

**Village of Gilberts
87 Galligan Road
Gilberts, Illinois 60136
Village Board
Meeting Minutes
December 2, 2014**

Call to Order / Pledge of Allegiance

President Zirk called the meeting to order at 7:00 p.m. He proceeded to lead those present in the Pledge of Allegiance.

Roll Call / Establish Quorum

Village Clerk Meadows called the roll. Roll call: Members present: Trustees Corbett, Zambetti, Farrell, Hacker and President Zirk. 2-absent: Trustees Mierisch and LeClercq. Others present: Administrator Keller, Assistant Administrator Beith, Finance Director Blocker and Village Clerk Meadows. For members of the audience please see the attached sign-in sheet.

Public Comment

President Zirk asked if anyone in the audience wished to address the Board Members. Seeing none, he moved on to the next agenda items.

Consent Agenda

- A. **A Motion to approve Minutes from the November 18, 2014 Village Board Meeting**
- B. **A Motion to approve Bills and Salaries dated December 2, 2014 as follows: General Fund \$49,474.57, TIF \$330.00, Developer Donations \$17,032.31, Performance Bonds and Escrows \$21,186.48, Water Fund \$ 45,985.07 and Payroll \$57,214.35**
- C. **A Motion to approve Proclamation 02-2014, a Proclamation proclaiming December 2014 as Drunk and Drugged Driving (3D) Prevention Month in the Village of Gilberts**

President Zirk asked if there were any items the Board Members wished to remove from the consent agenda. There was no response from any of the Board Members. **A Motion was made by Trustee Zambetti and seconded by Trustee Farrell to approve the consent agenda items A-C as presented.** Roll call: Vote: 4-ayes: Trustees Corbett, Zambetti, Farrell and Hacker. 0-nays, 0-abstained. Motion carried.

Items for Approval

A Motion to approve Resolution 47-2014, a Resolution Supporting CUSD 300's Opposition to Senate Bill 16

Administrator Keller reported that Trustee Zambetti had brought this issue forward at the last meeting. He noted that he was unable to find any CUSD 300's formal opposition to Senate Bill 16.

President Zirk reported that he had been informed that Representative Tryon and CUSD 300's Superintendent Heid had expressed their opposition to the proposed bill recently on the Illinois General Assembly House Floor.

President Zirk stated that at this time he would entertain a motion to approve Resolution 47-2014. **A Motion was made by Trustee Zambetti and seconded by Trustee Corbett to approve Resolution 47-2014, a Resolution Supporting CUSD 300's Opposition to Senate Bill 16.** Roll call: Vote: 4-ayes: Trustees Zambetti, Farrell, Hacker and Corbett. 0-nays, 0-abstained. Motion carried.

Items for Discussion

Water/Sewer Rates-Updates

Administrator Keller reported that he had simplified the previously presented Water/Wastewater Revenues vs. Expenses worksheet. The updated worksheet depicts a graduated single rate increase which produces a positive Enterprise Fund balance. He proceeded to provide the Board Members with an overview of the Enterprise Fund revenues and expenses through the year 2021.

Administrator Keller noted that in FY-2015 water operating cost had increased due to the IEPA mandate of Barium removal. In FY-2016 operating cost will once again increase due to the fact that the Barium removal debt service payment will commence. Administrator Keller commented on other factors that increase the potable water operating cost such as the water meter change out program. Administrator Keller continued discussing the proposed water rate increase to produce a positive water fund balance.

Administrator Keller discussed the wastewater revenues and operating expenses. He noted that the wastewater has a slightly better projected fund balance.

Administrator Keller discussed the assumptions used in the projected enterprise fund expenses vs. revenues. He reported that the scenario was based on a 3% annual cost of inflation. In addition to the Barium operating and debt service cost along with a staffing level increase.

Administrator Keller discussed the existing staffing levels. He reported that there is a shortage of qualified water and waste water operators. In addition the Board Members may want to consider increasing the water and wastewater technicians' compensation in order to recruit and retain certified water and wastewater operators. Administrator Keller reported that Staff recommends increasing the staffing levels to four full-time and three part-time employees at a cost of \$40,000.00.

President Zirk inquired if the rate increase scenario included new construction which would produce additional users. Administrator Keller replied no, he did not include new users in the scenario. Administrator Keller assumed the revenue generated by any new users to the system would be offset by the use of energy efficient appliances. President Zirk thought new growth would generate a minor increase in revenues. A lengthy discussion ensued with respect to the projected revenues new construction would generate. Trustee Hacker recommended including the projected revenues generated from new construction users in the rate increase scenario.

Administrator Keller discussed the impact the proposed water/sewer rate increase would have on an average homeowner. Administrator Keller reported that the proposed rate increase is a yearly increase totaling \$2.00 per 1,000 gallons spread over the next six years. Trustee Hacker noted using this language to explain the rate increase does not have the same negative impact as language referencing an increase based on a percentage. Administrator Keller commented on the fact that the Village has kept its water and wastewater operating costs in line with incoming revenues, but the current rates do not provide any additional funding for capital replacement or major maintenance. Administrator Keller noted that unfortunately if the water/sewer rates are not increased the Enterprise Fund will continue to operate with a deficit balance.

There was some discussion on adjusting both the water and sewer rates to the same monthly rate. This adjustment would aid in shorting the years the enterprise fund carried a deficit balance. Trustee Corbett suggested implementing a flat rate increase. This action might eliminate residents' perception that the Village is raising the water rates yearly. Finance Director Blocker commented on the fact that the waste hauling contract provides for annual rate increase and very few residents inquire on why the rate increased. Most question if they are no longer receiving the senior discount. After a lengthy debate the Board Members agreed on implementing a gradual rate increase over the course of six years. The gradual rate increase would allow for the cost of living and income to keep pace.

Trustee Corbett inquired on what was the current balance of the Enterprise Fund reserves. Finance Director Blocker reported the Enterprise Fund reserve balance is 2.1 Million dollars. In addition, SSA 24 owes the Enterprise Fund \$500,000. Trustee Corbett asked what is the average cost of repairing a critical piece of water/wastewater equipment. Finance Director Blocker replied a typical water main break repair costs on average \$1,500. To pull a lift station pump for repairs cost anywhere from \$10,000-\$20,000 and to purchase a new pump ranges \$40,000-\$50,000.

Trustee Corbett noted that there was a substantial water rate increase in 2008. He questioned if there was an outcry from the community.

Administrator Keller replied that the Village had reached out to the community and thoroughly explained the reasons for the rate increase. Staff will once again methodically detail the reasons for the rate increase. Administrator Keller reiterated the fact that the water/sewer rate increase is to cover the cost of the IEPA mandates and the rising operating cost.

A lengthy discussion ensued with respect to the assumption of the annual growth due to new construction and the relationship this has on future PE and tap-on fees. President Zirk suggested implementing a blended approach on tap-on fees to pay for the cost of the plant expansion. He suggested amending the tap-on fee schedule to allow for a set fee for the PE which has already been paid for and a second tap-on fee rate for PE that has already been allocated and a higher fee for future tap-on connections. President Zirk recommends Staff in the near future draft an Ordinance amending the current tap-on fee schedule for Board consideration.

Administrator Keller will amend the proposed water/sewer rate increase worksheet to reflect the Board Members recommendations to increase the gradual sewer rate and include the assumption of the revenue generated from the construction of fifty homes annually. This matter will be revisited at a future meeting.

Staff Reports

Administrator Keller reported that the Timber Trails' HOA President has submitted a request asking the Village Board Members consider amending the Village Code to prohibit commercial vehicles from parking on the streets overnight. Administrator Keller noted that this is a neighborhood debate not a global concern. President Zirk discussed in detail the Home Owners Association's concerns.

Trustee Hacker suggested having the Timber Trails' HOA take action similar to what Indian Trails recently did to address parking issues. They were directed by the Board to have 75% of their residents sign a petition supporting prohibiting trailers from parking overnight on the street. If Timber Trails' HOA receives 75% of the residents to support the prohibition then the Board would then consider amending the Village Code. The Board Members concurred with Trustee Hackers recommendation. Administrator Keller will contact Timber Trails' HOA President and inform him of their decision.

Administrator Keller provided the Board Members with an update on the reconstruction of Mason Road. He reported that the road is smooth and restored. Engineer Kannigan is in the process of completing the shoulder work.

Trustee Hacker inquired on when Engineer Kannigan planned on completing the Windmill Meadows drainage work.

Administrator Keller reported weather permitting they will be working on the drainage work throughout the winter months. Trustee Hacker just wanted to ensure the work was completed prior to the spring thaw.

Assistant Beith presented the Board Members with the new plaque for the Barium removal system. The plaque will be placed outside of the water plant.

Village Clerk Meadows reported that she had provided all the Board Members with a copy of the Police Pension Fund Compliance Report.

Board of Trustees Reports

Trustee Corbett inquired when the final lift would be placed on Mason Road. Administrator Keller reported the final lift is scheduled to be laid next spring.

Trustee Corbett asked if the Town Center Park improvements project had been closed-out. Administrator Keller reported Building Inspector Swedberg had completed the final walk through and there were just a few minor issues that need to be addressed.

Administrator Keller reported that once the ground freezes Public Works will be installing the ice rink.

Trustee Farrell commented on next year's Community Service Award. In her opinion the award nominations should come from the residents. Trustee Zambetti believe that the Community Service Award should be presented by the Village at a community event not at a Chamber event.

President's Report

President Zirk commented on the Executive Session minutes Village Clerk Meadows had sent via email. In his opinion September 3, 2013, September 10, 2013 and July 1, 2014 should be released. He acknowledged the minutes' referenced litigation. However, the minutes did not convey any strategy. He believes in transparency and would prefer to release any and all documents.

Adjournment

There being no further public business to discuss, **a Motion was made by Trustee Hacker and seconded by Trustee Farrell to adjourn from the public meeting at 9:11 p.m.** Roll call: Vote: 4-ayes by unanimous voice vote. 0-nays, 0-abstained. Motion carried.

Respectfully submitted,
Debra Meadows