

**VILLAGE OF LINCOLNWOOD
PRESIDENT AND BOARD OF TRUSTEES
COMMITTEE OF THE WHOLE MEETING
VILLAGE HALL COUNCIL CHAMBERS
OCTOBER 16, 2018**

Call to Order

President Bass called the Committee of the Whole meeting of the Lincolnwood Board of Trustees to order at 6:06 PM, Wednesday, October 16, 2018, in the Council Chambers of the Municipal Complex, 6900 North Lincoln Avenue, Village of Lincolnwood, County of Cook and State of Illinois.

On roll call by Deputy Village Clerk Charles Meyer the following were:

PRESENT: President Bass, Trustees Patel, Ikezoe-Halevi, Hlepas Nickell, Spino, Sugarman (6:21 PM)

ABSENT: Trustee Cope

A quorum was present.

Also present: Interim Village Manager, Robert Merkel; Acting Assistant Village Manager Chuck Meyer; Public Works Director, Andrew Letson; Assistant to the Public Works Director Nadim Badran, Development Manager Doug Hammel, Management Analyst Heather McFarland, Accountant Ben Harris, and Village Attorney Hart Passman.

Approval of Minutes

Minutes of the October 3, 2018 Committee of the Whole were distributed in advance of the meeting and were examined.

Trustee Ikezoe-Halevi moved to approve the minutes as presented, Trustee Patel seconded the motion.

The motion passed with a Voice Vote.

Regular Business

1. Discussion Concerning 2018 Property Tax Levy

This item was presented by Mr. Merkel using PowerPoint.

Current Village Financial Policy:

- Tax levy increase is limited to the State of Illinois CPI
 - 2018 CPI is **2.1%** - for a total levy increase of \$117,277
 - Average property tax percent increase is 1.2% per year over the last three years (Village portion only)

Utilization of Property Tax Levy in the General Fund

Tax Levy	2017 (Actual)	2018 (Proposed)	Difference
General	\$2,839,726	\$2,648,518	\$(191,208)
Police Pension	1,744,894	2,053,379	308,485
Special Recreation	110,000	110,000	-
Parks and Recreation	890,000	890,000	-
Totals	\$5,584,620	\$5,701,897	\$ 117,277

The Village Board then discussed the matter regarding the Tax Levy. The Mayor requested a consensus from the Village Board and it was determined by consensus that the Village would proceed with the tax levy as proposed.

2. Discussion Concerning Stormwater Funding Project

This item was presented by Mr. Letson using PowerPoint.

Background:

- Sep. 4, 2018 Committee of the Whole
 - North Shore Avenue Sewer Update
 - Discussed funding street storage and North Shore Avenue Outfall Sewer Projects
 - Directed staff to return with more information about the impact of proposed fees on water customers

Stormwater Projects:

Project	Const. Year	Estimated Total Cost	Grant Funds	Existing Funds	Bond Amount	Annual Debt Service
North Shore Outfall Sewer	2019	\$3,410,000	\$1,391,763	\$160,000	\$1,858,237	\$150,000
Street Storage - Stage II	2020	\$4,475,000		\$300,000	\$4,175,000	\$310,000
Street Storage - Stage III	2021	\$3,560,000			\$3,560,000	\$265,000

Background

- Why is revenue enhancement necessary?
 - Water consumption has decreased by 20% over the past eight years
 - Existing revenue is sufficient to fund current operating costs, but not capital investment
 - Water/Sewer Fund broke even in FY 17/18

Consumption by Percentile and Customer Class (Five Year Average)				
	Residential		Commercial	
Percentile	Units	Customers	Units	Customers
Smallest 25%	1-42	1,004	1-27	82
25%-50%	42-64	1,004	27-85	82
50%-75%	64-95	1,004	85-317	82
75%-90%	95-133	602	317-1,023	49
Largest 10%	133+	402	1,023+	33

Current Annual Water Bill by Percentile and Customer Class (Five Year Average)				
	Residential		Commercial	
Percentile	Units	Customers	Units	Customers
Smallest 25%	42	\$474.21	27	\$418.70
25%-50%	64	\$704.31	85	\$998.73
50%-75%	95	\$1,013.46	317	\$3,339.00
Largest 10%	133	\$1,396.32	1,023	\$10,442.98

Sewer Capital Project Revenue Enhancement Options

Option	Proposed Capital Project Rate
1. User Charge Only	\$1.80 per 1,000 gallons
2. Fixed Fee Only	\$176.00 per year
3. User Charge & Fixed Fee (50/50 Split)	\$0.90 per 1,000 gallons \$88.00 per year
4. Fixed Fee Only (Commercial Higher)	\$159.00 per year (residential) \$318.00 per year (commercial)
5. Property Tax Levy	13% increase to 2017 levy

- Each revenue enhancement option would be sufficient to fund the estimated debt service; however, this depends on variables such as actual construction costs, interest rates, and water consumption
- Staff recommends phasing revenue enhancements over three years based on the proposed construction schedule

Option 1: User Charge Only

Residential	Units	Current Annual Cost	Proposed Annual Cost	Difference	Percent Increase
25%	42	\$474.21	\$549.00	\$74.79	16%
50%	64	\$704.31	\$820.23	\$115.92	16%
75%	95	\$1,013.46	\$1,184.64	\$171.18	17%
90%	133	\$1,396.32	\$1,635.93	\$239.62	17%
Commercial	Units	Current Annual	Proposed	Difference	Percent

		Cost	Annual Cost		Increase
25%	27	\$418.70	\$467.48	\$48.78	12%
50%	85	\$998.73	\$1,151.19	\$152.46	15%
75%	317	\$3,339.00	\$3,909.78	\$570.78	17%
90%	1,023	\$10,442.98	\$12,283.59	\$1,840.61	18%

Current User Charge	\$10.07	Current User Charge
Proposed User Charge	\$1.80	Proposed User Charge

Option 2: Fixed Fee Only

Residential	Units	Current Annual Cost	Proposed Annual Cost	Percent Increase
25%	42	\$474.21	\$650.21	37%
50%	64	\$704.31	\$880.31	25%
75%	95	\$1,013.46	\$1,189.46	17%
90%	133	\$1,396.32	\$1,572.32	13%
Commercial	Units	Current Annual Cost	Proposed Annual Cost	Percent Increase
25%	27	\$418.70	\$594.70	42%
50%	85	\$998.73	\$1,174.73	18%
75%	317	\$3,339.00	\$3,515.00	5%
90%	1,023	\$10,442.98	\$10,618.98	2%

Residential (Annual)	
Current Fixed Fee	\$55.80
Proposed Fixed Fee	\$176.00
Total Fixed Fee	\$231.80
Commercial (Annual)	
Current Fixed Fee	\$145.80
Proposed Fixed Fee	\$176.00
Total Fixed Fee	\$321.80

Option 3: User Charge and Fixed Fee Split (50/50)

Residential	Current Annual Cost	Proposed Annual Cost	Difference	Percent Increase
25%	\$474.21	\$599.60	\$125.40	26%
50%	\$704.31	\$850.27	\$145.96	21%
75%	\$1,013.46	\$1,187.05	\$173.59	17%
90%	\$1,396.32	\$1,604.13	\$207.81	15%

Commercial	Current Annual Cost	Proposed Annual Cost	Difference	Percent Increase
25%	\$418.70	\$531.09	\$112.39	27%
50%	\$998.73	\$1,162.96	\$164.23	16%
75%	\$3,339.00	\$3,712.39	\$373.39	11%
90%	\$10,442.98	\$11,451.28	\$1,008.30	10%

User Charge	
Current User Charge	\$10.07
Proposed User Charge	\$0.90
Total User Charge	\$10.97

Fixed Fee Residential (Annual)	
Current	\$55.80
Proposed	\$88.00
Total Fixed Fee	\$143.80

Fixed Fee Commercial (Annual)	
Current	\$145.80
Proposed	\$88.00
Total Fixed Fee	\$233.80

Option 4: Fixed Fee Only (Commercial Higher Rate)

Residential	Units	Current Annual Cost	Proposed Annual Cost	Percent Increase
25%	42	\$474.21	\$633.21	34%
50%	64	\$704.31	\$863.31	23%
75%	95	\$1,013.46	\$1,172.46	16%
90%	133	\$1,396.32	\$1,555.32	11%
Commercial	Units	Current Annual Cost	Proposed Annual Cost	Percent Increase
25%	27	\$418.70	\$736.70	72%
50%	85	\$998.73	\$1,316.73	32%
75%	317	\$3,339.00	\$3,657.00	10%
90%	1,023	\$10,442.98	\$10,760.98	3%

Residential (Annual)	
Current Fixed Fee	\$55.80
Proposed Fixed Fee	\$159.00
Total Fixed Fee	\$214.80

Commercial (Annual)	
Current Fixed Fee	\$145.80
Proposed Fixed Fee	\$318.00
Total Fixed Fee	\$463.80

Option 5: Proposed Tax Levy

Proposed 2018 Levy	Total Debt Service	Proposed Levy*	Percent Increase	Village Share of Property Tax	Increase to Total Tax Bill
\$5,701,897	\$725,000	\$6,426,897	12.7%	9.3%	<u>1.2%</u>

- Challenges in Property Tax
 - Village is a home rule community by referendum (approved in 1997)
 - Since home rule was adopted, the Village's financial policies have stated that property tax increases shall not exceed the consumer price index
 - Self-imposed restriction

Direction Requested

- Staff is seeking feedback on the proposed revenue enhancement options

Option	Proposed Capital Project Rate
1. User Charge Only	\$1.80 per 1,000 gallons
2. Fixed Fee Only	\$176.00 per year
3. User Charge & Fixed Fee (50/50 Split)	\$0.90 per 1,000 gallons \$88.00 per year
4. Fixed Fee Only (Commercial Higher)	\$159.00 per year (residential) \$318.00 per year (commercial)
5. Property Tax Levy	13% increase to 2017 levy

Revenue Options by Project

Project	User Charge	Flat Fee (Annual)	User Charge & Flat Fee	Flat Fee – Higher Commercial (Annual)	Property Tax - Percent Increase on 2018 Levy
North Shore Outfall	\$0.40	\$36.00	\$0.20/\$18.00	\$33.00/\$66.00	2.6%
Street Storage – Stage II	\$0.75	\$76.00	\$0.37/\$38.00	\$68.00/\$136.00	5.4%
Street Storage – Stage III	\$0.65	\$64.00	\$0.33/\$32.00	\$58.00/\$116.00	4.6%
Total	\$1.80	\$176.00	\$0.90/\$88.00	\$159.00/\$318.00	12.7%

The Village Board discussed the potential options available to the Village.

Trustee Patel expressed a desire to utilize other revenue sources since usage is going down.

Trustee Spino stated concerns about usage due to residents using less water and affecting the potential revenue.

Trustee Hlepas Nickell related a concern about putting an additional burden on residents and that she would like to see the budget before proceeding with the sewer project. Trustee Hlepas Nickell asked what option would be the most likely to fulfill the required funding? Mr. Letson stated that the most reliable funding sources would be the flat fee and property tax.

The Village Board then discussed the possibility of using charges related to impervious surface along with a desire to designate projects that would impact the impervious surface area and could then be charged to the Village. The Board then discussed the use of sales tax as a possible revenue source for these projects. Mr. Merkel stated that he would look into the desired questions and follow-up with the Village Board.

3. Discussion Concerning 2019 Village Board Meeting Dates

This item was discussed by the Village Board. The Village Board requested that the first meeting in April be moved to April 3, 2019, to accommodate local elections in Cook County.

4. Discussion Concerning In-Ground Pool Removal Standards

This item was presented by Mr. Hammel using PowerPoint.

Background

- Full removal of in-ground pools is not explicitly addressed in building regulations
- Staff has traditionally relied on two code provisions to require full pool removal:
 - Section 11-1-5(D) of Health Regulations: construction waste and rubbish cannot be kept on-site
 - Section 14-14-11-7: Demolition of a primary structure must include removal of all concrete and asphalt pavement
- Citing cost, property owners have recently requested permission to do a partial removal

Technical Consideration

- Building
 - Full removal is preferred, as it minimizes the potential for future improvements to be impeded
 - If partial removal is permitted, location of remaining materials should be disclosed
- Engineering
 - Remaining materials should be broken up to allow for stormwater filtration
 - Backfilled areas could settle, resulting in pooling of stormwater
- Peer Community Research
 - 8 communities responded to NWMC survey questions
 - Most communities do not require full removal (though several stated it is preferred)
 - Wall removal varies from 1.5' to 4' below grade
 - Respondents did not identify any issues as a result of partial removal, so long as stormwater filtration and proper backfilling is completed

Technical Considerations:

- Should the Village permit the partial removal of in-ground pools?
- What concerns does such permissibility present?
- What supporting requirements or standards should be included?
 - Backfill material and grading
 - Related infrastructure

Requested Direction:

- Refer the matter to CORB to discuss key questions and appropriate standards for partial pool removal

Trustee Sugarman asked if anyone has challenged the Village's language. Mr. Hammel stated that residents challenged the Village's regulations for monetary reasons but not for the Code language itself.

Mr. Hammel recommended that the item go to CORB and stated that it doesn't require Plan Commission review.

Mr. Hammel stated that there were concerns about backfilling the area once demolition has occurred that has facilitated the entire removal of the pool. The Village Board discussed a desire to look at concerns related to asbestos, chemicals, and lead.

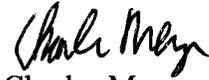
Stan Wilke spoke to the Village Board stating that given the freezing depth of the soil in Illinois the Village Board should take that into consideration when reviewing how much of a pool should be removed.

The consensus of the Village Board was to refer this item to CORB.

Adjournment

At 7:31 PM Trustee Patel moved to adjourn Committee of the Whole, seconded by Trustee Ikezoe-Halevi.
The motion passed with a Voice Vote.

Respectfully Submitted,

A handwritten signature in black ink that reads "Charles Meyer". The signature is written in a cursive style with a large initial "C" and "M".

Charles Meyer
Deputy Village Clerk