

VILLAGE OF HOMEWOOD
BOARD OF TRUSTEES MEETING
TUESDAY—MARCH 24, 2015
VILLAGE HALL BOARD ROOM

CALL TO ORDER: Village President Hofeld called the regular meeting to order at 7:30 p.m. Approximately 10 people from the public were present. One press representative was in the audience.

PLEDGE OF ALLEGIANCE: Village President Hofeld led the audience in the Pledge of Allegiance.

ROLL CALL: Clerk Marilyn Thomas recorded the roll call. Those present were Village President Richard Hofeld, Trustee Barbara Dawkins, Trustee Lisa Purcell, Trustee Karen Washington, Trustee Jay Heiferman and Trustee Ray Robertson. Trustee Anne Colton was absent.

INTRODUCTION OF STAFF: Village President Hofeld introduced staff members in attendance: Village Attorney Christopher Cummings, Village Manager Jim Marino, Director of Finance Dennis Bubenik, Assistant Village Manager Michael Marzal, Fire Chief Bob Grabowski, Police Chief Larry Burnson and Assistant Director of Public Works Dave Ebert.

MINUTES: There were no comments or corrections to the minutes of March 10, 2015. A motion was made by Trustee Purcell and seconded by Trustee Robertson to approve the minutes of March 10, 2015.

Roll Call: AYES – Trustees Dawkins, Purcell, Washington, Heiferman and Robertson. NAYS – None. ABSENT--Trustee Colton. Motion carried.

CLAIMS LIST: The Claims List of \$472,676.48 was reviewed. President Hofeld said two items totaled nearly 65 percent of the expenses: Two payments of \$134,446.08 and \$140,499.22 to the City of Harvey for Lake Michigan water, and two payments of \$17,611.58 and \$11,203.37 to Morton Salt, Inc. for road salt for the Public Works Department. There were no questions from the Trustees.

A motion was made by Trustee Purcell and seconded by Trustee Heiferman for the Board to approve the March 24, 2015 Claims List in the amount of \$472,676.48.

Roll Call: AYES – Trustees Dawkins, Purcell, Washington, Heiferman and Robertson. NAYS – None. ABSENT—Trustee Colton. Motion carried.

HEAR FROM THE AUDIENCE: President Hofeld invited members of the audience to address any issues not on the agenda. No comments were offered.

OMNIBUS VOTE: Village Clerk Thomas read the following items, with the exception

of Item C, which was withdrawn from the Board agenda:

- A. ANNUAL REPORT / RAIL COMMITTEE: Accept the Annual Report for the Rail Committee.
- B. ANNUAL REPORT / SENIOR ADVISORY COMMITTEE: Accept the Annual Report for the Senior Advisory Committee.
- C. ANNUAL REPORT / STORM WATER RESOURCE COMMITTEE - *Withdrawn*.
- D. BID AWARD / 2015 MFT STREET RESURFACING PROGRAM: Award the bid for the 2015 MFT Street Resurfacing Program to G.A. Paving LLC, the lowest responsible bidder, in the amount of \$451,687.36.
- E. BID AWARD / LINCOLN ELECTRIC VANTAGE 500 WELDER: Award the bid for one Lincoln Electric Vantage 500 Welder to WISCO Welding and Industrial Supply Company of Chicago, IL, the lowest responsible bidder, in the amount of \$15,404.00.
- F. CONTRACT RENEWAL / CUSTODIAL SERVICES: Renew the contract for custodial cleaning services for an additional 52 weeks with ServiceMaster by Prince in an amount not to exceed \$29,393.00.
- G. PUBLIC RELATIONS & MARKETING SERVICES AGREEMENT / RACHAEL C. JONES: Authorize the Village Manager to enter into an agreement with Rachael C. Jones to provide the Village with public relations and marketing services for a period of one year beginning May 1, 2015 and ending April 30, 2016, at a cost not to exceed \$39,000.00.
- H. CONTRACT EXTENSION – BRAVA PUBLIC RELATIONS: Authorize the Village Manager to enter into a contract extension with Brava Public Relations to provide public relation services for a period beginning May 1, 2015 and ending April 30, 2016, at a cost not to exceed \$18,400.00.
- I. ORDINANCE MC-921 / CHAPTER 22 – CONDITIONAL CERTIFICATE OF OCCUPANCY: Pass an ordinance amending Chapter 22 of the Homewood Municipal Code concerning requirements to obtain a conditional certificate of occupancy.
- J. RESOLUTION R-2215 / CLASS 8 PROPERTY TAX DESIGNATION / 17725 HALSTED STREET: Pass a resolution determining the appropriateness for Class 8 status pursuant to the Cook County Real Property Classification Ordinance as amended April 9, 2002, for certain real estate located at 17725 Halsted Street, Homewood, Cook County, Illinois, owned by BSG Homewood LLC.
- K. RESOLUTION R-2216 / CLASS 8 PROPERTY TAX DESIGNATION / 17500 HALSTED STREET: Pass a resolution determining the appropriateness for Class 8 status pursuant to the Cook County Real

Property Classification Ordinance as amended April 9, 2002, for certain real estate located at 17500 Halsted Street, Homewood, Cook County, Illinois, leased by Portillo's Hot Dogs, LLC.

- L. RESOLUTION R-2217 / CLASS 8 PROPERTY TAX DESIGNATION / 730 RIDGE ROAD: Pass a resolution determining the appropriateness for Class 8 status pursuant to the Cook County Real Property Classification Ordinance as amended April 9, 2002, for certain real estate located at 730 Ridge Road, Homewood, Cook County, Illinois, owned by J.I.H.S. Holdings, Inc.

Trustee Robertson asked if a second tenant had been approved for the property at 17725 Halsted Street. President Hofeld said an agreement with a tenant had not yet been finalized.

A motion was made by Trustee Purcell and seconded by Trustee Washington to approve the Omnibus Report as presented.

Roll Call: AYES – Trustees Dawkins, Purcell, Washington, Heiferman and Robertson. NAYS – None. ABSENT—Trustee Colton. Motion carried.

OLD/NEW BUSINESS

2015-16 BUDGET REVIEW: Director of Finance Dennis Bubenik gave a review of the proposed 2015-2016 budget. Director Bubenik's department also for the second year prepared a two-year budget cycle to help with long-range planning.

Director Bubenik said the Board was concerned about the likelihood of losing approximately \$900,000 from the State in returned sales taxes, but it appears the proposed cuts will not happen making the proposed budget numbers more likely to be accurate, although once the State approves its 2016 budget, Homewood may again be facing a drop in State funding.

The sales tax has been flat, but Director Bubenik said exciting new projects in Homewood, including several new stores on Halsted Street, may help generate additional revenue. The Village also looks forward to the opening of LaBanque Hotel as a major downtown anchor.

Real estate taxes are down for day-to-day operations, and expenses are rising. Director Bubenik said an example is the additional cost for street salt. It was \$48 a ton and now is \$133 a ton. That bill is paid from Motor Fuel Taxes but a hit that big reduces funding Public Works has for street repairs and other projects.

Homewood also has seen a 13 percent increase in its share to E-COM, the joint emergency system shared with several villages. The expense was \$584,000 for 2014-2015 and is budgeted at \$658,000 for 2015-2016.

Director Bubenik said Homewood carries very little debt. It did borrow \$1.7 million in

General Obligation Bonds, but the interest rate was just 1.25 percent. The money will be used for capital projects for this budget and 2016-2017.

Increased revenues need to be found from other sources. Director Bubenik made several recommendations to increase revenue: An increase for ambulance fees which would mostly be covered by insurance; an increase in the deductible from \$2,500 to \$10,000 for the Intergovernmental Risk Management Agency. Also, increasing license fees for tobacco sales which haven't been increased since 2002; increasing the liquor license fee which was last increased in 2006; increasing business licenses that were last increased in 2010, and increasing vehicle stickers that haven't been increased since 2003.

Director Bubenik also proposes establishing a storm water utility to create a special fund for storm water operations and capital expenses now paid from the general fund.

All these fee increases will help keep services constant and restore Homewood's fund balance to levels before the 2008 Recession, as well as help the Village meet expenses which are up 4 percent against revenues that are showing only a 3 percent increase.

Homewood allocates the majority of its funding for Public Safety and Public Works. Staff reorganizations (moving the Building Department functions to the Fire Department and the Economic Development operations to the Manager's Office) are helping to reduce costs.

Director Bubenik pointed out several major line items, including \$18,500 for new technology upgrades, \$50,000 for tree trimming, removal and reforestation. The Village has leased a few vehicles and may consider more leasing. The Police Department has reduced overtime by adjusting staff and scheduling.

Director Bubenik said the Village is converting to monthly water bills which should help homeowners with their budgets. He said the Village sent bills in February showing the last water rate increase. He has no idea when or by how much the City of Chicago will set future rates.

President Hofeld thanked Director Bubenik and his team for great work in preparing the budget. He agreed with the suggestions to increase the ambulance rate and license fees for tobacco, liquor and businesses, but he didn't want to increase the vehicle sticker fee.

Trustees also thanked Director Bubenik for a concise, excellent presentation. Trustee Dawkins said she, too, would hold off on vehicle sticker fees that would impact the most people.

Trustee Heiferman asked that animal registrations be eliminated for rescue pets and make up that money with increased tobacco fees. He also questioned what Homewood is paying to service delivery of Lake Michigan water to Flossmoor. Director Bubenik said the agreement calls for Flossmoor to pay a \$5,000 monthly fee. Trustee Heiferman asked if Homewood could get Flossmoor to pay for part of the assessment of the Harvey water

plant now underway, but Manager Marino said the contract between Homewood and Flossmoor extends through 2022, so any change in charges or expenses isn't likely.

Trustee Robertson asked if the vehicle sticker could be a flat fee captured through the water billing system. Director Bubenik said there was discussion at a Committee of the Whole meeting in December 2013 on that idea. Director Bubenik agreed to review the minutes to see what proposals were discussed.

Trustee Robertson also questioned the "substantial increase" in E-COM expenses and asked for a history on the agreement which is now 10 years old.

President Hofeld asked how soon license and billing increases could be collected once the Board approved the budget. Director Bubenik said billing already was done and sent, but amended bills could be sent to show the increases.

The Board is expected to approve the budget at the April 14, 2015 meeting.

MANAGER'S REPORT: Manager Marino said staff from the second floor of Village Hall had moved into the former Ryan Funeral Home. Construction work on the second floor should begin April 6.

The motion was made by Trustee Washington and seconded by Trustee Purcell to move into Executive Session to discuss actual litigation.

Roll Call: AYES – Trustees Dawkins, Purcell, Washington, Heiferman and Robertson. NAYS – None. ABSENT—Trustee Colton. Motion carried.

The Board moved to Executive Session at 8:05 p.m.

The Board returned from Executive Session at 8:15 p.m.

A motion was made by Trustee Washington and seconded by Trustee Purcell to adjourn the regular meeting of the Board.

Roll Call: AYES – Trustees Dawkins, Purcell, Washington, Heiferman and Robertson. NAYS – None. ABSENT—Trustee Colton. Motion carried.

Respectfully submitted,

Marilyn Thomas
Village Clerk