighs heavily on him. He said that a utility would not qualify under the freeze program for seniors. Mr. Hyder said that the Village has the opportunity to offer an affordability program.

Commissioner Barnett thanked Mr. Hyder and staff for their good work.

Commissioner Waldack thanked the consultant, saying they have done a good job. He appreciates those who attended public meetings and asked that residents continue to send e-mails. Commissioner Waldack said he was originally against this. It is not a bureaucracy; it is a way of funding. He was concerned about tax deductibility, and that still gives him some pause. The Commissioner referenced comparable tax rates to other communities, saying that the Village may not be adding to taxes, but adding to fees. He asked about the cost of living for Downers Grove as compared to other communities. He said creating a utility based on ERUs would modify certain behaviors. The garbage sticker programs pays for what you use. This stormwater utility does that as well. It will cause others, such as schools, to modify their behavior as well. Commissioner Waldack commented that the Village has to do something and has to find a way to fund this issue. The cost of living will go up. He stated he has a problem with bonding and paying the interest that does not go into the program. He would like to see a pay-as-you-go plan, and is very much in favor of that. The Commissioner said he wonders how serious a "mandate" this is and how fast does the Village have to act. Perhaps the rules will be changed, and perhaps they could stretch out the plan. He reiterated that one of his main concerns is pay-as-you-go.

Commissioner Durkin pointed out that Tier 1 is \$4.20 per month, then \$7.30 in 2017 and \$14.86 in 2022. He asked if there is a percentage of the number of properties that fall into each Tier. Staff from MFSG responded that there are 2400 in Tier 1, 8700 in Tier 2, and 2000 in Tier 3, which are strictly residential. Non-residential properties would be charged on the ERUs.

In response to Commissioner Durkin's inquiry, Mr. Fieldman replied this will be placed on the April 3 or April 10 Agenda. A "yes" vote will be directing staff to create the utility. A "no" vote would be not considering a utility but using traditional funds to fill the gap.

Commissioner Durkin asked how much personnel time will have to go into a "Yes" vote. The Manager responded that creating a utility is a lot of staff work. There will be hundreds of staff hours in the public engagement portion. If there is a "no" vote, it will be staff intensive regarding finding other funds.

Commissioner Neustadt asked what the schedule would be if this moves forward. Mr. Fieldman said if the staff is told to proceed, staff feels that the 2013 fees are established. They will come out in September of this year, and will be discussed every September.

Commissioner Barnett commented that they want to hear public input, as there is no magic pot of money. He said that the Village could raise taxes, create the utility or cut the services.

Commissioner Waldack asked whether this could be on a referendum for the November election.

Mayor Tully said that the Council is elected to make decisions and should do that.

Commissioner Schnell added that this is a huge policy decision, and the Council has had a good discussion and has engaged the community, which will help the Council as it makes its decision.

The Mayor commented that there has been tremendous input and tremendous amount of work done regarding this issue. He noted that this is being considered because the Village has committed to being innovative and this bears exploring. He said that no one wants to pay for this, but there is a gap, and it is not acceptable to do nothing about it. They either fund from the property taxes or find another source. The property tax increase ranges from 3%, 4% and 8% annually. He noted that this is a need and an obligation, and they have to look at a sustainable program. Tax dollars can drift to the project "du jour." In this situation the Village is trying to establish a sustainable utility system. They have to look at the needs and adjust accordingly to a

dedicated fund. He sees this as an alternative way to look at achieving the goal of a sustainable stormwater infrastructure. Mayor Tully said this is more equitable than a property tax, is more accountable and is transparent. It serves as a shift rather than another layer of government and encourages positive behavior. The Village is looking at other alternatives and he sees this as well worth exploring. The Mayor noted that administrative costs are a fair question. One of the objections is that there will be new payers into the system. This cannot be deducted from property taxes. He pointed out that if this is passed on to property tax it is 100% on the residents. The Mayor reiterated that this is a legitimate concern. Many questions have been answered as this has been studied. The Council needs to make a commitment for a sustainable way to solve the funding gap. He thinks the utility is a better way of going about funding the gap, and the Council needs to make a commitment to take care of this issue.

Commissioner Durkin asked if the Village has received any input from other groups. The Manager said that the EDC meets on Friday to prepare a position paper, and Downtown Management has a letter ready for the Village. The Mayor added that the Village has heard from the Park District and the School District.

1. Mr. Phillips said that they have been talking about how they should collect for stormwater, and how much should they collect. He commented that with proper will power, they could designate funds for stormwater. Mayor Tully responded that is historically not going to happen. It is the will of the residents. Mr. Phillips replied that credits and deductions are to make people feel good. It could lead to people gaming the system.

2. Tom LeCren, 545 Chicago Avenue, asked how much the gap is and when the Village would make up that fund. There are other gaps in the budget as well. He asked what the impact would be of making up that amount over more years.

Mayor Tully referred Mr. LeCren to the study presented tonight. This can be reviewed annually.

3. Frank Falesch, 820 Prairie, asked how they would determine what the fees would be. The Mayor responded that they would review the parcels with a GIS system and draw categorizations about the properties.

Mr. Falesch then asked how to determine whether parcels have been evaluated fairly. The Manager said that the Village knows the impervious area of every property in town.

Commissioner Waldack said the question is a tax versus a fee. If the purpose is to expand the universe of people contributing to the funding, then they have to watch the credit system. They could make a commitment to a financial plan. There is work to be done and the Village has to pay for it.

The Manager said that staff will post questions and answers on the website and put this on the Agenda either April 3 or April 10. Commissioner Durkin suggested that it be placed on the April 10 Agenda. Mr. Fieldman said the Long Range Financial Planning begins on April 24.

Indexes: Stormwater Utility

RES 00-04802 C. Resolution: Authorize a Professional Services Agreement with Sada Systems, Inc.

Sponsors: Information Services

The Manager said items C, D, & E concern migration to cloud computing. He asked Deputy Village Manager Mike Baker to address these items.

Mike Baker, Deputy Village Manager, said the agreements with Sada Systems will allow the Village to migrate to Google Apps for Government. Staff has studied this extensively and it has

been reviewed by the Technology Commission. He said they believe this is consistent with the Long Range Financial Plan and the budget. Additionally, staff is proposing an upgrade to the Village network infrastructure. Staff is requesting approval of a service agreement with Comcast Business Communications to increase data connection speeds. This will allow the Village to more successfully implement the shift to cloud-based services and migration to Google Apps for Government.

In response to Mayor Tully, Mr. Baker said the email and calendar applications will migrate.

The Mayor noted that the City of Los Angeles tried to migrate emails from their police department but had problems and decided not to go forward.

Mr. Baker said staff has looked into security concerns and is confident that we can be secure.

The Mayor said he will review the Google contract and asked about provisions with respect to an exit strategy, as certain applications will reside outside of the Village. He said the concept is a great idea.

Commissioner Schnell said she had information regarding this matter from the National League of Cities conference that she shared with Mr. Fieldman.

Indexes: Computers, Computer Servers

RES 00-04824 D. Resolution: Authorize a Government Customer Agreement with Sada Systems, Inc.

Sponsors: Information Services

Indexes: Computers, Computer Servers

RES 00-04749 E. Resolution: Authorize an Agreement with Comcast Business Communications, LLC

Sponsors: Information Services

Indexes: Computers, Internet Access Provider, Internet Service Provider

MOT 00-04822 F. Motion: Award \$221,794 to Foster Coach Sales, Sterling, Illinois, for the Purchase of a 2013 Freightliner M2/MedTec M170 Ambulance

Sponsors: Public Works

Mr. Fieldman said the purchase of the ambulance was through a competitive process. It is the last of the planned vehicle purchases for 2012.

Indexes: Fire Equipment - Ambulance

9. Mayor's Report

ComEd Reliability Report

ComEd has completed enhanced tree trimming in areas identified during last year's reliability review. Additionally, all but two of the promised equipment upgrade projects have been completed. ComEd has notified staff that the last two projects will begin this month. A list and the location of the tree trimming and equipment upgrades is available on the Village's website.

Materials to be Placed on File

10. Manager's Report

The Manager announced that the location for Coffee With The Council, scheduled for March 17 has been changed from the Recreation Center to Lincoln Center. Coffee With The Council will

be held at the Lincoln Center, Room 503, from 9:00 to 10:00 a.m.

11. Attorney's Report

Village Attorney Enza Petrarca said she had no report.

Future Active Agenda

12. Council Member Reports and New Business

Commissioner Neustadt announced that on March 15, the Downtown Management Corporation is sponsoring "Girls Going Green" from 5:00 p.m. to 9:00 p.m. He urged people to celebrate St. Patrick's Day responsibly.

Commissioner Rheintgen said Cub Scout Pack 86 will host a pancake breakfast on St. Patrick's Day, March 17, at the Moose Lodge, 1030 Warren Avenue from 8:00 a.m. to 11:30 a.m. Tickets are \$5.00 at the door.

Commissioner Durkin said Council members received letters from Henry Puffer school children. The letter he was sent asked that the Village look at the issue of recycling in the business community. He thanked the students for their letters.

Mayor Tully wished everyone a happy St. Patrick's Day. He said there are 99 days until Rotary Grove Fest.

13. Adjournment

Commissioner Schnell moved to adjourn. Commissioner Durkin seconded the Motion.

VOTE: YEA - Commissioners Schnell, Durkin, Rheintgen, Barnett, Neustadt, Waldack, Mayor Tully

Mayor Tully declared the motion carried and the meeting adjourned at 9:37 p.m