

CITY COUNCIL WORKSHOP MINUTES

CITY COUNCIL WORKSHOP: FY12 Fiscal Forecast Workshop

Date: February 7, 2011

Place: Municipal Center – Council Chambers

Councilmen Present: Councilman James Boyajian (via phone), Councilman Judy Brodhead, Councilman Richard Furstenu, Councilman Paul Hinterlong, Councilman Kenn Miller, Councilman Grant Wehrli, Mayor A. George Pradel, Councilman Robert Fieseler

Councilmen Absent: Councilman Douglas Krause

Staff Present: Doug Krieger, (City Manager), Chris Smith (Assistant Finance Director), Chief Puknaitis (Fire Chief), Jim Holzapfel (Director of Water/Wastewater), Mark Curran (Director of Electric Utilities), Marcie Schatz (Director of Transportation & Engineering Department), Bob Marshall (Asst. City Manager), Dave Van Vooren (Director of Public Works) Margo Ely (City Attorney)

Call to order by Mayor Pradel at 5:00 PM. Overview by Doug Krieger.

Doug presented an overview of the workshop agenda and materials

- Completed workshops – Dates and Agenda
- Upcoming Work\shops – Dates and Agenda

Financial FY12 Gap Update

The financial gap view was as large as \$7mil during the November Workshop, and had been reduce to \$2.7 million primarily as a result of actions Council reached consensus on at prior workshops.

Due in large part to continuing strength in retail sales tax collections, the remaining Gap stands at only a \$700K shortfall.

Debt Policy and Debt Threshold

Objective – Establish debt threshold measures within Debt management policy. Discussion included need to better define debt threshold-limit or cap which would be set by City Council. Also a discussion of how this policy would bring discipline with more direction and guidelines and help prioritize projects. There was support for the utilities to self funding capital requirements through rates. Due to absence of Karen DeAngelis, Director of Finance, the discussion of limits and a hard cap will be discussed again at the 2/22 meeting. Various special requests for inclusion in the next meeting are documented later in the minutes.

Library & Naper Settlement

Potential reduction of \$200K is possible; however this reduction will have no impact on General Fund, since the tax levy has already been filed.

Blizzard Event

Council inquired on the impact the blizzard would have on the budget. Krieger stated ‘not a positive one’, but felt it would not be necessary to bring a budget increase in front of Council at this time.

Council inquired about the city’s electric outages during the storm, Curran responded that about 50 to 60 residents were without power for 4-5 hours.

Discussion regarding the city reliability:

- Too good
- envy of the area with over 90% of lines buried we are able to maintain reliability and keep outages to a minimum, we need to be ready with sources of power the next power appliances (such as electric cars) to ensure readiness for citizens.

CIP Objective

FY12 spending of individual projects

Highlights:

Total of FY12 CIP \$56 million; \$33 million for Utilities

\$8 million lower from last year’s projection

\$40 million lower than FY09

Unfunded - \$5 mil Corporate; \$11mil Electric; \$8mil Water/Wastewater

There are \$2 million in projects that have already been pushed to future years.

Will end FY12 with less debt and in FY14 debt continues to taper down.

Funding available for 67% of the projected 5 year CIP spending

Council discussed potential to establish future long-term funding verses a new tax.

Water will be phasing infrastructure costs into new rate structure over a 3 year period.

New & Non- Recurring Projects

19 New Projects - 9 Projects with spending for FY12

43 Non Recurring Projects – 15 Projects with spending in FY12

Recurring Projects

59 Projects- 48 Projects with spending in FY12

TED – Marcie Schatz

This year’s CIP is significantly smaller than the last couple of years.

Project TC214 – Council wants TED to go back and see if Will County would be willing to pay 50%. It is felt this is theirs since DuPage County pays 50% of all streetlights Will County should also partner with the City.

City Council Workshop Minutes
FY 12 Proposed CIP Workshop
February 7, 2011

Project BR031 – Council would like to see bridge ratings

Project TC195 – Follow-up to consider if project was over-scoped by IDOT. Also inquire about annex to City. Schatz suggested the timing might shift to FY13.

Projects BR005 & SC033 – ICC funding grant also looking to partner with township and county for project. Discussion regarding railroad crossing on Route 34 and if an overpass is being looked into. Schatz stated CN is responsible for 67% of the costs and IDOT and Federal Funding sources would make up balance. It was requested to send letters to legislators to pursue the project.

Project MB163 – Project to begin in FY12. A discussion was held regarding the plans that had been drawn up for a library area parking facility. Engineering drawings were almost completed. This project used to be the Library's parking deck; it is now a combination of 2 projects from prior CIP workshop and Council's decision to name this project "Downtown Parking Solution".

Admin/IT - Larry Gunderson

EQ036- Project for FY12; options for wiring, hi-def video, include Mtg AB&C-not included

CE118- Project for FY12; additional disk space to Storage Area Network

Fire - Chief Puknaitis

MB096- Project for FY13; option to rent out the facility; only used 60 days in a year; look at figures for this training facility for a potential income return if it were upgraded to meet requirements for rental and to recover costs;

Check if Aurora has a similar facility. Also consider if there might be any state or regional funding to assist with the cost of the upgrade.

DPW- Dave Van Vooren

3New Projects

PA040- Project for the removal & treatment of Emerald Ash Borer; Number is increasing every year; additional treatment is required; used 2 different kinds of treatment;

Use of brochures to educate public

MB168-sprinkler not repairable; need replacement;

Consensus for Replacement

Non Recurring Projects

MB137- funded from Burlington fund

MB167 – Roof is 23 years old, time to replace – will inquire about new materials for roofing needs once a bidding process begins.

Riverwalk- Bill Novak

PA027- Project is a small segment on the City property; no retention is required; only requires certification

Naper Settlement- Chris Burke

City Council Workshop Minutes
FY 12 Proposed CIP Workshop
February 7, 2011

NS019- Project with \$640k state funded/grant;

Water/WW-Jim Holzapfel

WU32 – Pumps will need to be replaced, as we can't secure replacement parts for the current ones.

WU10 – This is on on-going CIP; we have trimmed \$2 million out of the costs to date

WU36 – RFP will be presented to Council shortly

WWU38 – Council questioned if this can be held off until after construction, and if the city can get by with 1 more year of patching – Holzapfel will look into it, but he suggested the roads are very bad.

Council questioned if we are fully capturing the Warrenville Water Revenue Stream, Council asked for information on what other sanitary districts are charging for these services. Would like Holzapfel to bring 3-4 comparisons from the area. This information will be provided at the workshop when Council discusses the proposed water rate increase.

Projected Debt Issuance of \$20million a combination of Utilities with Council Consensus before debt is issued

Next Steps

- Refine CIP Projects
- Present Resolution to Council in March Meeting Agenda for Adoption

Items to update council for next meeting:

Additional discussion on debt threshold at 2/22 Workshop

Include a description of how the proposed measures were developed

Consider an absolute dollar level as a threshold

Adjust the flat line in the graph to the ratio calculation that would have applied in each historic year

Consider a debt service as a % of household income measure

Councilman Furstenau will provide a list of a few budget points he wishes discussed in the March 7th workshop.

Council requested a break out of the automobile component of the sales tax revenue figures.

Further information requested on the February Blizzard costs

Fire Tower Options

Council would like to see 3-4 sanitary districts charges as comparisons for this area

Motion to adjourn at 8:35 PM

Meeting adjourned at 8:35 PM.

Minutes taken by Tess Estrada

Ex 6003