

**MINUTES OF THE COMMITTEE OF THE WHOLE
OF THE VILLAGE PRESIDENT AND BOARD OF TRUSTEES
OF THE VILLAGE OF WESTCHESTER
16 March 2010**

CALL TO ORDER:

The meeting was called to order at 7:00 PM and present / responding to roll call were Trustees Boyle, Casey, Gattuso, Sloan, Steker, and Pres. Pulia. Also present were Village Manager Urban and Attorney Durkin. Trustee Novak was absent.

NEW BUSINESS:

A. Selection of Auditor for 2010 Audit. The Village's audit contract with Sikich expired with the 2009 audit. Because the fiscal year is rapidly coming to a close, and the customary procedure would have been to have the auditors in the office for preliminary audit work on the 2010 financials at this time, it is imperative that an auditing contract be secured as quickly as possible so as to ensure that the audit is completed by the October deadline. A proposal was submitted from Sikich for the 2010 audit which keeps the fees at the 2009 level, and also a proposed cost for 2011 and 2012. The advantage of using Sikich for the 2010 audit is their familiarity with the Village's financial system. The staff recommends approving the Sikich audit proposal for 2010. Mr. Egeberg stated that the police and fire pension funds will pay half the cost of the audit which will save them money in the long run. Trustee Boyle asked if the cost would go down because of the economy and Mr. Egeberg stated that for the village it would go down because of the shared cost with the pension board. Village Manager Urban stated that professional fees have remained at the same level unlike the construction industry. Trustee Sloan felt that a new firm would need additional work to assimilate themselves to the village and recommends continuing with Sikich. Trustee Casey reminded the board that they do not have to commit to three years but is comfortable with Sikich for 2010. Trustee Gattuso agrees that Sikich is a reputable firm and the Village should stay with them while Mr. Egeberg gets acclimated to his new position. Mr. Fred Lantz from Sikich stated that he is willing to work with the Village in any way. This will be brought forward for a vote at the next meeting.

B. 2010 Capital Improvement Project Engineering. There are two ordinances and one resolution that the Board will need to approve before the Village can issue bonds for the 2010 road and water system improvements. One of the first actions a municipality undertakes when issuing debt is the adoption of a Reimbursement Resolution. Federal tax law requires the Village to provide for an "official intent" if the Village has any intention to reimburse itself for any costs incurred with respect to the construction of various road improvement and water system improvements prior to the issuance of any debt obligations from the proceeds the future issuance of proposed general obligation alternate revenue source bonds of the Village. Although we are on a schedule to issue the bonds, there could be a delay in the issuance of the bond, but not a delay with certain project costs and approving this resolution will keep the Village in line with IRS regulations. Ice Miller, as bond counsel, has prepared two general obligation alternate revenue source bond ordinances. One, for water improvements, is in an amount not to exceed \$1,750,000 for the payment of cost of constructing various water system improvements. The bonds would be repaid from water and sewer funds and Build America Bond payments. Based upon extensive analysis, the waterworks and sewerage fund is able to support all principal and interest payments and therefore no property taxes are expected to be utilized to provide for debt. The other bond Ice Miller has prepared is the general obligation alternate revenue source bond ordinance in an amount not to exceed \$3,700,000 for the payment of cost of constructing various road and street improvements and authorization to publish this ordinance. The bonds would be repaid from the motor fuel taxes and Build America Bond payments. Based upon extensive analysis, the motor fuel tax fund is able to support all principal and interest payments and therefore no property taxes are expected to be utilized to provide for debt service. The not to exceed amount listed does not commit the Village to issuing debt at that amount. Kane McKenna is recommending the Village provide itself the ability to reimburse itself for any costs incurred relating to the road and water projects prior the issuance of the general obligation alternate revenue source bonds, from the proceeds of such bonds. Ice Miller also recommends that the Board adopt such a resolution in order to allow the bonds to be issued as either tax exempt bonds or Build America Bonds. Kane McKenna has recommended the Village proceed with the issuance of general obligation alternate revenue source bonds and Ice Miller has recommended that the Board adopt the ordinances described above to commence the process of issuance of the general obligation alternate revenue source bonds. Trustee Sloan questioned the change in the bond dollar amount for water improvements. Mr. McKenna stated that the not to exceed amount was in case interest rates go down it might be a good idea to take out additional dollars. This will be placed on the consent agenda for next week.

C. 2010 Street Improvement Project Engineering Agreement, Contract C with Hancock Engineering. This is the third agreement for engineering services for the 2010 Street Improvements Projects, Contract C. This aligns with the Prioritized Long Term Goal-Complex, "Program for Alley & Street Repair & Replacement". The engineering labor costs for Contract C are \$112,246. The village intends to pay for these services from the sale of bonds funded through future MFT funds. As you can read in the attached agreements, "The Engineer and the Village understand that there may be a delay in issuing the bonds. The Village agrees to make full payments to the Engineer by either 15 days after the Village receives proceeds from the bond issue or June 15, 2010, whichever comes first. Trustee Boyle asked what the cost of doing all the streets. Mr. Urban stated that 5 ½ million would be the cost of the current streets but hopes bids will come in lower. President Pulia questioned if some of the streets can be repaired instead of totally redone. Hancock Engineering stated that core samples will be done on all streets to see if entire street has to be redone and if curbs and driveways will also be needed. Trustee Boyle stated that he wants to be sure the Board is being fiscally responsible and just not wasting money on engineering costs for projects that won't be able to be completed for years down the road. This will be put on the consent agenda for next week.

D. Engineering agreement with Burke Engineering for Water Main Design and Construction. Christopher Burke Engineering has prepared a proposal to perform design and construction observation work for the Village on three water mains: Sherwood, Fleet, and Preston Streets. Trustee Casey questioned why this was not sent out to bid. Mr. Urban stated that he took a phone survey and Burke was the lowest. Trustee Casey and Boyle would like to put this out to bid and receive formal proposals. Trustee Steker agreed that all bid prices should be given at once. This will be brought back at a later Committee of the Whole meeting.

E. Fire Hydrant Sandblasting and Painting Contract. Staff is requesting approval of Great Lakes Protective Coatings, Inc. as the contractor for the Fire Hydrant Sandblasting and Painting Project. The fire hydrant project will be split over two fiscal years, with half of the hydrants being painted and invoiced in FY 2010 and the other half being painted and invoiced in FY 2011. This expense is not in the current budget, but would come out if line item 02-95-6289-000. This project will be funded through the water fund. The recommended contractor is Great Lakes Protective Coatings at a total price of \$86,304 for all 960 Village hydrants (\$89.90 per hydrant). Ms. Garrett suggested going with the second lowest bid which was Great Lakes. Attorney Durkin suggested rejecting bids since Great Lakes is not the lowest, waive the bid process and enter into agreement with Great Lakes. Trustee Boyle asked if the current paint used was tested for lead. Ms. Garrett stated it was determined from testing that there was no lead in the existing paint. This will be put on next week's consent agenda.

8:30 PM, Trustee Novak arrived.

F. Newsletter-new format and cost. The Village currently publishes a newsletter on a quarterly basis. A monthly newsletter would provide better communication to the residents we serve and issues would be addressed in a timelier manner. The first newsletter will be distributed April 5th with the first addition being sixteen pages. The total cost for the proposed monthly newsletter is \$25,020 for the year with proposed ad revenue of \$13,000. The Village cost would be \$12,020. Staff recommends publishing the newsletter on a three month trial basis and reassess at that time to determine viability. Trustee Novak suggested that after the three-month trial period an agreement should be locked in with the governing bodies in town. He also asked if we can decide the type of ads that are accepted. Attorney Durkin stated that the 1st Amendment doesn't allow for discrimination. Staff will report back in a few months to see how ad sales are doing.

OLD BUSINESS:

A. Sign Ordinance Discussion. Mr. Ken Rathe would like feedback from the Board to finish the sign ordinance draft.

Real Estate Signs: Realtors need to register and pay \$75 to put up a real estate sign. Most towns do not have permit fees for signs. Mr. DiPasquale stated that by having the realtor register, they were given the parameters and what is allowed by the village. It is also a very small revenue stream. Trustee Novak stated that if a fee is charged then enforcement must be policed. Trustee Sloan would not want to change the ordinance to force realtors to purchase new signs. Mr. DiPasquale stated that most existing signs would comply with the new ordinance. Trustee Casey would like to waive the fee. The Board concurred and the sign fee will be waived for realtors. President Pulia asked if signs will be allowed on the public way on weekends between certain hours. Attorney Durkin stated that the best way to handle this is no signs allowed in public way". It is easier to enforce a complete ban. Trustee Novak is not in favor of a complete ban. Trustee Sloan stated that whatever is decided we need to be consistent. Trustee Steker stated that we need to make a decision one way or the other. Attorney Durkin explained that the permit process is designed to regulate when the signs go up and when they come down. Signs cannot be regulated on content. Currently, only political signs are time restricted.

Neon Signs:

The Board agreed existing businesses can keep a sign that is non-conforming until they want to change it. Then they will have to conform. The consensus for amortization period was with new ownership or within five years, all signs must be in compliance.

Sign Height: The height right now is 25 feet and the Board agreed it should remain at 25 feet.

PUBLIC PARTICIPATION:

Mr. Tim Hinsdale agrees on getting competitive bids. He feels the newsletter is a great idea and some discount should be given to advertisers for long term commitment. He would also suggest not putting any more burdens on the already hurting real estate industry.

Mr. Steve Battersby asked how much has been spent in attorney fees and President Pulia stated \$9,000.

President Pulia reported that the TCF bank robber was apprehended by Officer Greg Hayes at Roosevelt Road and Evers Avenue.

With no further business to discuss, Trustee Sloan made a motion, seconded by Trustee Gattuso to adjourn to executive session to discuss personnel and the meeting was adjourned at 10:35 pm.

Catherine M. Booth, Village Clerk