

## MINUTES

VILLAGE OF LA GRANGE  
BOARD OF TRUSTEES REGULAR MEETING  
Village Hall Auditorium  
53 South La Grange Road  
La Grange, IL 60525

Monday, February 27, 2012 - 7:30 p.m.

### 1. CALL TO ORDER AND ROLL CALL

The Board of Trustees of the Village of La Grange regular meeting was called to order at 7:30 p.m. by President Asperger. On roll call, as read by Village Clerk Thomas Morsch, the following were present:

PRESENT: Trustees Holder, Horvath, Kuchler, Langan, Nowak, and Palermo

ABSENT: None.

OTHERS: Village Manager Robert Pilipiszyn  
Assistant Village Manager Andrianna Peterson  
Village Attorney Mark Burkland  
Finance Director Lou Cipparrone  
Community Development Director Patrick Benjamin  
Assistant Community Development Director Angela Mesaros  
Public Works Director Ryan Gillingham  
Fire Chief William Bryzgalski  
Police Chief Mike Holub

President Asperger requested the Board and audience to stand for the Pledge of Allegiance to the Flag.

### 2. PRESIDENT'S REPORT

President Asperger noted that earlier this evening an Emergency Telephone Systems Board (ETSB) meeting was held to review the Emergency Telephone Systems Board FY 2012-13 Budget with a recommendation to the Village Board of Trustees to adopt the budget as presented.

President Asperger invited the public to attend the upcoming budget workshop to be held on Saturday, March 10 at 8:00 a.m. in the lower level conference room in the Village Hall. President Asperger encouraged residents to read the Village Manager's message in the preliminary draft budget document which will be available on line, at the Village Hall and the La Grange Public Library.

3. PUBLIC COMMENTS REGARDING AGENDA ITEMS

None.

4. OMNIBUS AGENDA AND VOTE

- A. Minutes of the Village of La Grange Board of Trustees Regular Meeting Monday, February 13, 2012
- B. Consolidated Voucher 120227

It was moved by Trustee Langan to approve items A and B of the Omnibus Agenda, seconded by Trustee Holder.

Approved by roll call vote.

Ayes: Trustees Holder, Horvath, Kuchler, Langan, Nowak and Palermo  
Nays: None  
Absent: None

5. CURRENT BUSINESS

None.

6. MANAGER'S REPORT

A. Economic Development Workshop

Village Manager Robert Pilipiszyn gave an overview of the Village Board's Strategic Planning Session held in November 2011 to discuss goals and objectives, whereby the Village Board identified economic development as a strategic priority of continued importance for the Village.

Mr. Pilipiszyn indicated that the purpose of tonight's workshop is to continue that discussion providing staff with additional clarification as to this strategic goal as follows: review the existing comprehensive plan, explain how the market analysis reinforces the comprehensive plan and the need to update the analysis as necessary, to review economic development policy decisions made by the Village Board and review the Village's current economic development plan. Mr. Pilipiszyn requested Community Development Director Patrick Benjamin and Assistant Community Development Director Angela Mesaros to proceed with their PowerPoint presentation.

Mr. Benjamin provided a synopsis of the presentations to be discussed regarding the comprehensive plan and the relevancy of the market assessments and how it relates to strategic planning. Mr. Benjamin introduced Assistant Community Development Director/Planner Angela Mesaros to provide an overview of the comprehensive plan.

Ms. Mesaros annotated a PowerPoint presentation regarding the comprehensive plan which consisted of: need for a plan, use of the plan, the planning process and the organization of the plan.

Mr. Benjamin commented on the various components of market assessments including: socioeconomic analysis, retail market analysis, shopper intercept survey, entertainment and cultural opportunities, residential market overview, industrial market overview and office market overview.

Also explained was the use of market assessments which include project viability, potential absorption of multi-family housing, identifies viable target businesses and developments and promotion and marketing decisions.

Mr. Benjamin described the characteristics of the Village when the market assessment was conducted in 2003 as compared to today. Due to the changes in today's market, the Economic Development budget contains monies in FY 2014-15 to conduct another market assessment should the Village Board feel it is necessary.

At this point in the meeting, Mr. Benjamin provided the Village Board with a review of the existing Village Board Redevelopment and Development Policies and a summary of activities and accomplishments pursuant to the Community Development Department's economic development line item.

President Asperger opened the discussion to the Board regarding whether we feel that our economic development endeavors are on the right track.

Trustee Palermo inquired about general trends in retail. Mr. Benjamin advised that hard goods and soft goods continue to suffer. Retailers are now looking at smaller formats. It will be some time before retail recovers. Dining, on the other hand, continues to grow, but is expected to level off. In summary, the market currently favors food and value.

Trustee Palermo inquired about opportunities for additional retail space in the future. Mr. Benjamin responded that new retail space would not likely become available until the YMCA property is developed. Existing retail spaces, notably the space once occupied by Borders, are not leasing quickly.

Discussion ensued, with an emphasis on the proposed market analysis in FY 2014-15. The Village Board also expressed pride in the Village's economic progress and continued momentum. It was the consensus of the Village Board to:

1. Reaffirm the Village's existing economic development policies and directives, including current marketing efforts and current efforts to support the LGBA.
2. Continue to use the guiding principles for economic development as outlined in the Village's current Comprehensive Plan dated May 2005.

3. Support the proposed FY 2012-13 budget for the Community Development Department economic development line-item, including the market analysis as recommended.

B. Water System Workshop — Plan and Recommendations to Replace Water Meters and for Improvements to the Village's Water Pumping Station

Village Manager Robert Pilipiszyn provided a synopsis of the presentations to be discussed which include plan and recommendations to replace water meters and for improvements to the Village's Water Pumping station. Mr. Pilipiszyn requested Department of Public Works Director Ryan Gillingham to present findings on each of the areas for potential water accountability improvements.

Mr. Gillingham annotated a PowerPoint presentation including detailed information about the Village's Water Meter Replacement Program and historical data on the efforts by staff in determining, quantifying and fixing the sources of unaccounted water usage in order to improve the Village's water accountability. Those sources of water loss include: water main breaks, leaky joints in water mains, inaccurate metering at the pump station, inaccurate metering at customers meters, annual hydrant flushing, firefighting and training, and sewer cleaning.

In addition to internal processes performed by staff to identify and quantify the issue of water loss, external agencies including the Illinois Department of Natural Resources (IDNR) and the Village's auditors have also provided comment to the Village on this issue. Although the Village has exceeded the maximum threshold identified by the State, the initiatives and actions by the Village have resulted in no additional mandates to date.

Mr. Gillingham explained that inaccurate meters result in higher rates than would otherwise be in place due to fewer quantities of water being recorded across the meter and create the potential that customers with accurate meters will pay the proper amount for water while customers with inaccurate meters are being under-billed. Accurate meters across the Village's distribution system are therefore an important component of the Village's water ratemaking.

Based on this analysis, staff recommends that the individual customer water meters be replaced at this time for the following reasons: 1) majority of water meters range in age from 22 to 25 years old; 2) many water meters have been repaired/replaced because of inaccuracy/failure; 3) many meters tested are not operating within acceptable accuracy standards; 4) the Village's unaccounted for water exceeds current IDNR regulations; 5) unaccounted for water loss needs to be addressed based on a financial analysis of the Water Fund; and 6) inaccurate meters result in higher water rates and inequitable distribution of water fund costs between customers with accurate meters and those with inaccurate meters.

Mr. Gillingham identified the following goals for the Water Meter Replacement Program: 1) improve water accountability; 2) reduce water meter reading expenses through new technology; 3) improve customer service; 4) reduce environmental impacts associated with water loss and meter reading; 5) provide a

long-term solution to the inaccurate metering issues; and 6) implement program in a way that does not alter existing services.

Mr. Gillingham provided information regarding the development of specifications for the Water Meter Replacement Program based on current technological requirements that would best serve the Village's interests. Staff has designed a "turnkey" project in which one firm would manage the acquisition and supply of materials, installation of the meters and fixed-based system, set-up of software, testing, training and project closeout.

Mr. Gillingham also reported on the request for bids process and the analysis of the two bids submitted along with preliminary cost estimates. H. D. Supply Waterworks proposal with the Sensus, Inc. iPerl meter is the only bid received that is considered responsive to the Village's request for bids. Mr. Gillingham proceeded with giving an overview of the Sensus Flex Net System.

The Village Board initiated numerous questions related to the meters. Mr. Gillingham and representatives from the manufacturer and other technical resources responded to their inquiries.

Mr. Gillingham proceeded with the next phase of the workshop which is improvements to the East Avenue Pumping Station. Background information, summary of report findings and recommendations were provided to the Village Board. Summary of report findings along with preliminary cost estimates include: upgrade electronic control system, replace automatic transfer switch and motor control center, convert to a liquid chlorine system, valve replacement and installation. Total of all recommended repairs equals \$500,000. Staff recommends implementing identified improvements and to hire an engineering firm to complete plans and specifications and to develop detailed cost estimates.

Mr. Gillingham introduced Finance Director Lou Cipparrone to present the water financial analysis. Mr. Cipparrone stated that due to operational, improved water accountability and financial considerations, it would be in the Village's best interest to issue a \$2.0 million alternate revenue bond as the funding source to pay for these improvements. An increase in the Village's water rates to service this debt, as well as to fund water rate increases from the City of Chicago and to continue to fund operations/and build reserves, has been proposed.

Considerable debate and discussion ensued among the Village Board of Trustees regarding the water fund financial analysis, the issuance of bonds, the proposed water rate increases and projected increase in revenue due to improved water accountability with the replacement of water meters. The Board inquired about other types of funding that may be available. Mr. Cipparrone and the Village's financial consultant responded to their inquiries.

At the conclusion of the discussion, it was the consensus of the Village Board to concur with staff's recommendations regarding the improvements to the East Avenue Pumping Station; however, to table the discussion of the Water Meter

Replacement Program until more information regarding other financing options are identified.

President Asperger thanked staff for their thoughtful presentations and outstanding reports.

7. PUBLIC COMMENTS REGARDING MATTERS NOT ON AGENDA

None.

8. EXECUTIVE SESSION

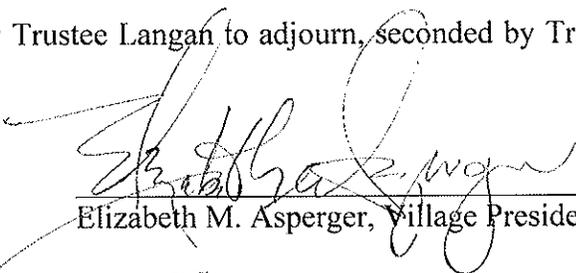
None.

9. TRUSTEE COMMENTS

Village Trustees commented on the thoroughness of tonight's presentations and outstanding reports.

10. ADJOURNMENT

At 10:30 p.m. it was moved by Trustee Langan to adjourn, seconded by Trustee Holder. Motion carried by voice vote.



Elizabeth M. Asperger, Village President

ATTEST:



Thomas Morsch, Village Clerk

Approved Date: March 12, 2012