



Village of Downers Grove Meeting Minutes Downers Grove Village Council

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

Tuesday, April 10, 2012

6:00 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 6:01 p.m. in the Council Chambers of the Downers Grove Village Hall.

2. Roll Call

Present: Commissioner Rheintgen, Commissioner Neustadt, Commissioner Waldack, Commissioner Schnell; Mayor Tully

Absent: Commissioner Barnett, Commissioner Durkin

Non Voting: Village Attorney Enza Petrarca and Village Clerk April Holden

Convene into Executive Session - Ante Room

Commissioner Schnell moved to go into Executive Session pursuant to Section 2(c)(1) of the Illinois Open Meetings Act to discuss personnel matters. Commissioner Neustadt seconded the Motion.

VOTE: AYE - Commissioners Schnell, Neustadt, Rheintgen, Waldack; Mayor Tully

The Mayor declared the Motion carried and the Council convened into Executive Session in the Ante Room at 6:02 p.m.

Reconvene into Open Session - Call to Order - Council Chambers - 7:00 p.m.

Mayor Martin Tully called the regular meeting of the Village Council of the Village of Downers Grove to order at 7:04 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.

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

Council Minutes - April 3, 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

Michael Cassa, President, Downers Grove Economic Development Corporation, announced that a new store, PGA Tour Superstore, would be moving into Downers Grove in the former Rossi Furniture store. They intend to open in June with a 50,000 square foot store and will employ 30 people. They plan to join the Downers Grove Area Chamber of Commerce.

5. Consent Agenda

Item D, MOT 00-04864, a motion awarding a contract not to exceed \$41,555 to ENCAP, Inc., Sycamore, IL, for green streets/sustainable stormwater program pilot project (Washington Street Bio-Retention Facility) was removed from the Consent Agenda for separate consideration.

BIL 00-04859 A. List of Bills Payable: No. 5970, April 10, 2012

Sponsors: Accounting

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

Indexes: N/A

BID 00-04849 B. Bid: Award \$165,550 to A Lamp Concrete Contractors, Inc., Schaumburg, IL, for 2012 Pavement Patching Services

Sponsors: Public Works

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

Indexes: Public Works - Standard Supplies & Services

MOT 00-04861 C. Motion: Award a Contract for \$17,900 to Testing Service Corporation (TSC), Carol Stream, IL, for Geotechnical Services

Sponsors: Public Works

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

Indexes: Geotechnical Engineering

- RES 00-04850** E. Resolution: Abrogate a Certain Lot at 6562 Davane Lane
Sponsors: Community Development
Summary of Item: A RESOLUTION ABROGATING A CERTAIN LOT IN THE VILLAGE OF DOWNERS GROVE - 6562 DAVANE LANE

RESOLUTION 2012-23
A motion was made to Pass this file on the Consent Agenda.
Indexes: Subdivision - Green Acres of Downers Grove, Abrogation - 6562 Davane Lane
- RES 00-04857** F. Resolution: Approve Final Plat First Resubdivision of Green Acres of Downers Grove Subdivision for 401-403 Lynn Gremer Court and 6568 Fairview Avenue
Sponsors: Community Development
Summary of Item: A RESOLUTION APPROVING THE FINAL PLAT FIRST RESUBDIVISION OF GREEN ACRES OF DOWNERS GROVE SUBDIVISION (401-403 LYNN GREMER COURT AND 6568 FAIRVIEW AVENUE)

RESOLUTION 2012-24
A motion was made to Pass this file on the Consent Agenda.
Indexes: Subdivision - Green Acres of Downers Grove, Abrogation - 401-403 Lynn Gremer Court and 6568 Fairview Avenue
- RES 00-04856** G. Resolution: Abrogate Certain Utility and Drainage Easements on Certain Lots at 401-403 Lynn Gremer Court and 6568 Fairview Avenue
Sponsors: Community Development
Summary of Item: A RESOLUTION ABROGATING CERTAIN UTILITY AND DRAINAGE EASEMENTS ON CERTAIN LOTS IN THE VILLAGE OF DOWNER GROVE (401-403 LYNN GREMER & 6568 FAIRVIEW AVENUE)

RESOLUTION 2012-25
A motion was made to Pass this file on the Consent Agenda.
Indexes: Subdivision - Green Acres of Downers Grove, Abrogation - 401-403 Lynn Gremer Court and 6568 Fairview Avenue
- MOT 00-04869** H. Motion: Award a Contract for \$38,075 to ISES Corporation, Stone Mountain, Georgia, for Completion of a Facility Maintenance Plan
Sponsors: Deputy Village Manager
A motion was made to Award this file on the Consent Agenda.
Indexes: Village Facilities

Passed The Consent Agenda

The Consent Agenda as amended was approved.

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

MOT 00-04864

D. Motion: Award a Contract Not to Exceed \$41,555 to ENCAP, Inc., Sycamore, IL, for Green Streets/Sustainable Stormwater Program Pilot Project (Washington Street Bio-Retention Facility)

Sponsors: Public Works

Commissioner Rheintgen asked that Nan Newlon, Public Works Director, explain this program.

Village Manager Dave Fieldman said this contract will provide infrastructure improvements.

Nan Newlon, Director, Public Works, said this is a new program included in the Community Investment Program for 2012 and is referred to as Green Streets. Some areas of the community do not have proximity to storm sewers or positive drainage. This project is to form a rain garden north of 59th Street on the east side of Washington in a vacant right-of-way close to the YMCA. This was brought to staff's attention by a resident. She provided a design of the project.

Ms. Newlon said staff received three bids on this project. ENCAP was recently selected as one of the Village's prequalified streambank stabilization/native planting design/build contractors. Staff recommends awarding this contract to ENCAP as the lowest qualified bidder.

Commissioner Schnell referenced a similar project on 40th and Glendenning many years ago that never looked good or took hold. She asked how staff will ensure that this project takes hold.

Ms. Newlon said it will be through active maintenance and noted that this project will be under the Village's control, not the County's as was the case with the project mentioned by Commissioner Schnell. Ms. Newlon further stated that the contract includes three years of maintenance.

Commissioner Schnell asked whether the Village can use this as an educational tool and Ms. Newlon replied that it will, which is one of the benefits of the project.

Commissioner Rheintgen asked about creating awareness of this project. Ms. Newlon said staff will do something similar to that done at 2nd and Cumnor.

Commissioner Neustadt suggested QR (Quick Response) codes that people could scan with their smart phones which would provide a link to the Village's website for this site and other sites in the Village.

A motion was made by Commissioner Schnell, seconded by Commissioner Durkin, to Award 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: Stormwater Improvements

ORD 00-04854

A. Ordinance: Rezone Property Located at 6622 and 6700 Fairview Avenue from R-1, Single Family Residence, to R-3, Single Family Residence

Sponsors: Community Development and Plan Commission

Summary of Item: This rezones 6622 and 6700 Fairview Avenue from "R-1 Single Family Residence District" to "R-3, Single Residence District."

AN ORDINANCE AMENDING THE COMPREHENSIVE ZONING ORDINANCE OF THE VILLAGE OF DOWNERS GROVE, ILLINOIS, CODIFIED AS CHAPTER 28 OF THE DOWNERS GROVE MUNICIPAL CODE, AS AMENDED, TO REZONE PROPERTY LOCATED AT 6622 AND 6700 FAIRVIEW AVENUE

ORDINANCE NO. 5258

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: Abrogation - 6562 Davane Lane, Rezone 6622 and 6700 Fairview Avenue - R-1 to R-3, Subdivision - 6622, 6650, 6700 Fairview Avenue, Subdivision - Atwood

RES 00-04855 B. Resolution: Approve the Final Plat of Subdivision for 6622, 6650 and 6700 Fairview Avenue

Sponsors: Community Development and Plan Commission

Summary of Item: This approves the final plat of subdivision for the Atwood Resubdivision located at 6622, 6650 and 6700 Fairview Avenue.

A RESOLUTION APPROVING THE FINAL PLAT OF SUBDIVISION FOR 6622, 6650 AND 6700 FAIRVIEW AVENUE

RESOLUTION 2012-26

A motion was made by Commissioner Durkin, seconded by Commissioner Neustadt, 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: Abrogation - 6562 Davane Lane, Rezone 6622 and 6700 Fairview Avenue - R-1 to R-3, Subdivision - 6622, 6650, 6700 Fairview Avenue, Subdivision - Atwood

MOT 00-04817 C. Motion: Direct Staff to Implement the Stormwater Utility System

Sponsors: Manager's Office

Commissioner Neustadt moved to adopt a motion to direct staff to implement the Stormwater Utility System. Commissioner Schnell seconded the Motion.

Laura Crawford, President, Downers Grove Area Chamber of Commerce, said that the Chamber sent a letter to the Village regarding the Stormwater Utility. She then read the letter emphasizing concerns regarding the environment and economic development.

Mayor Tully thanked Ms. Crawford for the comments from the Chamber tonight and at previous discussions of this topic.

Tom LeCren, 545 Chicago, commented that he spoke previously in opposition to the utility as proposed. It does not measure the impact a given property has on stormwater and runoff. Residents will lose tax breaks in a complicated and convoluted method. He also asked how they would institute credits.

Joe Phillips, 4046 Fairview, said that he was opposed to the utility for three reasons: 1) Confusion that this is needed to raise revenue. He understands that the Village can raise

property taxes through Home Rule. As to how to keep the money in the right place, Mr. Phillips said that the Council should allocate the money from taxes to stormwater and keep it there. 2) The current analysis excludes about 34 million square feet of impervious space in the roads. He questions whether the analysis is fair because of that. He said that the Village is shifting the rules under which properties were built. 3) The utility does not make business sense. This represents a loss of a property tax deduction. There is also the cost of administering the program and the cost of start-up to consider. No program has a zero cost.

Porus Dadabhoy, 216 39th Street, said that there was a meeting in Chicago with 70 water experts from the State in attendance. The State of Illinois gave out \$5 million in grants, and he named cities that were awarded funds including Joliet, Elgin, Niles, Green Infrastructure Projects, etc. He said that nowhere did he see that Downers Grove received funds, although he doesn't know whether Downers Grove applied for funds. Mr. Dadabhoy commented that there are a lot of things going on and he doesn't see Downers Grove in the forefront on this. He also doesn't think that the utility will reduce costs. Education is the best approach. He said if the Village really wants to help they can change the zoning laws.

Marge Earl, 4720 Florence, said she attended the Village's public meeting and felt that the people in attendance do not want it. The Chamber, EDC and non-profits do not want this. She noted that the schools and Park District will be exempt and she doesn't support this.

Jim Myczek, 1109 62nd Place, commented on the fairness of the fee. He said this doesn't take into consideration the ratio of permeable space to the open lands around the property. He is impressed with the rain garden concept addressed earlier. He sees no equity in the proposal.

There being no further comments from the general public, Mayor Tully called upon the Commissioners for their comments and/or questions.

Commissioner Durkin expressed concern about the property tax implemented as a result of the 2008 bond issuance and asked if this will be removed. He thought the dollar amount was \$1.8 million.

Mr. Fieldman replied that in order for that to happen, debt service payment for the 2008 bond will have to be removed from the levy and placed in the calculation of fees. The Motion on the floor is to implement the stormwater utility as proposed in the report. As proposed those debt service payments would remain on the property tax levy. If they were shifted, the fees would be increased by about \$2.80 per residential unit. Staff would look for direction from the Council.

Commissioner Rheintgen asked if a change could be done later. The Manager replied that staff prefers clear direction tonight.

The Mayor noted that there is a page reflecting the fees with options in the packet the Council received. The Mayor said the first element of discussion is whether to do this or not, and then whether to change the fee structure. Remaining as is would be a property tax item.

Commissioner Durkin said he would not support this with \$1.8 million in the tax bill.

Commissioner Barnett said he cannot support leaving some of the cost in property tax and he is concerned about the rate. The current proposal suggests increasing future rates at larger amounts ten years down the road. He cannot support a short time frame as it feels like a big, new tax in too short a time. He will not support this as presented.

Commissioner Schnell said no one likes new taxes. The bottom line is that the Village has \$3 million deficit just to keep things going, and they have to find money to continue with the status quo. They either increase property taxes or find another fair way of doing this. She said that the reports presented by the consultant changed her mind as she thinks it is fairer than a

property tax. She thinks the staff proposal makes the most sense from the transparency point of view as it has been discussed and shared. She does not like changing things at the last minute. One of the complaints is that the utility cannot be taken off the property tax. This is a hybrid system, and some of the cost would be taken off, while some would not. She said that this has been explained to the residents and addresses some of the resident concerns. Commissioner Schnell said she agrees with Commissioners Barnett and Durkin in that the amortization period needs to be longer, at least 15 or 20 years. The minimum should be 15 years. She knows that no one likes new taxes, but this spreads the burden and it seems fairer. She would like to see that part of this be able to be taken off the taxes.

Commissioner Waldack thanked the staff and consultants for providing information to the Council and to the public. He referenced the referendum comments he made in the past, saying he doesn't see a referendum as an abrogation of duties. With regard to mandates, he referenced the Sign Ordinance mandate, which was extended two years. There are federal mandates/stimulus money in place now that could change in November. In November, we may have one group in power that promotes the environment that realizes that the mandates affect government entities with financial problems, and are more likely to provide a stimulus and grants. We may have another group that is less concerned with the environment, opposes regulations and mandates, and is less likely to pursue enforcement. The mandate issue should be approached with caution.

Commissioner Waldack said that ten years ago he was concerned with three major factors: 1) Creating a huge costly bureaucracy; 2) Complex and inaccurate measurements of impervious areas; and 3) Loss of tax advantages by switching from a tax to a fee. The bureaucracy issue is not a major consideration, but he has some doubts about ongoing enforcement and fairness and whether the Village can keep up and enforce fairly. He asked, as people make changes, whether they will get the proper changes reflected. Theoretically, either way, taxes or fees will pay for the work that needs to be done. He indicated that the Mayor is right, while in theory it works either way, property taxes might leave Stormwater as an "issue de jour" and become under funded with mixed priorities.

The loss in tax advantages by switching to a fee should be made up by having groups that never paid before contribute to stormwater. They have to pay because more people paying reduces individual bills. Theoretically, it makes sense. However, from a practical standpoint, reduction in taxes is usually followed by an increase in taxes at a more rapid rate. Councils will compare taxes and increase the property taxes to meet other "issues de jour". People pay attention to property taxes more than they do the fees, so they will make elected officials more accountable. Officials should do the right thing for public service and not worry about the next election or future in politics.

Commissioner Waldack noted that it is easier to increase fees under the radar than taxes. The idea that entities that are not paying now will now have to pay is enticing. However, even before the process starts, we are beginning to institute a variety of exceptions. Already we are beginning to see the creation of "special interest groups." The Park District is telling the Village that they mitigate more water than they are responsible for. The schools are saying that they will just put it on taxes or fees. They even get a break for teaching about stormwater. The idea of charging other taxing bodies fees is to help improve their behavior and give them some accountability. Not-for-profits are already under attack and their public services will be impacted by increased expenses. Businesses can complain that it will hurt them as well, and might just pass on the costs to the public anyway.

The Commissioner asked how long before XYZ Corp is deciding whether or not to come to Downers Grove and wants something in return for paying stormwater fees. Taxing bodies threaten to increase their taxes or fees, and businesses pass it on to the consumer. So now, from a practical standpoint, the original taxpayer group will be more likely to pay higher property taxes and ever increasing fees. Suddenly, expanding the paying universe is not as attractive with

the carving out of exceptions. Commissioner Waldack said that people pay attention to taxes and those issues. Under the Stormwater Plan, there is little discussion about the proposed \$7 million bond issuance. The Village is talking not about \$10 million bond in the Water Fund, and \$25 million in Capital Fund. That's \$42 million in planned borrowing in a couple of years, which computes to \$23 million in interest alone. Theoretically, while a Stormwater Utility may be a good approach, the Commissioner said that from a practicable standpoint the direction the Village would be heading falls short of being good for the taxpayer. Therefore, Commissioner Waldack said that he probably will not support this as presented.

Commissioner Neustadt said that this is a dependable and reliable source of revenue for the improvements needed to be made and to be maintained. The Stormwater Utility will help with long range financial planning. A reduction of property taxes will be realized, and the system is broader and fairer. There is a credit system in place as well. Commissioner Neustadt said he is hearing from his colleagues about the amortization period and adding the bond issue in the utility. He thinks that the Council does have to give clear directions to staff. He agrees with extending the amortization period, and he likes the idea of adding the bond into the utility. The Commissioner noted that this is a new path and change, and change doesn't always get a lot of support. He said that many people see the benefits of the utility, and the Village will be innovators.

Commissioner Rheintgen commented that after the presentations made and the information provided, the Village cannot continue to ignore the infrastructure. The Village is on a 220-year replacement cycle. That is unacceptable. As a Council they have agreed that the funding gap must be addressed. The choices are to create the utility or increase taxes, and both choices have flaws. Commissioner Rheintgen said that she supports a utility as it is more equitable. She also prefers moving the debt service on the property tax. The net impact between Tier 1, Tier 2 and Tier 3 is about \$1 to \$6 per year as she understands it, and that is not significant in her opinion. She would like to see unlimited incentives during the first year of the project.

Mayor Tully commented that this has been a long conversation. Doing something different or new causes discomfort. He noted that the issues to be decided are whether to invest in the stormwater infrastructure and address a funding gap. He hasn't heard anything contrary to investing in the infrastructure. Another issue is how the Village pays for it. He said they can increase property taxes or do something different in the implementation of the Stormwater Utility. This concept has been discussed for ten years. Mayor Tully explained that direction needs to be given to staff, and adjustments can be made. There are pros and cons to the Stormwater Utility.

On the pro side, the Mayor said that this is a sustainable and dedicated way to pay for the infrastructure, as well as a more accountable way of going about it. The money would be tied directly to the stormwater runoff. It is more equitable, with a better distribution of the burden of paying for the maintenance and infrastructure of stormwater. This also has a closer relationship to the problem to be solved than property taxes. There is no relationship between property taxes and runoff. It also allows people to do something to reduce the fee. They cannot get a reduction in property taxes for credits. The fee promotes good practices, better conduct, and better understanding.

On the con side, Mayor Tully said that this is new and different and the outcome is unknown. Everyone pays, even those who don't currently pay. There is no property tax reduction for payment of the fee. On balance, the Mayor said he has been convinced for some time that if this is properly designed for Downers Grove it is a superior method to pay for the stormwater and maintenance costs. Many communities are watching the Village of Downers Grove. The Village is known for innovation and leadership. Another issue includes the details such as cost of fees, hybrid systems, easing into this and amortizing over time. He has no problem with easing into this and is open to a Motion to amend the original Motion made. This has been a long community discussion. He is greatly appreciative of the time spent and the stakeholders'

commitment to learning about this.

Commissioner Neustadt asked when the 2008 bond retires. The Manager responded it retires in 2038.

Commissioner Barnett asked the Manager to describe the effect of unlimited first year incentives. The Manager said that the effect of an unlimited incentive year is a higher level of uncertainty about the net revenues to be received. Commissioner Barnett said if this were done in a way that is easily understood, he would like to see details on matters discussed tonight including amortization, incentives, etc. To be successful, residents have to understand this. Many people still believe that all of their property taxes go to the Village of Downers Grove, and he is concerned about that.

Mayor Tully said that increased accountability will spark an awareness.

Commissioner Schnell commented that this gives residents an understanding of how much money is being dedicated to this.

Commissioner Durkin asked what effect there would be on the Village's rating if the \$1.8 million were removed. Mr. Fieldman replied that generally these are viewed favorably, however the Village didn't specifically address this. It should not significantly impact the Village's position. The 2008 bond issuance is and will remain a general obligation of the Village.

Commissioner Durkin then recommended removing the property tax associated with the 2008 bond issued for stormwater and putting it into the stormwater project, and moving the amortization from 10 to 15 years. The Manager said that the change in the ramp up period is less important than understanding what fees will be in year one.

Commissioner Neustadt asked if they want to consider removing the caps in the amended motion. The Manager said staff could show the impact of that when they bring the ordinance forward.

Commissioner Waldack commented that if they amend the Motion, then he doesn't have any input to this if he votes not to adopt the Motion.

Commissioner Barnett said that the process of voting on the amendment first allows one to have input into the process.

Commissioner Neustadt moved to amend the Motion to include adding the 2008 bond debt service in the stormwater utility, and to further increase the ramp up period to 15 years as part of the stormwater utility project. Commissioner Durkin seconded the Motion to amend.

Commissioner Waldack said that he could go along with the amendment. Mayor Tully said that Commissioner Waldack could still vote against the utility.

Commissioner Schnell said she prefers staff's original proposal; however, this will send a clear message to the community and she will vote for the amendment.

Commissioner Barnett asked if any of the Council would have interest in a zero net change. The proposal either way, as amended or as originally presented, is to have a net increase in the first year of the utility. The Manager said that is correct, and either proposal results in approximately \$1 million more in the first year to be spent on stormwater. A zero net impact would be that after the shift of the 2008 debt service payment, they would set the fees equal to the same amount of revenue available in 2012. Then the fees would go back to very close to the same fees published earlier with \$1 million less to spend.

Commissioner Barnett said he is trying to mitigate and minimize the initial impact on residents, and to try and get everyone to understand this is a market shift. Otherwise it feels like a back door way to get additional revenue.

The Manager said there is a significant issue on the table if they do an extension of the 15-year ramp up and the net zero impact. He doesn't know how this would address the gap. Mayor Tully replied that year one would show no change, however year two would show the shift.

Commissioner Barnett asked if the Motion as amended precludes the change, and the Manager said it does not. It would drop back down to the proposed fees, which they've had for a long time.

The Mayor reminded that there is a Motion to amend the original Motion on the floor.

VOTE ON AMENDMENT:

AYES: Commissioners Neustadt, Durkin, Rheintgen, Barnett, Waldack, Schnell, Mayor Tully

NAYS: None

The Mayor declared the Motion carried.

VOTE ON MOTION AS AMENDED:

AYES: Commissioners Neustadt, Schnell, Rheintgen, Barnett, Durkin, Mayor Tully

NAYS: Commissioner Waldack,

The Mayor declared the Motion carried.

The Manager said staff will put information on the website and prepare to launch the program in 2013.

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

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

Nay: Commissioner Waldack

Indexes: Stormwater Utility

8. First Reading

Mr. Fieldman asked Ms. Newlon to address the first two items on the First Reading.

BID 00-04862 A. Bid: Award \$1,062,737.50 to John Neri Construction Co., Inc., Addison, IL, for 2012 Water Main Improvements Contract A

Sponsors: Public Works

Ms. Newlon said this is one of two water main improvement contracts that will come before Council. This project consists of the installation of approximately 3,500 linear feet of 6" and 8" water main pipe, replacement of 45 residential connections, and restoration of impacted concrete sidewalk, driveways and parkways. The locations are Lee Avenue from Chicago Avenue to Grant Street; Snowberry Court from Downers Drive to end; 40th Street from Sterling Road to Fairview Avenue; and water interconnections at Douglas and 38th and Indianapolis and Cross. Fourteen bids were received. Staff recommends award of this contract to John Neri Construction Co., Inc.

Indexes: Water Main Improvements

MOT 00-04863

B. Motion: Award a Contract for \$2,071,188.10 to Central Blacktop Company, Inc., LaGrange, IL, for the 2012 Resurfacing (A) Project

Sponsors: Public Works

Ms. Newlon said this is also one of two contracts for the 2012 resurfacing project. The scope of work includes resurfacing selected Village streets with a new layer of asphalt, along with the repair of defective sections of pavement and concrete curb and gutter. The remaining work for the roadway maintenance program will be bid at a later date.

Ms. Newlon said a call for bids was issued and four bids were received. Central Blacktop Company has completed other projects for the Village.

Commissioner Waldack said, with respect to this item and item A, these are funded by the Water Fund in the Capital Projects fund and will require money we are planning to use from bonding.

The Manager said item B does not require funding from the bond issuance, but item A would be funded by the proceeds from the upcoming bond issue.

Commissioner Waldack asked that staff appropriately modify next week's Active Agenda to approve the bonds before considering the items requiring bond funding.

Indexes: Roadway Improvements

ORD 00-04868

C. Ordinance: Provide for the Issuance of General Obligation Bonds for Road and Water System Improvements

Sponsors: Manager's Office

The Manager asked Judy Buttny, Finance Director, to address this item.

Judy Buttny, Finance Director, said the adopted FY12 budget includes \$25 million in revenue in the Capital Fund, and \$10 million in revenue in the Water Fund from the issuance of General Obligation Bonds. The principal amount of the bonds will be \$35 million. The bonds are to be purchased on April 17, 2012, and will be presented to Council at next week's meeting. The actual interest rate will not be known until the bids for the purchase of the bonds are received. The projected issuance cost for the bonds is \$81,000. The bonds are to pay for needed improvements to the street system and water system. Ms. Buttny noted that Standard & Poors (S&P) recently issued the Village a AA+ bond rating. They have reviewed the proposed bond issuance and have affirmed this rating.

Tom LeCren, 545 Chicago Avenue, asked about the Village's total indebtedness and when the Village will stop issuing debt.

The Mayor said this information is available in the budget posted to the Village's website.

Mr. Fieldman said the strategy is to use bonding for large projects, to maintain a moderate debt level, and to use existing revenue sources for the debt service payments. There is a strategy in place to make sure that out-of-control debt service payment is not going to happen.

The Mayor noted that the bond rating agencies look at this very issue in determining a community's bond rating.

Commissioner Barnett said that graphs presented in the Long Range Financial Plan sessions point to a strategy of a level number in terms of debt. Anticipated future issuances coincide with existing drop offs.

Commissioner Neustadt referenced the debt payment schedule in the Long Range Financial

Plan.

Commissioner Waldack said he has consistently opposed borrowing \$25 million for capital projects. Council raised \$500,000 in taxes one year, about \$20 a year on an average house, and Council was all apologetic knowing it hurt. Council did it again the following year and Council did so reluctantly. Then taxes were reduced by \$300,000 and Council was happy to take appropriate credit. This involves payments of about \$1.6 million per year and about \$14 million of interest which is 28 times as much, or \$560 on one's tax bill going to not fix anything.

Commissioner Waldack said if this were about a single "one and done" project, maybe we could talk about rising costs of construction and interest rates. But infrastructure improvement and maintenance is ongoing as long as there is a Downers Grove. After spending \$25 million on projects, we will be left with about nine years of interest payments and hundreds of years of projects. We can't stop doing projects, because infrastructure is an ongoing demand. Commissioner Waldack said we can't close up shop, so we will, while we are still paying off the debt, need to borrow more at probably higher rates and higher construction costs. Alternatively, if we don't borrow, we can start more projects, maybe nine years earlier, at probably lower interest rates and/or construction costs. But we have to bite the bullet now and plan what we can do with \$1.6 million per year.

Commissioner Waldack said that when we start to borrow for ongoing maintenance, we begin a process where we will have to keep borrowing and paying off, each time spending millions of dollars on interest. It is \$14 million this time, maybe more next time. Capital projects are not one and done, and we will keep borrowing because we can. Staff will break out the chart showing the debt and how much more we can borrow. Each Bond will cost us at least \$14 million or more in interest, and each bond will set us back nine to ten years in projects.

Commissioner Waldack said if we take a planned approach to pay as you go, we can avoid millions of dollars in interest passed on to the taxpayer and put that money to projects that we can possibly start earlier than planned.

Indexes: General Obligation Bond Issue - Series 2012

RES 00-04867

D. Resolution: Authorize a License Agreement with American Legion Post #80

Sponsors: Community Development

Mr. Fieldman said the American Legion has withdrawn their request. They do not wish to enter into a license agreement with the Village at this time and are requesting a fee waiver for their 2012 Memorial Day parade. Mr. Fieldman said the Mayor will present information about this item; staff recommends action at the discretion of the Council.

Mayor Tully said the Village has been fortunate to have a parade and ceremony on Memorial Day in Downers Grove. Last year the American Legion did not hold a parade due to the construction at Fishel Park. With the construction completed, they would now like to return to the parade and ceremony, but in the meantime there was a change in the permit fees. The Mayor said this raises questions about fees, events, etc. The Mayor suggested an agreement with the American Legion to provide the parade given the tight time schedule. He said he does not think the Council is in favor of charging a \$700 fee to hold a parade to honor and remember those who died while serving their country.

Commissioner Barnett said he thinks this was accidental. The American Legion is not the same as other organizations and he is happy to exempt them and not others. He suggested making changes to the policy that exempts veterans organizations chartered by the government when they are holding celebratory assemblies.

Commissioner Durkin agreed with Commissioner Barnett.

Commissioner Schnell agreed they should be exempt. She asked about the flag retirement fee.

Mr. Fieldman said that fee is waived.

Commissioner Neustadt said he was chair of the Community Events Commission when this policy was developed and this was an oversight. He added that the Temporary Use application would still have to be completed to ensure that Village services are known and available.

Mr. Fieldman said Option 2 of the staff report captures this concept.

Commissioner Rheintgen said she is in favor of amending this policy. With respect to the flag retirement, groups should not have to apply for a fee waiver for this. The Manager said staff works with the applicants.

Commissioner Rheintgen said she does not feel this needs to go back to the Community Events Commission.

Commissioner Waldack said Council has been inundated with complaints from the American Legion over the last several weeks when they found out they might have to pay for holding the Memorial Day parade. He said he agreed with them that this is a very bad policy that he never supported because it was bad for the community and it was divisive. He said he explained that while he would support them in getting fees waived for the parade, that in doing so, this continues a policy of encouraging special interest groups where influence and politics could play a role. A bad policy would be allowed to continue whenever a sizeable opposition could be specially treated. Many of them justified the waiver because of the groups they serve and provided a list as justification. The problem is that if any of these groups wanted to have an event they would be charged as well. Commissioner Waldack said he communicated to them that he would have preferred if a group like the Legion would lead the way in putting an end to the policy rather than seeking separate treatment.

Commissioner Waldack noted that the staff report states that the Village “values the Memorial Day Parade.” We do and we should. But a continuation of the policy means that we value other expressions of religious, public service, or community spirit less. We have already indicated that we value business more. This all stems from a few years ago when the majority of Council took us down a path of Core Services ideology, where it was Police, Fire, and Public Works only. There was no room for community spirit, patriotism, or neighbors helping neighbors. In his opinion, we went from being a “free market economy” to a “free market society” where every aspect of our society and local government has turned into a business transaction. This needs to end and we should have an event policy that allows for community and a Village government that reflects the community spirit and not just a business transaction.

Commissioner Waldack then said that Option 1 is nothing more than a continuation of bad policy, just formalizing who the special interest groups are. Option 2 is divisive. With respect to Option 3, he said he supports reviewing a policy that respects our sense of community, freedom of expressing patriotic, religious, public service.

Commissioner Waldack said the only group to get a waiver is a group that was designed to gain profits for business. He asked how that reflects on our community.

The Mayor said all of the Council members are of the mind that we won't charge the American Legion to hold a parade. He has no problem amending the policy to carve out the American Legion.

Indexes: Community Events

9. Mayor's Report

ComEd Reliability Report

The final two projects that were identified during the reliability review are underway. These two projects are on schedule to be completed by the end of summer, which is consistent with the timeline that ComEd submitted in September 2011. ComEd is also adding an additional equipment upgrade project in Downers Grove consisting of the replacement of 4,400 feet of underground cable in the circuit serving the area near 63rd Street and Main Street. This project is part of the infrastructure upgrades provided under the Smart Grid Bill and is planned for second half of 2012. Staff is in contact with ComEd to determine when this project will begin.

Materials to be Placed on File

10. Manager's Report

11. Attorney's Report

Village Attorney Enza Petrarca said she was presenting one item to the Council: An ordinance providing for the issuance of general obligation bonds for road and water system improvements.

Future Active Agenda

12. Council Member Reports and New Business

Commissioner Durkin reminded everyone that the next Coffee With The Council will be held on April 21, 2012, at Oak Trace Senior Living Community, 200 Village Drive at 9:00 a.m.

Commissioner Neustadt announced the fourth annual miniature golf event on Sunday, April 15, 2012, at the Downers Grove Library. The cost is \$5.00 for adults and \$3.00 for those 12 and younger. Commissioner Neustadt added that the Library has begun to use QR codes.

The Mayor congratulated William McAdam on being named as the new Executive Director of the Downers Grove Park District. He thanked Dan Cermak for his many years of service.

The Mayor said there are 71 days to GroveFest.

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 9:18 p.m.