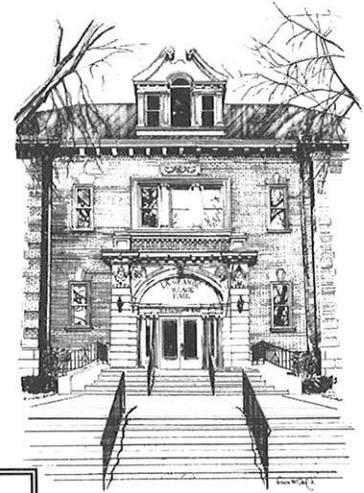


Village of La Grange



**PUBLIC HEARING
AND
VILLAGE BOARD MEETING**

MONDAY, APRIL 9, 2012

7:30 p.m.

Village Hall Auditorium

53 South La Grange Road

La Grange, IL 60525

Elizabeth M. Asperger
Village President

Thomas Morsch
Village Clerk

PUBLIC HEARING

VILLAGE OF LA GRANGE
Finance Department

BOARD REPORT

TO: Village President, Village Clerk, Board of Trustees and
Village Attorney

FROM: Bob Pilipiszyn, Village Manager,
Lou Cipparrone, Finance Director

DATE: April 5, 2012

RE: **PUBLIC HEARING — FY 2012-13 OPERATING AND CAPITAL
IMPROVEMENTS BUDGET**

In accordance with State statute, the Village Board is scheduled to convene a Public Hearing on Monday, April 9, 2012 at 7:30 p.m. in the La Grange Village Hall Auditorium for purposes of receiving public comment regarding the proposed FY 2012-13 Operating and Capital Improvements Budget.

A notice of Public Hearing has been posted and published. In addition, copies of the proposed budget document have been made available for public inspection at Village Hall, La Grange Public Library and on the Village's website since March 2nd.

The public hearing represents the conclusion of a six-month long process during which public input has been solicited throughout the development of the budget document. This process began in November, 2011 with consideration of the preliminary tax levy, followed by the adoption of the final 2011 Tax Levy, and then continuing with several workshops to discuss capital projects, the Water Fund and operating budgets. A total of 14 hours of public work session time alone has been dedicated towards producing this important document.

Finally, we also note for the public that the budget is a living document. Public input is welcome throughout the year in identifying new or commenting on existing spending priorities.

After all oral and written comments have been heard, it would be appropriate for the Village Board to adjourn the Public Hearing. Should any testimony received at the public hearing resonate with the Village Board, the Village Board has the legislative discretion to discuss and amend the Village budget when it is considered for adoption later on in the meeting agenda.

VILLAGE OF LA GRANGE

NOTICE OF PUBLIC HEARING

A public hearing will be held on the proposed Village of La Grange budget for the 2012-13 fiscal year ending April 30, 2013. The public hearing will be held on Monday, April 9, 2012, at 7:30 p.m. in the La Grange Village Hall, 53 S. La Grange Road, second floor auditorium.

All interested citizens attending the public hearing may provide written and oral comments and may ask questions regarding the entire budget for fiscal year 2012-13.

A copy of the entire budget for the Village of La Grange for the year ending April 30, 2013 is available for public inspection in the office of the Village Clerk, 53 S. La Grange Road, La Grange, Illinois, the La Grange Public Library and at the Village's website www.villageoflagrange.com.

Thomas Morsch
Village Clerk
Village of La Grange

**REGULAR
VILLAGE BOARD MEETING**

VILLAGE OF LA GRANGE
PUBLIC HEARING AND BOARD OF TRUSTEES REGULAR MEETING

Village Hall Auditorium
53 South La Grange Road
La Grange, IL 60525

AGENDA

Monday, April 9, 2012 – 7:30 p.m.

1. CALL TO ORDER, ROLL CALL, PLEDGE OF ALLEGIANCE

*Trustee Holder
Trustee Horvath
Trustee Kuchler
Trustee Langan
Trustee Nowak
Trustee Palermo
President Asperger*

2. PUBLIC HEARING – FY 2012-13 Operating and Capital Improvements Budget:
Referred to President Asperger

3. PRESIDENT'S REPORT

This is an opportunity for the Village President to report on matters of interest or concern to the Village.

A. Proclamation – Arbor Day in La Grange, Friday, April 27, 2012

4. PUBLIC COMMENTS REGARDING AGENDA ITEMS

This is the opportunity for members of the audience to speak about matters that are included on this Agenda.

5. OMNIBUS AGENDA AND VOTE

Matters on the Omnibus Agenda will be considered by a single motion and vote because they already have been considered fully by the Board at a previous meeting or have been determined to be of a routine nature. Any member of the Board of Trustees may request that an item be moved from the Omnibus Agenda to Current Business for separate consideration.

A. Ordinance – Creating an Additional Class A-1 Liquor License, GSG Eatery's Corp. d/b/a Fireside Wood Fired Pizza & Café, 18 W. Harris Avenue

- B. Ordinance – Amendment to Parking Restrictions / 900 Block of S. Spring Avenue
- C. Budget Amendments – Fiscal Year Ending April 30, 2012
- D. Contract – Group Health and Life Insurance Renewal
- E. Material Purchase – Public Works / 2012 Spring Tree Planting Program & Resolution – Public Works / Suburban Tree Consortium
- F. Ordinance – Disposal of Surplus Property
- G. Consolidated Voucher 120326
- H. Consolidated Voucher 120409
- I. Minutes of the Village of La Grange Board of Trustees Special Meeting, Saturday, March 10, 2012 – Budget Workshop
- J. Minutes of the Village of La Grange Board of Trustees Regular Meeting, Monday, March 12, 2012

6. CURRENT BUSINESS

This agenda item includes consideration of matters being presented to the Board of Trustees for action.

- A. Ordinance – Amending Certain Building Permit Fees: *Referred to Trustee Nowak*
- B. Ordinance – Amendment to the Village’s Municipal Utility Taxes: *Referred to Trustee Nowak*
- C. Resolution – Approving the FY 2012-13 Operating and Capital Improvements Budget: *Referred to Trustee Holder*
- D. Award of Contract – Solid Waste Collection and Disposal Services: *Referred to Trustee Holder*

7. MANAGER’S REPORT

This is an opportunity for the Village Manager to report on behalf of the Village Staff about matters of interest to the Village.

8. PUBLIC COMMENTS REGARDING MATTERS NOT ON AGENDA

This is an opportunity for members of the audience to speak about Village related matters that are not listed on this Agenda.

9. EXECUTIVE SESSION

The Board of Trustees may decide, by a roll call vote, to convene in executive session if there are matters to discuss confidentially, in accordance with the Open Meetings Act.

10. TRUSTEE COMMENTS

The Board of Trustees may wish to comment on any matters.

11. ADJOURNMENT

The Village of La Grange is subject to the requirements of the Americans with Disabilities Act of 1990. Individuals with disabilities who plan to attend this meeting and who require certain accommodations so that they can observe and/or participate in this meeting, or who have questions, regarding the accessibility of the meeting or the Village's facilities, should contact the Village's ADA Coordinator at (708) 579-2315 promptly to allow the Village to make reasonable accommodations for those persons.

PRESIDENT'S REPORT

VILLAGE OF LA GRANGE
Public Works Department

BOARD REPORT

TO: Village President, Village Clerk
Board of Trustees, and Village Attorney

FROM: Robert Pilipiszyn, Village Manager
Ryan Gillingham, Director of Public Works
Don Wachter, Village Forester

DATE: April 9, 2012

RE: **PROCLAMATION - ARBOR DAY**

Attached for your consideration is a Proclamation declaring Friday, April 27, 2012 as Arbor Day in La Grange. It is appropriate for the Village Board to consider this measure for two reasons. First, the Village has been named a Tree City USA by the National Arbor Day Foundation for twenty-nine consecutive years (through 2011). Official observance of Arbor Day is one of the criteria for receiving this award. Second, it honors the legacy of our founding father, Franklin Cossitt, who planted our first urban forest.

This year, Arbor Day will be celebrated with the students from St. John's Lutheran School. A tree will be planted on the grounds of school as part of the celebration. The Arbor Day tree planting ceremony will take place on Friday, April 27th at 10:00 am.

It is our recommendation that the Proclamation declaring April 27, 2012 as Arbor Day in La Grange be approved.

VILLAGE OF LA GRANGE

PROCLAMATION

“Arbor Day in La Grange, Friday, April 27, 2012”

WHEREAS, the Village of La Grange is characterized by its stately and tree-lined streets; and

WHEREAS, the Village makes a continual effort to preserve the aesthetic beauty and environmental benefit by appropriate Urban Forestry planning and reforestation; and

WHEREAS the Forestry and Tree Planting Program will continue to be integral parts of the services the Village of La Grange provides to its residents, businesses and schools; and

WHEREAS the Village of La Grange recognizes the interest in and desire for a healthy Urban Forest from the entire community,

NOW, THEREFORE, BE IT RESOLVED that the Village of La Grange does hereby proclaim Friday, April 27, 2012 as it's official Arbor Day Observation, and

THEREFORE, BE IT FURTHER RESOLVED that Arbor Day shall be marked with an Arbor Day tree planting ceremony at 10:00 A.M., Friday, April 27, 2012 at St. John's Lutheran School, in recognition of the students' effort to improve our Urban Forest.

Elizabeth M. Asperger, Village President

ATTEST:

Thomas Morsch, Village Clerk

3-A.1

OMNIBUS VOTE

VILLAGE OF LA GRANGE
Administrative Offices

BOARD REPORT

TO: Village President, Village Clerk,
Village Board of Trustees and Village Attorney

FROM: Robert J. Pilipiszyn, Village Manager
Andrianna Peterson, Assistant Village Manager

DATE: April 9, 2012

RE: **ORDINANCE - CREATING AN ADDITIONAL CLASS A-1 LIQUOR LICENSE,
GSG EATERY'S CORP. d/b/a FIRESIDE WOOD FIRED PIZZA & CAFE, 18 W.
HARRIS AVENUE**

The Village recently received an application for a Class A-1 liquor license from GSG Eatery's Corp. d/b/a Fireside Wood Fired Pizza & Cafe, located at 18 W. Harris Avenue. A Class A-1 Restaurant License authorizes the licensee to sell at retail, and serve, beer and wine only for consumption on the premises where sold, where food also is sold for consumption. The license also allows customers to carry in their own beer and wine to be consumed within the licensed premises, but only in conjunction with the service of a meal.

An establishment that holds a Class A-1 Restaurant License must secure, maintain, and provide evidence to the Village that it has insurance coverage. A background check and proof of sellers and servers training is also required.

On Monday, March 12, 2012, the Liquor Commission met to review the application submitted by GSG Eatery's Corp d/b/a Fireside Wood Fired Pizza & Cafe. Prior to that meeting, the Village had conducted a background investigation which did not produce any information which would preclude the issuance of a liquor license. It was the recommendation of the Liquor Commission that (a) the Village Board of Trustees create a new Class A-1 Restaurant License and (b) that the Liquor Commissioner issue that license to GSG Eatery's Corp. d/b/a Fireside Wood Fired Pizza & Café located at 18 W. Harris Avenue. (A copy of the minutes from that meeting is attached for your reference.)

Attached for your consideration is a proposed ordinance creating an additional Class A-1 restaurant license. Also attached for your information is the list of current liquor license holders by classification. If the ordinance is approved, the Liquor Commissioner will issue the Class A-1 Restaurant License to GSG Eatery's Corp. d/b/a Fireside Wood Fired Pizza & Cafe.

We recommend that the proposed ordinance be approved.

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5-A

VILLAGE OF LA GRANGE

ORDINANCE NO. O-12- ____

AN ORDINANCE CREATING AN ADDITIONAL CLASS A-1 RESTAURANT LICENSE

WHEREAS, Chapter 111 of the La Grange Code of Ordinances provides for a category of liquor license known as A Class A-1 Restaurant License; and

WHEREAS, A Class A-1 Restaurant License authorizes the licensee to (a) sell at retail, and serve, beer and wine only for consumption on the premises where sold, where food also is sold for consumption, and to allow customers to carry their own beer and wine into to be consumed within the licensed premises, but only in conjunction with the service of a meal; and

WHEREAS, the Village received an application for a Class A-1 restaurant license from GSG Eatery's Corp. d/b/a Fireside Wood Fired Pizza & Café at 18 W. Harris Avenue; and

WHEREAS, the La Grange Liquor Commission has recommended creation of a new Class A-1 Restaurant License, and the La Grange Liquor Commissioner has indicated her intention to grant a Class A-1 Restaurant License for GSG Eatery's Corp. d/b/a Fireside Wood Fired Pizza & Café restaurant if the Board of Trustees creates that license; and

WHEREAS, the President and the Board of Trustees have determined that it is in the best interests of the Village that a new Class A-1 Restaurant License be created for GSG Eatery's Corp. d/b/a Fireside Wood Fired Pizza & Café restaurant;

NOW THEREFORE BE IT ORDAINED by the President and Board of Trustees of the Village of La Grange, Cook County and State of Illinois, as follows:

Section 1. Recitals. The foregoing recitals are incorporated into this Ordinance as findings of the President and Board of Trustees.

Section 2. Creation of a New Class A-1 Restaurant License. The President and Board of Trustees, pursuant to their authority under State law and Section 111.16 of the La Grange Code of Ordinances, hereby increases the number of Class A-1 Restaurant Licenses by one additional license. That new license will be added to the record of issued and/or current licenses which is kept in the office of the Village Clerk.

Section 3. Effective Date. This Ordinance will be in full and force and effect from and after its passage, approval, and publication in pamphlet form in the manner provided by law.

PASSED this 9th day of April, 2012.

AYES: _____
NAYS: _____
ABSENT: _____

APPROVED this 9th day of April, 2012.

Elizabeth M. Asperger, Village President

ATTEST: _____
Thomas Morsch, Village Clerk

5-A-1

LA GRANGE LIQUOR COMMISSION
SPECIAL MEETING

53 South La Grange Road
First Floor Conference Room
La Grange, IL 60525

Monday, March 12, 2012 – 6:45 p.m.

MINUTES

1. Call to Order and Roll Call

A meeting of the La Grange Liquor Commission was convened at 6:45 p.m. by Liquor Commissioner Elizabeth Asperger. Present and constituting a quorum were:

Present: Liquor Commissioner Elizabeth Asperger, Commissioner Mark Kuchler and Commissioner Mark Langan

Absent: None

Also Present: Assistant Village Manager Andrianna Peterson
Village Attorney Mark Burkland
Applicant Gregory Gron

2. Approval of the Minutes from the Liquor Commission meeting on August 8, 2011.

It was moved by Commissioner Langan and seconded by Commissioner Kuchler to approve the minutes of August 8, 2011, as submitted. The motion carried on a voice vote.

3. Liquor License Request / Liquor License Applicant

GSG Eatery's Corp. d/b/a Fireside Wood Fired Pizza & Café

Commissioner Asperger indicated that Greg Gron, President of GSG Eatery's Corp. doing business as Fireside Wood Fired Pizza and Café is applying for a Class A-1 Restaurant Liquor License for his restaurant located at 18 W. Harris Avenue.

Commissioner Asperger informed the applicant that liquor control is taken very seriously and it is a privilege to sell or serve liquor in the Village. Adding that there is no set number of liquor licenses but rather that licenses are considered on an individual basis, Commissioner Asperger explained that the Village is a family oriented community and random compliance checks are conducted to maintain responsible sales and service of liquor.

Commissioner Kuchler asked the applicant why he decided to locate in La Grange. Mr. Gron indicated he had researched several communities and selected the La Grange location

5-14-2

because of the proximity to several municipal parking lots and the overall vitality of the community and downtown. He also researched statistical information about the Village on the Village's website and at the library.

Commissioner Kuchler inquired if Mr. Gron held membership in the La Grange Business Association. Mr. Gron noted that he is a member.

Commissioner Kuchler commented on the attractive appearance of the restaurant and Mr. Gron noted his experience as a former carpenter. Mr. Gron indicated that the family oriented business was modeled after Bricks Wood Fired Pizza located in Lombard.

Commissioner Kuchler asked Mr. Gron what his plan was regarding selling and serving beer and wine at the establishment. Mr. Gron indicated that he planned to sell wine by the glass and beer by the bottle (not draft). He may also allow "bring your own," which is an option under the Class A-1 category. Beer and wine orders will be taken at the counter at the same time as food is ordered. For additional orders, patrons will have to go back up to the counter.

Commissioner Asperger commented on the thorough and informative documentation provided by the applicant and the businesses involvement in community events.

It was moved by Commissioner Langan and seconded by Commissioner Kuchler that the Liquor Commission make a recommendation: (a) that the Village Board of Trustees create a new Class A-1 Liquor License and (b) that the Liquor Commissioner issue that license to GSG Eatery's Corp. d/b/a Fireside Wood Fired Pizza and Café located at 18 W. Harris Avenue.

Commissioner Asperger stated that the recommendation would be made to the Village Board at their next regularly scheduled meeting on April 9, 2012.

4. Other Business

Commissioners agreed to convene in April in order to discuss various liquor issues as identified by staff.

5. Adjournment

It was moved by Commissioner Langan and seconded by Commissioner Kuchler that the meeting of the Liquor Commission be adjourned. The motion carried on a voice vote and the meeting was adjourned at 7:18 p.m.

Submitted by:
Andrianna Peterson
Assistant Village Manager

Date Approved:

5-A.3

LIQUOR LICENSE HOLDERS - 2011-12

NEW CLASS (#O-09-22) Approved 08/10/09 Amended (#O-11-05) Approved 02/28/11

<u>Class A-1 (\$500)</u>	<u>Restaurant License serving beer and wine only, providing that more than 60% of the revenue is from the sale of food; allows consumption of bring-your-own.</u>
Antonino's	701 West Hillgrove Avenue
Back Alley Burger	13 S. La Grange Road
Grapevine	9 West Hillgrove Avenue
Lucca's Pizzeria	108 West Burlington Avenue
Noodles & Company	1 East Burlington Avenue
Q Barbeque	70 S. La Grange Road
Sushi House	120 B West Calendar
Wild Monk	88 S. La Grange Road
Yau's Place	110 W. Burlington
<u>Class A-2 (\$2,000)</u>	<u>Restaurant License selling a full-line of alcoholic beverages and includes a lounge or bar area, providing that more than 60% of the revenue is from the sale of food; allows consumption of bring-your-own.</u>
Al's Char House	32 South La Grange Road
Aurelio's Pizza	11 W. Calendar Avenue
Bacino's	36 South La Grange Road
Casa Margarita	32 South La Grange Road
Chequers	100 West Burlington Avenue
Francesca's	75 South La Grange Road
Magic Wok	23 West Harris Avenue
Marconi's	15 Calendar Avenue
Nicksons	30 S. La Grange Road
Palmer Place	56 South La Grange Road
Santiago's Mexican Cocina	22 W. Calendar Avenue
Thipi Thai	25 West Calendar Avenue
<u>Class A-3 (\$1,250)</u>	<u>Restaurant License selling a full-line of alcoholic beverages but includes only a service bar, providing that more than 60% of the revenue is from the sale of food; allows consumption of bring-your-own.</u>
Chipotle Mexican Grill, Inc.	40 N. North La Grange Road
El Picante Mexican Grill, Inc.	50A South La Grange Road
Kama	8 W. Burlington Avenue
Prasino	93 South La Grange Road
<u>Class B (\$500)</u>	<u>General retail sales of beer and wine incidental to other sales.</u>
DeVries Super Market	806 Arlington
Grapevine	9 West Hillgrove Avenue
7-Eleven	6 East 47th Street
Trader Joe's	25 N. La Grange Road
Walgreens	2 N. La Grange Road

5-A.4

<u>Class C-1</u> (\$1,000)	<u>Food boutique allows sales of wine in its original package & sales of wine by the glass; providing that more than 50% of the revenue is from the sale of goods other than liquor.</u> None
<u>Class C-2</u> (\$1,000)	<u>Wine boutique allows sales of wine and beer in its original package & sales of wine by the glass.</u> Vino e Birra, Inc. 18 W. Burlington Avenue
<u>Class C-3</u> (\$500)	<u>Retail cabaret for a retail store that also has a cabaret limited to four events per month; providing that more than 50% of the revenue is from the sale of goods other than liquor.</u> None
<u>Class C-4</u> (\$500)	<u>Movie theater allows sales and service of alcoholic beverages at public or private events; providing that more than 50% of the revenue is from the sale of goods other than liquor.</u> None
<u>Class D-1</u> (\$150)	<u>Tasting license grocery store (must hold a Class B general retail sales).</u> Trader Joe's 25 N. La Grange Road
<u>Class D-2</u> (\$150)	<u>Tasting license retail store (must hold a Class B general retail sales).</u> None
<u>Class D-3</u> (\$150)	<u>Tasting and Wine Club Event (must hold a Class A-1, A-2, or A-3 Restaurant)</u> Bacino's 36 South La Grange Road
<u>Class E</u> (no fee)	<u>Business single event authorizes service (not sale) of alcoholic beverages by a retail, service, or other business establishment (that does not regularly sell alcoholic beverages) at a single special event such as a grand opening or special promotion. Limits of 4 to a business in any 12-month period. The availability of alcoholic beverages at such an event may not be advertised.</u> Consign & Design 35 S. La Grange Road (09/22/11 #1) Frill Accessory Boutique 6 S. La Grange Road (11/30/11 #1) Simple Treasure 15 ½ S. La Grange Road (11/30/11 #1) Monday's Child 26 S. La Grange Road (11/30/11 #1) Cella Creations 77 S. La Grange Road (11/30/11 #1) Cella Creations 77 S. La Grange Road (12/03/11 #2)
<u>Class F-1</u> (\$500)	<u>Fraternal club allows sales and service of alcoholic beverages and bring-your-own beer and wine.</u> American Legion 900 South La Grange Road
<u>Class F-2</u> (\$100)	<u>Private membership organization authorizes only service of alcoholic beverages and bring-your-own beer and wine at private events; limited to 4 private events in a calendar year, excluding bring-your-own events.</u> La Grange Field Club 1314 W. 47 th Street

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- Class G-1 (\$500) General caterer license authorizes the service of alcohol as a part of a catering business that maintains a business facility within the Village providing that more than 60% of the revenue is from the sale of food.
La Belle Gourmet, Ltd. 14 - 16 West Calendar Avenue
Palmer Place 56 South La Grange Road
Q Barbeque 70 South La Grange Road
- Class G-2 (no fee) Temporary caterer license applies to restaurants and stores that maintain their principal business facility in the Village; providing that more than 60% of the revenue is from the sale of food; no more than one G-2 may be issued to a business annually.
None
- Class H (\$250) Bring your own beer and wine restaurants (without Class A License).
None
- Class H (\$100) Bring your own beer and wine other (in meal preparation services stores; in crafts-making stores; in retail stores having a private event or a structured instruction class).
Ceramic Art Café 26 S. La Grange Road

5-A.6

VILLAGE OF LA GRANGE
Administration Department

BOARD REPORT

TO: Village President, Village Clerk,
Board of Trustees and Village Attorney

FROM: Robert J. Pilipiszyn, Village Manager
Andrianna Peterson, Assistant Village Manager

DATE: April 9, 2012

RE: **ORDINANCE – AMENDMENT TO PARKING RESTRICTIONS / 900
BLOCK OF S. SPRING AVENUE**

The Village received a petition from eight residents out of 18 addresses directly facing the 900 block of S. Spring Avenue to restrict standing, stopping and parking on the east side of Spring Avenue and the north side of 52nd Street at Spring Avenue from 2:45 p.m. to 3:14 p.m. on school days.

Because the proposed change is tied directly to the Spring Avenue School parent pick up and drop off procedures, Village staff met with representatives of Spring Avenue School to observe parking conditions on and adjacent to the 900 block of S. Spring Avenue.

As a result of the evaluation and, in the interest of improving visibility and providing a wider area for vehicular movements, staff recommends a parking restriction on the west side of the 900 block of Spring Avenue so that students would cross 52nd Street once, using the student safety patrol within the barricaded crossing area. The recommendation also includes a restriction on the north side of 52nd Street, just west of Spring Avenue, as students would only cross Spring Avenue once (using safety patrol within the barricaded area) to reach vehicles parked on the south side of 52nd Street west of Spring.

To maintain consistency with other signage in the general vicinity, a decision to restrict parking on the west side of Spring Avenue and the north side of 52nd Street, just west of Spring Avenue would also include morning drop off (8-8:45 a.m.), lunch (11 a.m. – 12:30 p.m.) and afternoon pick-up (2:45 – 3:30 p.m.)

On March 1, we issued a letter to the addresses on the 900 block of S. Spring regarding potential parking restrictions on the west side of Spring Avenue and the north side of 52nd Street. Of the 8 individuals who signed the petition, 3 called or wrote to affirm their support of the revised

5-B

recommendation, and 1 was supportive of improving safety but did not comment on the proposed restrictions. In addition to the 8 who signed the petition, three other addresses expressed support and three were essentially neutral. Counting the neutral parties, 10 addresses called or wrote in general support of the recommendation. If the petitioners who did not respond to the letter are included, the number of residents generally supportive increases to 14.

Representatives of Spring Avenue School are also supportive of the proposed restrictions.

Attached for your consideration is an ordinance amending the appropriate Chapter of the Village Code.

It is staff's recommendation that the ordinance be approved.

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5-B.1

VILLAGE OF LA GRANGE
ORDINANCE NO. _____

AN ORDINANCE AMENDING CHAPTER 78
OF THE LA GRANGE CODE OF ORDINANCES
REGARDING PARKING REGULATIONS

WHEREAS, the President and Board of Trustees of the Village of La Grange have determined that it is appropriate and useful to amend the traffic and parking regulations in the manner provided in this Ordinance;

NOW, THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of La Grange, Cook County and State of Illinois, as follows:

Section 1. Recital. The foregoing recital is incorporated into this Ordinance as a finding of the President and Board of Trustees.

Section 2. Amendment of Chapter 78. **Chapter 78, titled "Parking Schedules", under Schedule II (e), "Parking Shall be Limited During Certain Hours on the Following Streets"** of the La Grange Code of Ordinances shall be, and is hereby amended to add thereto as follows:

<i>Street</i>	<i>Side</i>	<i>Time</i>	<i>Location</i>
Spring	West	No Parking, Stopping, or Standing from 8:30 a.m. – 8:45 a.m. 11 a.m. – 12:30 p.m. 2:45 p.m. - 3:30 p.m. on School Days	From 51st Street to 52 nd Street

Section 3. Amendment of Chapter 78. **Section (D) of Schedule II, titled "Parking Shall be Limited During Certain Hours on the Following Streets"** of the La Grange Code of Ordinances shall be, and it is hereby, amended to add thereto the following:

<i>Street</i>	<i>Side</i>	<i>Time</i>	<i>Location</i>
52 nd Street	North	No Parking, Stopping, or Standing from 8:30 a.m. – 8:45 a.m. 11 a.m. – 12:30 p.m. 2:45 p.m. - 3:30 p.m. on School Days	From Spring Avenue to Waiola Avenue

5-B,2

Section 4. Effective Date. This Ordinance shall be in full force and effect from and after its passage, approval, and publication in pamphlet form in the manner provided by law.

ADOPTED this _____ day of _____ 2012 pursuant to a roll call vote as follows:

AYES: _____

NAYS: _____

ABSENT: _____

APPROVED this _____ day of _____ 2012.

Elizabeth Asperger, Village President

ATTEST:

Thomas Morsch, Village Clerk

5-B.3

VILLAGE OF LA GRANGE
Finance Department

BOARD REPORT

TO: Village President, Board of Trustees, Village Clerk and
Village Attorney

FROM: Robert J. Pilipiszyn, Village Manager,
Lou Cipparrone, Finance Director

DATE: April 5, 2012

RE: **BUDGET AMENDMENTS – FISCAL YEAR ENDING APRIL 30, 2012**

Pursuant to Village ordinance and in compliance with Generally Accepted Accounting Principles (GAAP), expenditures may not exceed budgeted appropriations at the fund level. As the need arises, the Village Board is presented with formal requests for budget amendments from Village departments resulting from unbudgeted expenditures causing a fund or department to be over budget. Per Village policy, revisions of the annual budget that alter the total expenditures of any fund may be approved by a two-thirds vote of the Village Board.

Attached are the required forms requesting budget adjustments resulting from unbudgeted expenditures or estimated actual expenditures exceeding budget estimates which have previously been reported to, reviewed with or approved by the Village Board. A resolution is attached which formally incorporates the necessary budget adjustments into the FY 2011-12 Operating and Capital Improvements Budget. Reserves will be utilized to fund these unbudgeted expenditures. A description of each budget amendment is presented below:

GENERAL FUND

1. Legal Department

The Legal Department is currently over budget due to: 1) additional prosecutorial services for non-compliance cases involving property maintenance. Several defendants have chosen to resolve their compliance cases through litigation, while in other cases ownership is in doubt and therefore a formal legal process must be followed. It is important to note that many of these costs may be recovered as cases are brought to court. A budget amendment is included for Legal Prosecutor-\$15,000 to reflect these additional legal services.

2. Community Development Department

Community Development Department is over budget due to the extensive re-working of the Site Development Guidelines related to grading and drainage. A budget amendment is included for Professional Services-\$10,000 to reflect this additional department expenditure.

5-C

3. **Fire Department**

Full-time salaries in the Fire Department are over budget due to the payment of accrued leave to a Fire Captain who retired early in the fiscal year. Overtime expenditures are also over budget due to the temporary vacancy of the command position and a duty-related injury during the fiscal year. In order to maintain overtime costs and to ensure the efficient operations of the department, two interim working out-of-classification appointments were authorized mid-fiscal year.

The Fire Department also incurred additional maintenance and repair costs for ladder truck Co. #1119 resulting in Equipment-Maintenance costs being over budget for the fiscal year. Due to the limited function of this vehicle, the Village Board approved the sale of the ladder truck, which occurred in July, 2011. Budget amendments are included for Full-Time Salaries-\$25,000, Overtime-\$5,000, and Equipment Maintenance-\$5,000 to reflect these additional department expenditures.

4. **ERF Fund**

New Equipment expenditures are over budget for the Fire Department due to the purchase of a new multi-purpose rescue engine utilizing available reserve funds. New Equipment expenditures are also over budget for the Building and Grounds Department due to the use of additional reserve funds to complete the HVAC project at Village Hall. Budget amendments for ERF Fire Department-\$550,000 and ERF Building & Grounds-\$93,000 are included to reflect the utilization of reserve funds for these unbudgeted expenditures.

5. **Police Pension Fund**

Pension Payments are over budget due to the retirement of a Police Lieutenant earlier than anticipated. Investment fees are over budget due to the engagement of a fixed income manager, resulting in additional consulting fees based upon the quarterly balance of the account. Budget amendments are included for Pension Payments - \$30,000 and Investment Fees - \$7,500 to account for these unbudgeted expenditures.

6. **Fire Pension Fund**

Pension Payments are over budget due to the retirement of a Fire Captain early in the fiscal year. Investment fees are over budget due to the engagement of a fixed income manager, resulting in additional consulting fees based upon the quarterly balance of the account. Budget amendments are included for Pension Payments - \$60,000 and Investment Fees - \$5,000 to account for these unbudgeted expenditures.

It is our recommendation that the attached resolution amending the FY 2011-12 operating and capital improvements budget be approved.

5-C.1

VILLAGE OF LAGRANGE

A RESOLUTION AMENDING THE FY 2011-12 OPERATING
AND CAPITAL IMPROVEMENTS BUDGET

RESOLUTION R-12-_____

BE IT RESOLVED that the President and Board of Trustees of the Village of
La Grange adopt the 2011-12 Operating and Capital Improvements Budget
Amendments as set forth in the document as attached hereto and made a part
here of.

Adopted this ____ day of _____, 2012, pursuant to a roll call vote as follows:

AYES: _____

NAYS: _____

ABSENT: _____

Approved by me this ____ day of _____, 2012

Elizabeth M. Asperger, Village President

ATTEST:

Thomas Morsch, Village Clerk

5-C.12

BUDGET AMENDMENT/TRANSFER REQUEST FORM

FY 2011-12

Pursuant to Village policy, an amendment to the annual budget that alters the total expenditures of any fund and/or is in excess of \$10,000 may be approved by a two-thirds vote of the Village Board. No amendment of the budget shall be made increasing the budget in the event revenues or reserve funds are not available to effectuate the purpose of the revision.

Transfer Funds From:

<u>Account Number</u>	<u>General Fund - Fund Balance</u> <u>Fund / Description</u>	<u>Amount</u>
01-00-40-4000	General Fund - Fund Balance	\$60,000
60-00-40-4000	ERF - Fund Balance	\$643,000

Transfer Funds To:

1) 01-04-62-6234	Legal - Prosecutor	\$15,000
Account Number	Fund / Description	Amount
2) 01-06-62-6230	Community Development - Professional Services	\$10,000
3) 01-09-60-6000	Fire - Full Time Salaries	\$25,000
01-09-60-6002	Fire - Overtime	\$5,000
01-09-62-6220	Fire - Equipment Maintenance	\$5,000
4) 60-00-66-6615	ERF - Fire Department	\$550,000
60-00-66-6612	ERF - Building & Grounds	\$93,000
_____	_____	_____
_____	_____	_____
_____	_____	_____

Purpose: 1) Legal - prosecution for non-compliance cases involving property maintenance and code violations.
2) Community Development - amend Site Development Guidelines related to grading and drainage.
3) Fire - accrued leave payout for retiring officer; additional overtime due to vacancy and duty-related injury; and repairs and maintenance for ladder truck Co. #1119.
4) ERF Fire - purchase of new multi-purpose rescue engine, and ERF Building & Grounds - complete HVAC project at Village Hall.

Recommended By: _____

[Signature]
Village Manager

4.5.12

Date

Village Board

Approved: _____

Date

Recorded By _____

Finance Dept.

Date

5-C,3

BUDGET AMENDMENT/TRANSFER REQUEST FORM
FY 2011-12

Pursuant to Village policy, an amendment to the annual budget that alters the total expenditures of any fund and/or is in excess of \$10,000 may be approved by a two-thirds vote of the Village Board. No amendment of the budget shall be made increasing the budget in the event revenues or reserve funds are not available to effectuate the purpose of the revision.

Transfer Funds From:

<u>70-00-40-4000</u>	<u>Police Pension Fund - Fund Balance</u>	<u>\$37,500</u>
Account Number	Fund / Description	Amount
<u>75-00-40-4000</u>	<u>Fire Pension Fund - Fund Balance</u>	<u>\$65,000</u>
_____	_____	_____
_____	_____	_____

Transfer Funds To:

5) <u>70-00-60-6005</u>	<u>Police Pension Fund - Pension Payments</u>	<u>\$30,000</u>
Account Number	Fund / Description	Amount
<u>70-00-68-6897</u>	<u>Police Pension Fund - Investment Fees</u>	<u>\$7,500</u>
6) <u>75-00-60-6005</u>	<u>Fire Pension Fund - Pension Payments</u>	<u>\$60,000</u>
<u>75-00-68-6897</u>	<u>Fire Pension Fund - Investment Fees</u>	<u>\$5,000</u>
_____	_____	_____
_____	_____	_____

Purpose: 5) Police Pension Payments-retirement of a Police Lieutenant earlier than anticipated, and Investme
Fees - engagement of fixed income manager.
6) Fire Pension Payments-retirement of a Fire Captain early in the fiscal year, and Investment Fees
engagement of fixed income manager.

Recommended By:  _____ Date _____
 Village Manager

Village Board
 Approved: _____ Date _____

Recorded By _____
 Finance Dept. Date _____

5-C.14

VILLAGE OF LA GRANGE
Administrative Offices

BOARD REPORT

TO: Village President, Village Clerk, Board of Trustees, and Village Attorney

FROM: Robert Pilipiszyn, Village Manager
Andrianna Peterson, Assistant Village Manager

DATE: April 9, 2012

RE: **CONTRACT - GROUP HEALTH AND LIFE INSURANCE RENEWAL**

To remain competitive with the job market in attracting and retaining a quality work-force, the Village provides group health insurance coverage as a benefit to its full-time employees. Coverage is provided under the Blue Advantage Entrepreneur (BAE) plan or the HMO-Illinois program through Blue Cross/Blue Shield of Illinois.

Like many employers, the cost of providing group health insurance is a significant operating expenditure for the Village. Total premiums currently paid are approximately \$1.35 million. The current net cost to the Village is approximately \$1.03 million per year. The difference represents employee contributions and retiree payments (100% of the cost of premiums).

In balancing the need for maintaining competitive employee benefits and their corresponding costs, the Village has been diligent and effective in managing its health insurance expenses over time. First, the Village switched to a health maintenance organization (HMO) plan for its employees in 1986 in response to escalating health care costs associated with indemnity plans and PPO plans at that time. By their nature HMO's are designed to be cost efficient. As a result, the Village's health insurance expenses in the aggregate have been affordable over time. Second, in response to upward trends in health care costs during the 2000's, the Village regularly shifted these costs onto Village employees in the form of: (i) plan changes; (ii) increased co-payments; and (iii) new co-payments.

Third, at the same time, the Village was largely successful in negotiating changes to collective bargaining agreements with its unionized employees by: (i) eliminating language which limited the Village's ability to select and change carriers and coverage, change employee co-payments, and change employee contributions; (ii) adding language that the terms of the policies are to govern and that any disputes shall be resolved in accordance with the policies, not through the grievance or arbitration procedure; and (iii) modifying language so that bargaining unit members will be treated the same way as non-unionized employees with respect to the administration of this benefit. Fourth, as part of the Village's cost containment efforts beginning May 1, 2011 the employee contribution towards monthly group health insurance premiums was increased from 0.0% for single coverage and 7.5% for family coverage, to 10.0% of total

5-D

premiums. Fifth, in furtherance of the Village's cost containment plan, the proposed Village budget includes a recommendation that the contribution paid by employees for health insurance coverage be increased from 10.0% to 12.0% of total premiums effective May 1, 2012.

Attached you will find a chart which illustrates the Village's health insurance premium history for the past twenty years. The Village experienced a period of stable health insurance premiums throughout a majority of the 1990's. More recently, the Village experienced rate freezes in 2005 and 2006. Our five-year rolling average is 8.36%.

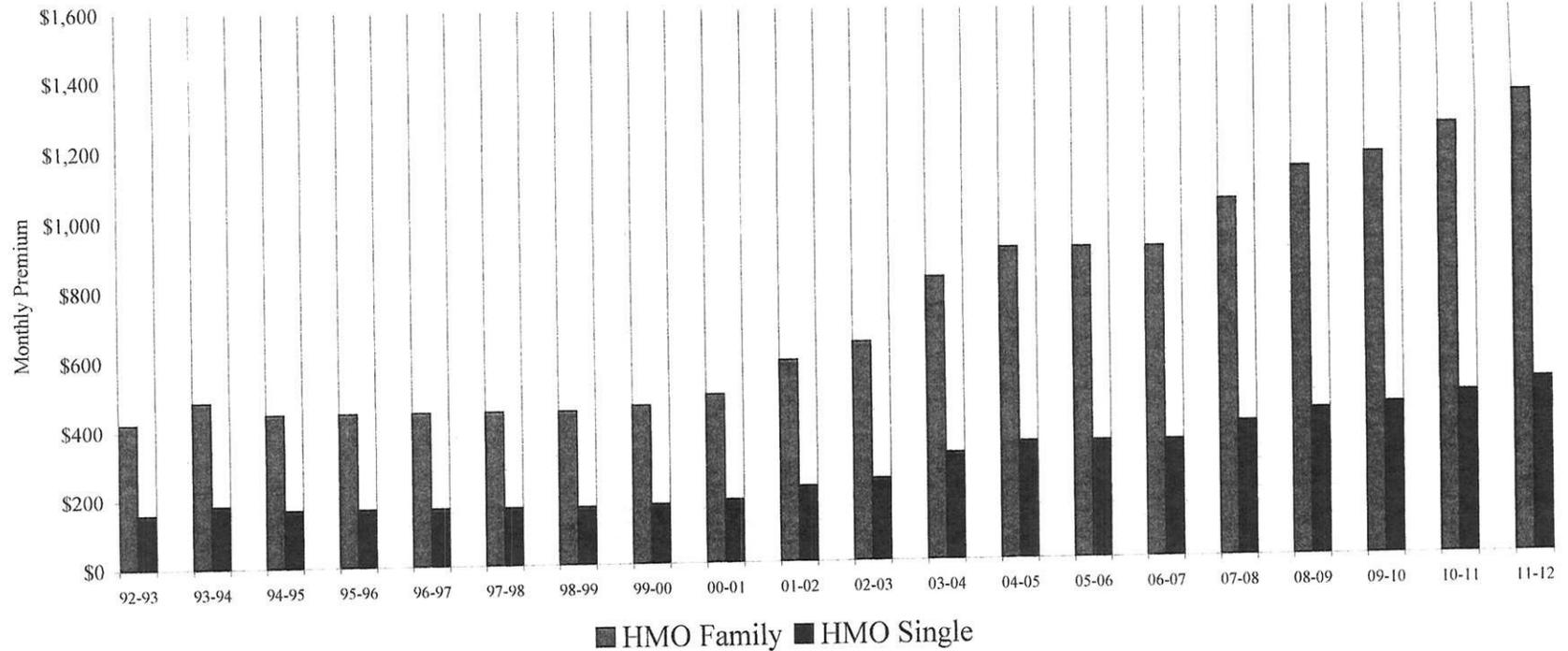
We are pleased to report that for the renewal period beginning May 1, 2012, the Village through its broker was able to negotiate a rate freeze with BC/BS, after receipt of an initial renewal proposal of a 5.76% increase in premiums.

Despite the favorable renewal we will continue to explore opportunities and evaluate strategies to contain the Village's health insurance expenses.

On a related matter, our group life insurance is provided by Fort Dearborn Life through Blue Cross/Blue Shield. Because of continued good claims history, we have negotiated a two-year agreement with Fort Dearborn Life with a 24% decrease in premiums (savings of \$3,420 annually).

We recommend that the contract with Blue Cross/Blue Shield for group health insurance and Fort Dearborn for group life insurance, effective May 1, 2012 be approved and that the Village Manager be authorized to execute the contract documents.

Village of La Grange-Premiums History May 1992 to May 2011



	92-93	93-94	94-95	95-96	96-97	97-98	98-99	99-00	00-01	01-02	02-03	03-04	04-05	05-06	06-07	07-08	08-09	09-10	10-11	11-12
HMO Family Rate	422.11	482.40	446.22	446.22	446.22	446.22	446.22	459.61	488.23	583.43	633.03	821.03	904.26	904.26	904.26	1,039.90	1,131.41	1,171.01	1,252.98	1,346.95
HMO Single Rate	141.12	181.70	168.07	168.07	168.07	168.07	168.07	173.11	183.89	219.75	238.43	309.24	340.59	340.59	340.59	391.68	426.15	441.07	471.94	507.34
% Increase	11.85%	14.28%	-7.50%	0.00%	0.00%	0.00%	0.00%	3.00%	6.23%	19.50%	8.50%	29.70%	10.14%	0.00%	0.00%	15.00%	8.80%	3.50%	7.00%	7.50%

5-P.12

VILLAGE OF LA GRANGE
Department of Public Works

BOARD REPORT

TO: Village President, Village Clerk, Board of Trustees, and Village Attorney

FROM: Robert J. Pilipiszyn, Village Manager
Ryan Gillingham, Director of Public Works
Don Wachter, Village Forester

DATE: April 9, 2012

RE: **MATERIAL PURCHASE – PUBLIC WORKS / 2012 SPRING TREE
PLANTING PROGRAM**

**RESOLUTION – PUBLIC WORKS / SUBURBAN TREE
CONSORTIUM**

The Village has a long proud heritage of maintaining tree-lined streets dating back to its founding father, Franklin Cossitt. In maintaining our urban forest, we strive to plant a replacement tree for each parkway tree removed due to disease and damage (storm, vehicular, etc.) In addition, we attempt to fill vacant parkway locations if available funds allow. Each year in the spring and fall the Village plants replacement trees in parkways to replace trees that are dead, damaged and/or diseased.

Since 1986 the Village has participated in the Suburban Tree Consortium to jointly purchase and plant parkway trees on behalf of a number of municipalities in an effort to realize cost savings and insure a reasonable supply and variety of suitable parkway trees. The Suburban Tree Consortium contracts separately with nurseries for the purchase of the trees and a landscaping contractor for their installation.

Over the last five years, the Village has on average replanted approximately 111 trees per year. Of the 102 trees that were removed by contractors in 2011, 7 were elm trees that were diagnosed with Dutch Elm Disease and 41 were removed due to Emerald Ash Borer (EAB). Please note that the number of elm trees removed each year is going down as the population of elm trees susceptible to the disease diminishes. However, as detailed during the Capital Projects budget process, ash tree removal and replacement is increasing due to damage resulting from the EAB. Therefore, we anticipate adding additional trees in the future to our purchase request from the Suburban Tree Consortium to account for trees lost due to this insect.

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The following table details the estimated number of trees to be replaced over the next year and the available funding for this program.

FY 2011-12 TREE PLANTING PROGRAM			
Expenses			
	Estimated Quantity	Average Unit Price	Total
2011 Fall Tree Planting (completed)			
Routine Replacement	25	325.92	8,148
EAB Replacement	19	293.21	5,571
2012 Spring Tree Planting			
Routine Replacement	65	348.87	22,676
EAB Replacement	18	348.87	6,280
Total			42,675
Revenues			
FY2011-12 Budget			
Capital Projects – Tree Planting Program			34,000
Capital Projects – Emerald Ash Borer (\$35,000 Total / \$17,000 Removal/\$14,000 Planting/\$4,000 Treatment)			14,000
Total			48,000

Please note that the average unit price per tree for the fall tree planting program is lower than spring program due to the fact that the variety of the trees planted in the fall were less expensive. Additionally, the average cost for tree planting has increased due to a recent determination by the Attorney General that this work is covered by the Prevailing Wage Act.

In preparation for the Spring Tree Planting Program the Public Works Department has removed all of the stumps and prepared the planting locations for each tree. After the contractor has planted the tree, staff waters and fertilizes the tree throughout the summer and fall to provide the best opportunity for growth and survival. The actual planting of the tree normally takes place the second week of April.

Also attached for your consideration is a resolution that the Suburban Tree Consortium requests affirming the Village's commitment to the program. The yearly fee for participating in the joint purchasing program is \$575, which covers the costs incurred by the WCMC for administering the program. We recommend that the Village Board approve this resolution.

In summary, we recommend that the Village Board authorize staff to purchase and plant trees which have been competitively bid through a municipal purchasing cooperative known as the Suburban Tree Consortium in an amount of \$28,956 for the 2012 Spring Tree Planting Program. Secondly, it is our recommendation that the attached resolution affirming the Village's commitment to Suburban Tree Consortium be approved.

VILLAGE OF LA GRANGE

RESOLUTION NO. _____

A RESOLUTION EXPRESSING INTENT
TO PARTICIPATE IN THE SUBURBAN
TREE CONSORTIUM FIVE YEAR CONTRACTUAL PROGRAM

WHEREAS, the Village of La Grange has heretofore joined the cooperative known as the Suburban Tree Consortium; and

WHEREAS, the Suburban Tree Consortium was created to jointly purchase parkway trees on behalf of a number of municipalities in an effort to realize cost savings and insure a reasonable supply and variety of suitable parkway trees; and

WHEREAS, Chapter 65 of ILCS 5/11-73.1-1 entitled "Municipal and Joint Municipal Tree Planting Programs", authorizes municipalities to jointly enter into long term contracts for the purchase and delivery of trees; and

WHEREAS, due to the nature of the nursery industry and the plant materials desired by the Suburban Tree Consortium, assuring a reasonable number and variety of parkway trees at the best price is possible only with a multi-year commitment on the part of the Consortium Members, so as to allow adequate planning by the Consortium and the Nurseries/Suppliers; and

WHEREAS, the Suburban Tree Consortium member municipalities provide the Nurseries/Suppliers a projection of their parkway tree requirements for the next five years; and

WHEREAS, the Suburban Tree Consortium can realize the necessary number and variety and the best price of such parkway trees only by providing assurance to the tree Nurseries/Supplier of the level of interest by the Consortium Members; and

NOW THEREFORE BE IT RESOLVED by the President and Board of Trustees of the Village of La Grange, Cook County, Illinois, as follows:

1. The Village does hereby express its intent to remain a member of the Suburban Tree Consortium and to procure parkway trees through the Consortium, subject to sufficient annual budgeting.
2. All ordinances and resolutions, or parts of ordinances and resolutions, in conflict with this resolution are hereby rescinded.
3. This Resolution will be in full force and effect from and after its passage and approval in the manner provided by law.

BE IT FURTHER RESOLVED that the Village Clerk is hereby authorized and directed to send a copy of this Resolution to the Suburban Tree Consortium Secretariat at the West Central Municipal Conference Office.

5-E.2

PASSED this _____ day of April 2012

AYES: _____

NAYS: _____

ABSENT: _____

APPROVED this _____ day of April 2012

Elizabeth Asperger, Village President

ATTEST:

Thomas Morsch, Village Clerk

5-E.3

VILLAGE OF LA GRANGE
Police Department

BOARD REPORT

TO: Village President, Village Clerk,
Board of Trustees and Village Attorney

FROM: Robert J. Pilipiszyn, Village Manager
Ryan Gillingham, Director of Public Works

DATE: April 9, 2012

RE: **ORDINANCE – DISPOSAL OF SURPLUS PROPERTY**

The Public Works Department has accumulated various pieces of equipment that are no longer operational, have reached the end of their useful life, are no longer compatible with other pieces of equipment, and/or are no longer compatible with current operations. From time to time, it is necessary to declare and dispose of such surplus property. State law allows the Village to sell surplus property in a manner that is best for the Village. All property that is being disposed of is owned by the Village and is recommended to be sold “as is”.

The attached list provides an inventory of the various pieces of equipment and materials that is considered to be surplus and no longer needed by the Village. Staff recommends auctioning these items through either a private auction house and/or an on-line auction service as determined by the Public Works Department in order to reach a broader audience of prospective bidders. We have prepared an ordinance for your consideration to dispose of these surplus items. We recommend approval of this ordinance.

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VILLAGE OF LA GRANGE

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING DISPOSAL OF PERSONAL PROPERTY OWNED BY THE VILLAGE OF LA GRANGE

WHEREAS, in the opinion of the corporate authorities of the Village Of La Grange, it is no longer necessary, useful, or in the best interests of the Village to retain ownership of the personal property described in this Ordinance; and

WHEREAS, it has been determined by the President and the Board Of Trustees of the Village Of La Grange to dispose of said personal property in the manner described in this Ordinance;

NOW, THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of La Grange, Cook County and State of Illinois, as follows:

Section 1. Recitals. The foregoing recitals are hereby incorporated into this Ordinance as findings of the President and Board of Trustees.

Section 2. Disposal of Surplus Property. The President and Board Of Trustees find that the personal property described in Exhibit A attached to this Ordinance and by this reference incorporated into this Ordinance (the "Surplus Property") is no longer necessary or useful to the Village, and thus the Village Manager for the Village Of La Grange is hereby authorized to direct the sale or disposal of the Surplus Property in the manner most appropriate to the Village. The Surplus Property shall be sold or disposed of in "as is" condition.

Section 3. Effective Date. This Ordinance shall be in full force and effect from and after its passage, approval, and publication in pamphlet form in the manner provided by law.

PASSED this ____ day of _____ 2012.

AYES: _____

NAYS: _____

ABSENT: _____

APPROVED this ____ day of _____ 2012.

By: _____
Elizabeth M. Asperger, Village President

ATTEST:

Thomas Morsch, Village Clerk

5-F.1

Exhibit 'A'

Department of Public Works

Surplus Equipment and Materials

Equipment & Materials

Description	Reason For Disposal
Flink 13' Snow Plow	Not compatible with existing equipment
1990 Super-Vac Leaf King	No longer operational
12' Snow Push Box	Not compatible with existing equipment
6 Street Light Poles	Street light pole style is no longer used in Village
4 Steel Garbage Cans	Garbage can style is no longer used in Village
4 Aluminum Garbage Cans with plastic inserts	Garbage can style is no longer used in Village
2 Plastic Garbage Cans with plastic inserts	Garbage can style is no longer used in Village
20 Fiberglass Garbage Cans with plastic inserts	Garbage can style is no longer used in Village
5 Fiberglass Garbage Cans	Garbage can style is no longer used in Village
Ceramic Tile	No longer needed due to recent remodeling work
Aluminum Safety Storage Cabinet	No longer store propane tanks
Stainless Steel Hydrologic Liquid Spray System	Not compatible with existing equipment
Truck Jack – 5 Ton Truck	Does not meet current safety standards
1 Ton Engine Hoist	Do not rebuild engines as part of operations anymore
Engine Stand	Do not rebuild engines as part of operations anymore
Canon imageRunner Copier 2200 (Year - 2002)	No longer operational

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VILLAGE OF LA GRANGE

Disbursement Approval by Fund

March 26, 2012

Consolidated Voucher 120326

<u>Fund No.</u>	<u>Fund Name</u>	<u>03/26/12 Voucher</u>	<u>03/16/12 Payroll</u>	<u>Total</u>
01	General	86,510.03	276,882.79	363,392.82
21	Motor Fuel Tax			0.00
22	Foreign Fire Insurance Tax	934.17		934.17
24	ETSB	2,291.25		2,291.25
40	Capital Projects	18,296.68		18,296.68
50	Water	4,321.21	34,941.87	39,263.08
51	Parking	2,198.49	24,169.13	26,367.62
60	Equipment Replacement			0.00
70	Police Pension			0.00
75	Firefighters' Pension			0.00
80	Sewer	3,820.94	9,541.32	13,362.26
90	Debt Service			0.00
91	SSA 4A Debt Service			0.00
93	SAA 269			0.00
94	SAA 270			0.00
		<u>118,372.77</u>	<u>345,535.11</u>	<u>463,907.88</u>

We the undersigned Manager and Clerk of the Village of La Grange hereby certify that, to the best of our knowledge and belief, the foregoing items are true and proper charges against the Village and hereby approve their payment.

Village Manager

Village Clerk

President

Trustee

Trustee

Trustee

Trustee

Trustee

Trustee

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VILLAGE OF LA GRANGE

Disbursement Approval by Fund

April 9, 2012

Consolidated Voucher 120409

<u>Fund No.</u>	<u>Fund Name</u>	<u>04/09/12 Voucher</u>	<u>03/30/12 Payroll</u>	<u>Total</u>
01	General	169,110.06	275,534.34	444,644.40
21	Motor Fuel Tax			0.00
22	Foreign Fire Insurance Tax			0.00
24	ETSB	221.12		221.12
40	Capital Projects	602.33		602.33
50	Water	19,416.65	39,794.30	59,210.95
51	Parking	3,000.32	24,003.39	27,003.71
60	Equipment Replacement			0.00
70	Police Pension			0.00
75	Firefighters' Pension	300.00		300.00
80	Sewer	1,809.47	9,600.60	11,410.07
90	Debt Service			0.00
91	SSA 4A Debt Service			0.00
93	SAA 269			0.00
94	SAA 270			0.00
		<u>194,459.95</u>	<u>348,932.63</u>	<u>543,392.58</u>

We the undersigned Manager and Clerk of the Village of La Grange hereby certify that, to the best of our knowledge and belief, the foregoing items are true and proper charges against the Village and hereby approve their payment.

Village Manager

Village Clerk

President

Trustee

Trustee

Trustee

Trustee

Trustee

Trustee

5-H

MINUTES

VILLAGE OF LA GRANGE SPECIAL MEETING OF THE VILLAGE BOARD OF TRUSTEES

53 South La Grange Road
Lower Level Conference Room
La Grange, IL 60525

Saturday, March 10, 2012 – 8:00 a.m.

I. CALL TO ORDER AND ROLL CALL

A Special Meeting of the Board of Trustees of the Village of La Grange was held on Saturday, March 10, 2012, and called to order at 8:05 a.m. in the lower level conference room. On roll call, as read by Village Clerk Thomas Morsch, the following were present:

PRESENT: Trustees Holder, Horvath, Kuchler, Langan, Nowak and Palermo with President Asperger presiding.

ABSENT: None

OTHERS: Robert Pilipiszyn, Village Manager
Andrianna Peterson, Assistant Village Manager
Lou Cipparrone, Finance Director
Bill Bryzgalski, Fire Chief
Mike Holub, Police Chief
Ryan Gillingham, Director of Public Works
Patrick Benjamin, Community Development Director
Joe Munizza, Assistant Finance Director
Angela Mesaros, Assistant Director of Community Development
Mike Bojovic, Assistant Director of Public Works

II. BUDGET WORKSHOP OVERVIEW

President Asperger opened the meeting by describing the budget development process which consists of three major parts — Capital Projects, Personnel and Operations. Capital Projects were discussed on February 6. A separate workshop dedicated to a discussion of the Water Fund was held on February 27. That discussion has been continued to April 2.

Extensive personnel information has been provided to the Village Board, along with how that information relates to the cost containment plan.

The purpose of this special meeting is to review operational expenditures.

President Asperger concluded her opening remarks by: encouraging the Village Board to consider and work within the strategic priorities identified during its recent planning session; identifying the need for the Village to remain vigilant in protecting local government revenues; stating that the Village needs to continue to pursue grant opportunities; recognizing the asset value of staff; and complimenting the entire management team in producing an outstanding work product.

Village Manager Pilipiszyn indicated that protracted recessionary financial conditions has tested the management team's ability to deliver core services in a cost-effective manner. The Village is entering a third consecutive fiscal year under such conditions. Signs of organizational fatigue are beginning to appear. Thankfully, Village finances are beginning to stabilize as a result of the cost containment plan. Village Manager Pilipiszyn acknowledged the shared sacrifices made by Department Heads and employees, and expressed his appreciation.

Village Manager Pilipiszyn indicated the need to receive general direction from the Village Board today relative to General Fund revenue proposals set forth within the draft budget, in order to complete the budget process.

III. REVIEW OF GENERAL FUND REVENUES AND EXPENDITURES

Finance Director Cipparrone reported in detail on each General Fund revenue line-item. Discussion ensued in advance of the proposed increase in the Village's utility tax. Trustee Horvath indicated his preference to impose an entertainment tax on ticket sales at the La Grange Theater as a majority of the tax would be paid for by non-residents. President Asperger and Village Manager Pilipiszyn provided some background information and limitations on the concept when it was considered at the time of the theater renovation project. If the objective is to generate revenue through non-residents, Village Manager Pilipiszyn proposed that consideration should be given to alternative revenue sources such as increasing the non-Home Rule sales tax or to seek Home Rule designation. There was no support for exploring Home Rule.

Considerable discussion ensued concerning the proposed increase in the Village's utility tax. Trustee Nowak indicated his struggle with the several tax/fee increases proposed for next fiscal year. Trustee Nowak indicated his support for the proposed water rate increases which will be used directly for infrastructure improvements to the Village's water system. Furthermore, there is an expected payback with increased revenue from the replacement of aging water meters. In contrast, the utility tax will be used to support current operations. Trustee Nowak suggested that the Village Board and staff look at other opportunities to offset increased operating expenses, beginning with using the budget savings from the favorable health insurance renewal.

5-1.1

Trustees Holder and Langan felt that personnel expenditure reductions and other budget cuts have been made, and that the new revenue to be generated by the increase in the utility tax is necessary to maintain Village services and to further stabilize Village finances.

Trustee Kuchler indicated that he reluctantly supported the increase in the utility tax, because reserves and capital project funding should not be reduced any further. He also expressed the need for more cost containment of personnel expenses.

Trustee Palermo queried as to the right level of service and what has changed over time. Village Manager Pilipiszyn responded with a listing of positions added to the employee roster over the past 20 years, which reflect the major areas of service demand on the Village — public safety, community development and public works.

Trustee Horvath expressed his opinion that structural problems exist and more work, such as the combined dispatch initiative, needs to be done to address those problems.

As a Village resident of approximately 40 years, Clerk Morsch briefly commented on how the Village has improved over the years, to become a top tier community.

President Asperger summarized that it was the consensus of the Village Board to reluctantly support the proposed increase in the Village's utility tax, adding that staff is expected to be constantly vigilant in controlling expenditures and to think creatively to grow revenues.

Community Development Director Benjamin presented his proposal to adjust certain building permit fees. Because of the cost recovery nature of these fees, it was the consensus of the Village Board to concur with the staff recommendation.

At the conclusion of this review, Finance Director Cipparrone provided the Village Board with information concerning salary allocations between the General Fund and the Village's three enterprise funds. Discussion ensued. President Asperger concluded the discussion as follows: (1) the allocation of indirect personnel expenses to enterprise funds was a common and accepted accounting practice; (2) the current allocations are reasonable; and (3) the allocations are at the lower end of the range suggested by the Village's auditors. The Village Board did not make any changes to the existing salary allocations.

At this point of the meeting, Department Heads were invited to present their respective departmental budgets to the Village Board for review and comment.

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IV. REVIEW OF GENERAL FUND AND OTHER FUND BUDGETS

1. Administration

Assistant Village Manager Peterson reported that the Village has been successful with negotiating a rate freeze for group health insurance premiums. There were a couple of individual Trustee comments made concerning additional containment strategies involving this employee benefit. President Asperger solicited input from the Village Board as to the staff recommendation to assign the \$100,000 cost savings projected from the freeze in health insurance premiums and the proposed increase in the employee contribution towards premiums. It was the consensus of the Village Board not to assign the cost savings to offset future health insurance premium increases.

It was the consensus of the Village Board to concur with staff's remaining budget recommendations.

2. Legal

It was the consensus of the Village Board to concur with staff's budget recommendations.

3. President and Board

It was the consensus of the Village Board to concur with staff's budget recommendations.

4. General Ledger

Assistant Village Manager Peterson provided a status update on the Village Board's strategic priority involving technology as it relates to records management within the Village Manager's office. There were a couple of individual Trustee suggestions made concerning this item.

Assistant Village Manager Peterson also outlined a recommended project approach concerning electrical aggregation. A report on the estimate of staff time and other costs associated with this endeavor is anticipated to be delivered to the Village Board sometime between June and July.

Clerk Morsch commented on a recent staff report concerning sick leave/vacation leave accruals. Discussion ensued concerning differences between the private and public sectors, and potential changes to leave accruals. Village Manager Pilipiszyn cautioned the Village Board about unintended consequences. He suggested that as with pension reform, if meaningful benefit changes are desired, the Village should petition its state representatives to enact collective bargaining reforms.

5-1.3

In closing the review of the proposed General Ledger budget, President Asperger expressed her concerns with the reduced amount and the number of consecutive years of the reduced amount of the transfer of monies to the Capital Projects Fund. A couple of Trustees concurred with President Asperger's comment and that the Village should not lose that historical perspective.

It was the consensus of the Village Board to concur with staff's budget recommendations.

5. Finance

There were a couple of Trustee inquiries and comments concerning the recent reconfiguration of support services within the Finance Department, and Finance Director Cipparrone responded. There were also a couple of Trustee comments made concerning employee compensation not being within the tax cap.

President Asperger solicited input on the proposed transaction fee for on-line payment of water bills. It was the consensus of the Village Board to concur with this staff recommendation.

It was also the consensus of the Village Board to concur with staff's remaining budget recommendations.

6. Community Development

Discussion ensued regarding economic development activities. There were a couple of Trustee inquiries and comments concerning the replacement of street banners (funding source and cost-sharing with businesses) and social media. Community Director Benjamin responded.

It was the consensus of the Village Board to concur with staff's budget recommendations.

7. Police Department

Chief Holub provided the Village Board with a brief status update on the combined dispatch study, police union and dispatch union contract negotiations, and a pending grant application for hiring additional police officers.

Trustee Horvath expressed his desire to extend the replacement cycle for squad cars and for the Village to look more closely at the total maintenance cost of vehicles. Chief Holub and Finance Director Cipparrone responded.

It was the consensus of the Village Board to concur with staff's budget recommendations.

5-1.4

8. Asset Forfeiture Fund

It was the consensus of the Village Board to concur with staff's budget recommendations.

9. Auxiliary Police Fund

It was the consensus of the Village Board to concur with staff's budget recommendations.

10. ETSB Fund

It was the consensus of the Village Board to concur with the ETSB Board's budget recommendations.

11. Parking Fund

Chief Holub described the recent launch of a parking amnesty program.

It was the consensus of the Village Board to concur with staff's budget recommendations.

12. Fire Department

Chief Bryzgalski noted with pride the major operational accomplishments within the Fire Department over the past year, among them being: the sale of the ladder truck and replacement with a multi-purpose vehicle; expanded use of technology; increased training; officer development and succession planning, improved service delivery approach within the Fire Prevention Bureau; and aggressive pursuit of grant opportunities. He expressed his appreciation to the Village Board for their support.

It was the consensus of the Village Board to concur with staff's budget recommendations.

13. Foreign Fire Insurance Tax Fund

It was the consensus of the Village Board to concur with staff's budget recommendations.

14. Building and Grounds and Public Works

Public Works Director Gillingham provided the Village Board with a detailed review of departmental activities over the past year, many of which have resulted in cost savings to the Village.

5-15

It was the consensus of the Village Board to concur with staff's budget recommendations.

15. Water Fund

President Asperger noted that this Fund will be discussed in more detail at the April 2 meeting.

16. Equipment Replacement Fund

It was the consensus of the Village Board to concur with staff's budget recommendations.

17. Debt Service Fund

It was the consensus of the Village Board to concur with staff's budget recommendations.

18. Police and Fire Pension Funds

It was the consensus of the Village Board to concur with staff's budget recommendations.

V. ADDITIONAL COMMENTS

Village Manager Pilipiszyn thanked the Village Board for providing direction as requested at the beginning of the meeting. He also complimented the Village Board for their engagement throughout the workshop and for making, at times, difficult decisions in order to provide that direction.

VI. ADJOURNMENT

The special meeting of the Village Board of Trustees was adjourned at 2:05 p.m.

Elizabeth M. Asperger, Village President

ATTEST:

Thomas Morsch, Village Clerk

Approved Date:

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5-1.6

MINUTES

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

Monday, March 12, 2012 - 7:30 p.m.

1. CALL TO ORDER, ROLL CALL, PLEDGE OF ALLEGIANCE

The Board of Trustees of the Village of La Grange regular meeting was called to order at 7:33 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
Public Works Director Ryan Gillingham
Fire Chief William Bryzgaliski
Police Chief Mike Holub

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

2. PRESIDENT'S REPORT

President Asperger referenced the budget workshop held on Saturday, March 10, explaining the Board's comprehensive review of the proposed budget for Fiscal Year 2012. President Asperger noted the components of the budget consist of Capital Projects; Personnel; and Operations and encouraged residents to view the proposed budget, specifically the Village Manager's message, which is posted on the Village's website or a paper copy is available at the Village Hall and La Grange Public Library. Inviting resident attendance and participation, President Asperger indicated that a public hearing will be held prior to budget adoption on April 9, 2012 in the Village Hall Auditorium.

Congratulations were extended to the Girl Scouts who gathered outside of the Village Hall earlier this evening in celebration of their 100th year anniversary. Lastly, President Asperger stated that the regular Village Board meeting scheduled for Monday, March 26 is being canceled due to lack of a quorum. The next regular meeting

5-3

will be on Monday, April 9 and it will follow a public hearing on the proposed budget. In addition, there will be a special meeting on Monday, April 2 in the Village Hall Auditorium to continue the discussion on the water meter replacement program.

3. PUBLIC COMMENTS REGARDING AGENDA ITEMS

None

4. OMNIBUS AGENDA AND VOTE

- A. Material Purchase – Public Works / Rock Salt
- B. Approval of Grant – Illinois Department of Commerce & Economic Opportunity – Energy Efficiency Program

Material Purchase – Police and Fire Facility – Replacement Light Fixtures
- C. Ordinance (#O-12-06) Disposal of Surplus Property
- D. Open Meetings Act – Review of Closed Session Minutes
- E. Minutes of the Village of La Grange Board of Trustees Special Meeting – Capital Projects Workshop Monday, February 6, 2012
- F. Minutes of the Village of La Grange Board of Trustees Regular Meeting Monday, February 27, 2012
- G. Consolidated Voucher 120312 – (\$753,809.65)

It was moved by Trustee Langan to approve items A, B, C, D, E, F, and G 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

- A. Ordinance (#O-12-07) – Amendment to the Village’s Simplified Telecommunication Tax / Proposed 1.0% Increase in the Village’s Utility Taxes: Referred to Trustee Nowak

Trustee Nowak explained that the Village’s utility taxes are a combination of tax charges on electricity, natural gas and telecommunications. The proposed budget

5-5.1

for Fiscal Year 2012-2013 identifies a 1% increase in the Village's utility taxes. This increase has been part of the five year financial plan. In comparison to other municipalities, Trustee Nowak referenced a survey taken whereby La Grange remains one of few municipalities which is not imposing maximum statutory utility tax / simplified telecommunications tax rates.

Trustee Nowak briefly described the history relevant to an increase as well as deferred utility and simplified telecommunication taxes for residents. Providing information regarding significant reductions in operating revenues and a decrease in State shared revenues, Trustee Nowak noted a need to address difficult financial challenges. Although the Village has a cost containment program in place, the 1% utility tax increase included in the five year financial plan is critical for meeting projected operating costs.

Trustee Nowak noted that it is estimated the 1% increase will cost an average homeowner approximately \$40 annually. Trustee Nowak explained that the simplified telecommunication tax implemented as currently budgeted would require the Village Board to adopt an authorizing ordinance and that such ordinance be filed with the Illinois Department of Revenue not later than March 20, 2012. An alternative option for filing was provided if the Board found it necessary to table this item for further discussion.

Trustee Nowak moved to approve staff's recommendation to adopt an ordinance implementing a 1% increase in the Simplified Telecommunications Tax, from 4% to 5%, effective July 1, 2012, seconded by Trustee Langan.

President Asperger opened this item for discussion.

Trustee Nowak stated he would not be voting in favor of this tax increase to residents. Trustee Nowak commented that with the proposed increase in water rates along with the increase in building permit fees, which directly impact residents, he does not favor another tax, especially when it would not support the rebuilding of infrastructure. Trustee Nowak is encouraged by sales tax revenues and believes that savings incurred on healthcare as well as rearranging budget priorities can address increasing operational expenses rather than impose the utility tax.

Trustee Horvath concurs with Trustee Nowak and feels there are areas of opportunity in the budget where monies can be diverted to offset operating costs, thereby avoiding a tax increase to residents. Trustee Horvath noted he would be voting in opposition of the utility tax increase.

Trustee Kuchler explained that he is inclined to vote in favor of the utility tax increase but will oppose the water rate increase.

5-5.2

Trustee Holder concurs with Trustee Kuchler on this item and will be voting in favor of this minimal utility tax increase. Trustee Holder noted it has been some time since this rate has been raised and the Village is well below other municipalities. Trustee Holder indicated that the Village has responsibly made cuts with personnel, services, and healthcare. Approving this increase will keep services which residents have come to expect.

Trustee Palermo stated he would be voting no on this item. Trustee Palermo indicated he is not swayed by the tax rates of other municipalities. While he is sensitive to the Village's revenue needs, he is also sensitive to taxes faced by residents. Trustee Palermo also referenced alternative electricity provider rates and his belief that residents could incur a substantial savings. Although residents presently have the opportunity to make a choice to reduce their electricity rates, Trustee Palermo would like to see a referendum question on the upcoming November ballot to save residents even more money.

Trustee Langan reminded the Village Board that while reluctant, there was a consensus from the budget workshop to support the proposed increase. The Village Board has a history of sound fiscal management in keeping taxes as low as possible. Referencing the Boards previous discussion on this item, Trustee Langan noted that no one likes to raise taxes, however he does not favor the alternative which is to cut services.

With a tie vote, President Asperger stated her intention to vote in favor of this tax increase, echoing comments by Trustees Kuchler, Holder and Langan, President Asperger proceeded to enumerate various expenditure reductions for personnel and capital maintenance totaling \$700,000 per year over the past several years. President Asperger believes the utility tax increase to residents outweighs the consequences incurred to public safety and services if in fact it would be necessary to terminate a Police Officer; Firefighter; or Public Works employee if the increase was not to be approved. Nor does President Asperger believe that diminishing reserve funds is advisable.

Approved by a 4 to 3 roll call vote.

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

6. MANAGER'S REPORT

Village Manager Robert Pilipiszyn noted the Village will begin its free monthly brush pick up on the first Monday of each month beginning the week of April 2 through the first week in November. Mr. Pilipiszyn also provided detailed information on the hydrant flushing program which will begin the week of March 19, 2012.

5-5.3

7. PUBLIC COMMENTS REGARDING MATTERS NOT ON AGENDA

Mr. Orlando Coryell presented his suggested solutions to pension funding and short falls. He expressed concerns regarding retirees who collect social security along with a pension from the Illinois Municipal Retirement Fund. Mr. Coryell offered his opinions and presented written copies of his views to the Board.

Kathy Mungo, 525 S. Waiola noted her attendance at the budget workshop on Saturday, March 10 and expressed concerns that Village residents are burdened with tax increases. Ms. Mungo elaborated on several of her issues and believes that restructuring staff and budget cuts would not cause services to be eliminated. Ms. Mungo encouraged the Board to make adjustments to the budget.

President Asperger expressed appreciation for the sharing of comments and concerns. She also corrected and clarified certain statements made relating to health insurance, salaries, unions, and Village vehicles. President Asperger noted these are difficult financial times for all and the Village Board is challenged to make tough decisions. President Asperger added her conviction that each member of the Village Board carefully examines issues and makes decisions for the betterment of the entire Village.

8. EXECUTIVE SESSION

9. TRUSTEE COMMENTS

Trustee Horvath commented on the upcoming adoption of the budget and agrees that change is hard but necessary. He believes that more action can be taken on how and where money is spent. Explaining that the budget process is taken very seriously, Trustee Horvath would like to see budget discussions taped and televised.

Trustee Palermo concurs that budget discussions should be televised, giving residents the opportunity to access the information. Referencing police and fire pensions, Trustee Palermo feels another actuarial opinion is needed.

10. ADJOURNMENT

At 8:30 p.m. it was moved by Trustee Langan to adjourn, seconded by Trustee Holder. Motion approved by voice vote.

Elizabeth M. Asperger, Village President

ATTEST:

Thomas Morsch, Village Clerk

Approved Date:

5-5.4

CURRENT BUSINESS

VILLAGE OF LA GRANGE
Community Development Department

BOARD REPORT

TO: Village President, Board of Trustees,
Village Clerk and Village Attorney

FROM: Robert J. Pilipiszyn, Village Manager
Patrick D. Benjamin, Community Development Director

DATE: April 9, 2012

RE: **ORDINANCE -- AMENDING CERTAIN BUILDING PERMIT FEES**

The Community Development Department periodically reviews and recommends adjustments to various permit fees to ensure that charges are appropriate and reasonable in relation to the costs of services provided and to similar fees collected from comparable communities. Minimum fees were last revised in 2008 and the base fees have not been revised since 1993.

Permit fees are designed to cover the cost of processing permit applications, including administrative costs, zoning review, site plan review, inspections, construction site management, and final approval of the work performed. Permit fees appropriately allocate much of the cost involved with permit processing and inspections to the users of these services.

In order to evaluate the Village's permit fees in relation to the marketplace, staff conducted a survey of area building departments offering similar services. The attached table contains a summary of communities' fees with respect to the permits identified therein. Based on a comparison of La Grange's current fees to similar fees charged by comparable communities and cost recovery toward service costs, staff recommends that increasing certain permit fees would be appropriate at this time.

The Village of LaGrange currently uses a building permit fee structure primarily based on a percentage of the cost amount of the job, including materials and labor. One of the areas with which we have struggled in recent years is with the accuracy of reporting construction costs, specifically for new single family home permits. It often proves difficult to verify the actual costs incurred by the contractor, so that the construction costs may be higher than stated on the permit application. Not stating the real costs of a project on the application can save the contractor expenses in fees; however, the Village loses revenue by issuing permits at a depreciated price.

Therefore, staff recommends consideration of a cost system based on the square footage of the construction project in order to more accurately and fairly account the associated building permit fees.

6-A

The advantage of using this method for new single family homes is that it avoids additional staff time and consultant time attempting to accurately calculate the actual construction cost of a new home.

In addition, some builders include certain phases of construction in their costs, while others exclude them. Therefore, inspectional staff has recommended that the base fee include costs that were previously separated out such as plumbing fixtures, HVAC, electrical, etc. This will avoid the necessity of calculating fixture costs, etc., which is also a savings in staff time.

We suggest the following parameters be used for building permit fees:

RESIDENTIAL NEW CONSTRUCTION

Based on our experience with reporting of construction costs for single family homes, staff recommends that permit fees instead be based on the square footage of the proposed home. Under this structure, the current permit fee of 1% of construction costs would be replaced with a \$2 per square foot of living area and \$0.75 per square foot for habitable basements. We also proposed streamlining the fee process so that the proposed \$2 per square foot includes fees previously separated such as plumbing fixture counts, 1% of electrical costs, and 1% of HVAC costs. This fee structure would apply to new single family homes and two-unit buildings (two flats and duplexes).

INTERIOR REMODEL AND ADDITION PERMITS

For interior remodels of single family and two-family and addition projects, staff recommends continuing to use the percentage method; however, based on the data received from comparable communities, we recommend increasing the minimum building permit fee 1% of construction cost to 1.5%. Again, the ancillary mechanical, electrical and plumbing would be included in this upgraded fee schedule.

MINIMUM PERMIT FEES – ELECTRICAL, MECHANICAL & PLUMBING

While our analysis of other communities indicates that the average minimum permit fee is approximately \$76.36, we recognize that our minimum fees were adjusted in April of 2008. Several of the immediate surrounding communities, including La Grange Park, Brookfield and Western Springs still have their minimum fees at \$50. While there is room here for some movement we are comfortable at the present time keeping the minimum fees for building, electrical, mechanical and plumbing permits at \$50. This would, however, be one area to increase to a \$75 minimum fee, if the Village Board so chose to now or in the future.

6-A.1

COMMERCIAL PERMITS

Based on the data received from comparable communities, we recommend increasing the minimum building permit fee for commercial projects including but not limited to commercial, industrial, institutional, and multiple family uses. Based on the complexity of standardizing permit costs for different size commercial projects, staff recommends maintaining the percentage method, but increasing the percentages. The current fee schedule is as follows: 1% of construction cost for projects up to \$500,000; 0.5% for the next \$500,000; 0.25% of cost for the next \$4,000,000; 0.1% of cost over \$5,000,000. Staff recommends increasing this percentage as follows: 1.5% of construction cost up to \$1,000,000; 1% of cost for the next \$4,000,000; and 0.5% of cost over \$5,000,000.

OTHER PERMIT FEES

Other fees were also examined including swimming pool installations, sign permits, and re-inspection fees. Staff recommends the following:

- **SWIMMING POOLS**

The average permit fee of comparable communities is \$134. This includes both above ground and in-ground swimming pools. Staff is recommending increasing the fees as follows:

- Underground swimming pools: from \$75.00 to 1.5% of cost with \$100.00 minimum
- Above ground swimming pools: from \$50.00 to 1.5% of cost with \$100.00 minimum

As an example, with the proposed fees, an 18 x 36 swimming pool with a construction cost of approximately \$31,000 would have a permit fee of \$464.00. In-ground swimming pools typically have more inspections involved for plumbing, concrete and excavation.

- **SIGN PERMITS**

Our analysis for sign permit fees indicates that there is room for adjustment as well with the average fee being \$126.59. Accordingly we are suggesting the following:

- Illuminated signs be increased from \$75.00 to \$125.00
- Non-illuminated signs increased from \$50.00 to \$100.00

6-A.2

- **RE-INSPECTION FEES**

Our research indicates that the average reinspection fee in comparable communities is approximately \$66. We currently charge \$25. We therefore recommend an increase to \$50 for reinspections when a job has been found not to be ready for an inspection. It should be noted that we do not charge for follow-up inspections as long as the site was ready for the initial inspection.

RECOMMENDATION

Staff's review of fee structures utilized by similar area communities indicates that adjustments in our fee structure are warranted at this time. The proposed system would simplify and make our fees more understandable to both residents and contractors, resulting in less opportunity for human error in calculation of fees. Therefore, we recommend that our permit fees be adjusted as described above.

The recommended fee adjustments were reviewed with the Village Board at the budget workshop on Saturday, March 10. Because of the cost recovery nature of these fees, it was the consensus of the Village Board to concur with the staff recommendation. The increased revenues to be derived from the recommended fee adjustments have been factored into the proposed Village budget scheduled for adoption this evening.

Staff, working with the Village Attorney, has prepared the necessary Ordinances amending the Code to reflect the new fees as outlined in this report and we recommend approval of the Ordinances.

6-A.3

VILLAGE OF LA GRANGE

ORDINANCE NO. _____

AN ORDINANCE AMENDING VARIOUS SECTIONS
OF THE LA GRANGE CODE OF ORDINANCES
REGARDING BUILDING PERMIT FEES

WHEREAS, the Village of La Grange maintains a schedule of fees for building and construction related matters in Section 150.121 and the President and Board of Trustees of the Village of La Grange have determined that it is appropriate and in the best interests of the Village and its residents to update that schedule of fees by amending various sections of the Code of Ordinances as provided in this Ordinance;

NOW, THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of La Grange, Cook County and State of Illinois, as follows:

Section 1. Recital. The foregoing recital is hereby incorporated into this Ordinance as a finding of the President and Board of Trustees.

Section 2. Amendment of Code Section 150.121. Section 150.121 of the La Grange Code of Ordinances, titled "Building Permit Fees," is hereby amended in its entirety to read as follows:

§ 150.121 BUILDING PERMIT FEES; FEES SCHEDULE

(A) Requirement to Pay Building Permit Fees. Any person desiring a building permit must file an application for the building permit as provided in this Code of Ordinances and must pay to the office of the Director of Community Development a fee for the building permit required under this Section 150.121 and the Building Permit Fees Schedule provided in Subsection 150.121B. No building permit may be issued to any applicant except after the required fee has been paid.

(B) Building Permit Fees Schedule. The Board of Trustees shall adopt an ordinance setting forth the applicable fees and charges due for the various building and construction permits and services authorized by this Code of Ordinances and by other ordinances of the Village. That ordinance will be known at the Building Permit Fees Schedule, and whenever reference is made to the "Building Permit Fees Schedule" that reference will be deemed to mean the most current ordinance adopted pursuant to this Subsection B. By this reference, the Building Permit Fees Schedule, as it may be amended from time to time, is hereby incorporated into this Code of Ordinances as though it is fully set forth herein.

Section 3. Amendment of Code Sections 150.056, 150.110F, 150.200F, and 153.16. Sections 150.056, titled "Amendments to Code," 150.110F, titled "Building Permit Fees," 150.200F, titled "Building Permit Fees," and 153.16, titled "Permit Fees" of the La Grange Code of Ordinances are amended as follows:

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§ 150.056 AMENDMENTS TO CODE

The following sections of the BOCA International Mechanical Code, 1996, are hereby revised as follows:

* * *

Fee Schedule: See the Building Permit Fees Schedule

* * *

§ 150.110 GRADING AND DRAINAGE REGULATIONS

* * *

(F) Building Permit Fees: See the Building Permit Fees Schedule

§ 150.200 GRADING AND DRAINAGE REGULATIONS

* * *

(F) Building Permit Fees: See the Building Permit Fees Schedule

* * *

§ 153.16 PERMIT FEES

See the Building Permit Fees Schedule

Section 4. Effective Date. This Ordinance will be in full force and effect after its passage, approval, and publication in pamphlet form in the manner provided by law.

PASSED this ____ day of _____ 2012.

AYES:

NAYS:

ABSENT:

APPROVED this ____ day of _____ 2012.

Elizabeth Asperger, Village President

ATTEST:

Thomas Morsch, Village Clerk

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6-A.5

VILLAGE OF LA GRANGE

ORDINANCE NO. _____

AN ORDINANCE ENACTING
A BUILDING PERMIT FEES SCHEDULE

WHEREAS, Section 150.121 of the La Grange Code of Ordinances provides that the President and Board of Trustees of the Village of La Grange shall enact and maintain a Building Permit Fees Schedule, and the President and Board of Trustees have determined that it is appropriate to enact the schedule provided in this Ordinance;

NOW, THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of La Grange, Cook County and State of Illinois, as follows:

Section 1. Recital. The foregoing recital is hereby incorporated into this Ordinance as a finding of the President and Board of Trustees.

Section 2. Building Permit Fees Schedule. The President and Board of Trustees hereby approve the Building Permit Fees Schedule attached to and by this reference incorporated into this Ordinance as Exhibit A. The Building Permit Fees Schedule may be revised from time to time by ordinance adopted by the Board of Trustees.

Section 3. Effective Date. This Ordinance will be in full force and effect after its passage, approval, and publication in pamphlet form in the manner provided by law.

PASSED this ____ day of _____ 2012.

AYES:

NAYS:

ABSENT:

APPROVED this ____ day of _____ 2012.

Elizabeth Asperger, Village President

ATTEST:

Thomas Morsch, Village Clerk

6-A.6

EXHIBIT A
BUILDING PERMIT FEES SCHEDULE

6-A.7

Village of La Grange
 Building Permit Fees Schedule
 Community Development Department
 April 9, 2012

Type of Service	Fee
One- and Two- Family Structures	
New Construction	\$2 per square foot of living space & \$0.75 per square foot of habitable basement (ancillary mechanical, electrical and plumbing included)
Additions & Renovations to Existing Structures	1.5% of construction cost; \$50 Minimum (includes ancillary mechanical, electrical and plumbing)
Commercial Structures (Commercial, Institutional, Multi-family, Industrial)	
Commercial projects - New construction, additions, buildouts, etc.	1.5% of construction cost up to \$1,000,000; 1% of cost for next \$4,000,000; and 0.5% of cost over \$5,000,000;
Demolition	
Commercial Structures	\$1,000
Residential Structures	\$500
Accessory Structures	\$50
Other Permits	
Minimum Permit Fee	1.5% of cost; \$50 minimum
Mechanical (A/C units, Furnace, Water Heaters, Fire Dampers)	1.5% of cost, \$50 minimum
Electrical	1.5% of cost, \$50 minimum
Plumbing Supply, Drain, Waste & Vent	1.5% of cost, \$50 minimum
Swimming Pools	1.5% of cost; \$100 minimum
Signs, Illuminated	\$125
Signs, Non-Illuminated	\$100
Elevators	\$100 1st thru 3rd floors; \$20 each additl floor PLUS Consultant Review Fee
Engineering	
Consulting Engineer Fees (includes hourly rate for plan reviews, correspondence, meetings, site visits, inspections, etc.)	Varies (Outside Consultant Fees PLUS 10%)
Inspection Services	
Re-inspection	\$50
Other Administrative	
Certificate of Occupancy	\$50
Work without a permit	Double Permit Fee

6-A-8

NEW SINGLE FAMILY, REMODELS, ADDITIONS AND COMMERCIAL PERMITS

VILLAGE	NEW SINGLE FAMILY	REMODEL/ ADDITION	COMMERCIAL	ELECTRIC INSPECTION	MECHANICAL INSPECTION	PLUMBING INSPECTION	BUILDING INSPECTION
LA GRANGE (CURRENT)	1% of cost up to \$500,000	1% of cost up to \$500,000	1% of cost up to \$500,000 .5% of cost for the next \$500,00 .25% for the next \$4,000,000 .1% of cost above \$5,000,000	1% of electrical cost – Min. fee \$50	Min. fee \$50	\$50 plus \$12 per fixture	Included
GLEN ELLYN	\$.90 per sq.ft - 1 story \$1.35 per sq.ft -2 story \$1.65 per sq.ft -3 story	\$.90 per sq.ft - 1 story \$1.35 per sq.ft -2 story \$1.65 per sq.ft -3 story	\$1.20 per sq.ft - 1 story \$1.75 per sq.ft -2 story \$2.25 per sq.ft -3 story	Included	Included	Included	Included
HINSDALE	\$.75 per sq.ft up to 25,000 sq.ft \$.50 per sq.ft over 25,000 sq.ft	2% of cost	\$.75 per sq.ft up to 25,000 sq.ft \$.50 per sq.ft over 25,000 sq.ft	\$100 plus \$15 per circuit	\$100 plus \$40 per A/C unit	\$100 plus \$30 per fixture	Included
BURR RIDGE	up to 2000 sq.ft \$1.30 per sq.ft, 2001 to 3000 sq.ft \$2,600 plus \$1.10 sq.ft, 3001 to 4000 sq.ft \$3,700 plus \$1.00 sq.ft, 4001 to 6000 sq.ft \$4,700 plus \$.90 sq.ft, 6001 to 8000 sq.ft \$6,500 plus \$.80 sq.ft, over 8001 sq.ft \$8100 plus \$.70 sq.ft sq.ft	up to 500 sq.ft \$1.30 per sq.ft, 501 to 750 sq.ft \$650 plus \$1.20 sq.ft, 751 to 1000 sq.ft \$950 plus \$1.10 sq.ft, 1001 to 2000 sq.ft \$1,225 plus \$.90 sq.ft, 2001 to 3000 sq.ft \$2,125 plus \$.80 sq.ft, over 3001 sq.ft \$2925 plus \$.70 sq.ft	60,000 cubic ft \$574 review fee plus \$1.50 x review fee, 80,000 cubic ft \$706 review fee plus \$1.50 x review fee, 100,000 cubic ft \$904 review fee plus \$1.50 x review fee, 150,000 cubic ft \$1033 review fee x \$1.50 x review fee, 200,000 cubic ft \$1,174 review fee plus \$1.50 review fee, 200,001 cubic ft \$1380 review fee plus \$1.50 x review fee plus \$13 for each 10,000 cubic ft over 200,000	\$.07 per sq.ft	\$.07 per sq.ft	\$.07 per sq.ft	\$.23 per sq.ft

6-A.9

VILLAGE	NEW SINGLE FAMILY	REMODEL/ ADDITION	COMMERCIAL	ELECTRIC INSPECTION	MECHANICAL INSPECTION	PLUMBING INSPECTION	BUILDING INSPECTION
CLARENDON HILLS	\$768 plus \$.06805 per cubic ft	Remodel \$.05784 per cubic ft Addition \$274 plus \$.05784 per cubic ft	\$.11589 per cubic ft	\$45 plus \$15 per circuit	\$68 per unit for heating and cooling	\$20 per fixture for first five \$10 per fixture there after	Included
RIVERSIDE	\$75 up to \$7500, \$15 per \$1000 there after	\$75 up to \$7500, \$15 per \$1000 there after	\$75 up to \$7500, \$15 per \$1000 there after	Included	Included	Included	Included
LA GRANGE PARK	1.15% of cost up to \$1,000,000	1.15% of cost up to \$1,000,000	1.15% of cost up to \$1,000,000 .5% of cost for the next \$4,000,000 .25% of cost above \$5,000,000	\$39 plus \$8 per circuit	\$25 per unit for heating and cooling	\$50 plus \$8 per fixture for every fixture over 5	Included
BROOKFIELD	1.5% of total cost	1.5% of total cost	1.5% of total cost	Included	Included	Included	Included
WESTERN SPRINGS	1.5% of total cost up to \$1,000,000	1.5% of total cost up to \$1,000,000	1.5% of total cost up to \$1,000,000 .5% of total cost for the next \$4,000,000 .25% of total cost above \$5,000,000	Included	Included	Included	Included
RIVER FOREST	2% of cost	2.35% of cost	2.35% of cost	\$100 plus \$9 per circuit plus \$1.75 per opening	\$100	\$100 plus \$15 per fixture	Included
OAK PARK	2.5% of total cost	1.25% of total cost	1.5% of total cost	Included	Included	Included	Included
LA GRANGE (PROPOSED)	\$2 per sq.ft; \$.75 per sq.ft for habitable basements	1.5% of total cost up to \$1,000,000	1.5% of total cost up to \$1,000,000; .5% of total cost for the next \$4,000,000; .25% of total cost over \$5,000,000	Included in the base permit fee for all three categories	Included in the base permit fee for all three categories	Included in the base permit fee for all three categories	Included in the base permit fee for all three categories

6-A.10

MISCELLANEOUS FEES

VILLAGE	MINIMUM PERMIT FEE	SIGNS	POOLS	CONTRACTOR REGISRATION	RE-INSPECTION FEE
LA GRANGE (CURRENT)	1% of cost; \$50 min	\$75 illuminated; \$50 non-illuminated	\$75 in-ground; \$50 above	\$100 general; \$75 subcontract	\$25
GLEN ELLYN	\$75 for the first \$1,000; \$20 per \$1,000 thereafter	\$150 illuminated; \$100 non-illuminated	\$200 in-ground; \$100 above	\$100 general; \$50 subcontractor	\$50
HINSDALE	\$100 minimum	\$4 sq.ft; \$75 minimum	\$200	\$25	\$115
BURR RIDGE	\$50 minimum	\$1.25 sq.ft + \$75 plan review; \$75 minimum	\$100	\$100	\$100
CLARENDON HILLS	\$60 minimum	\$3.50 sq.ft; \$75 minimum	73.75 per 1,000 cubic ft	\$50	\$57
RIVERSIDE	\$75 for the first \$7,500; \$15 per \$1,000 thereafter	\$100	\$100 in-ground; \$75 above	\$100	\$50
LA GRANGE PARK	1.15% of cost; \$50 minimum	\$1 sq.ft or 1% which ever greater; \$35 minimum	\$200 in-ground; \$100 above	\$75 general; \$50 subcontractor	\$50
BROOKFIELD	1.5%; \$50 minimum	\$100	\$150	\$75 general; \$50 subcontractor	\$50
WESTERN SPRINGS	1.5%; \$50 minimum	\$50 illuminated; \$30 non-illuminated	\$5 per 1,000 cubic ft	\$75	\$100
RIVER FOREST	\$75 minimum	\$200 illuminated; \$100 non-illuminated	\$25 per 500 sq.ft	\$100	\$75
OAK PARK	\$75 minimum	\$80 + \$1 sq.ft over 50 sq.ft illuminated; \$64 + \$1 sq.ft over 50 sq.ft	\$128 for the first 500 sq.ft; \$ 64 per 100 thereafter	\$50	\$30
LA GRANGE (PROPOSED)	1.5% of total cost; \$50 minimum	\$125 illuminated; \$100 non-illuminated	1.5% of total cost; \$100 minimum	No change	\$50

6-A-11

RESIDENTIAL NEW CONSTRUCTION - EXAMPLE

3/29/2012

Control - 3000 ft² home; \$450,000 construction cost; 200 amp 42 circuit, 15 fixture, 4 HVAC units

VILLAGE	CALCULATION	PERMIT FEE	INSPECTIONS	TOTAL
La Grange-current	1% of cost	\$4,500	\$494	\$4,994
La Grange	\$2 ft ² , \$.75 ft ² finished basement	\$6,000		\$6,000
Glen Ellyn	\$1.35 ft ²	\$4,050		\$4,050
Hinsdale	\$.75 ft ²	\$3,750	\$1,500	\$5,250
Burr Ridge	\$2,600 plus \$1.10 ft ² over 2000 ft ²	\$3,700	\$1,320	\$5,020
Clarendon Hills	\$768 plus \$.06805 ft ³	\$1,633.20	\$1,147	\$2,780.20
Riverside	\$75 plus \$15 per \$1,000 over \$7500	\$6,712.50		\$6,712.50
La Grange Park	1.15% of cost	\$5,175	\$605	\$5,780
Brookfield	1.5% of cost	\$6,750		\$6,750
Western Springs	1.5% of cost	\$6,750		\$6,750
River Forest	2% of cost	\$9,000	\$1,198	\$10,198
Oak Park	2.5% of cost	\$11,250		\$11,250
Average permit fee excluding La Grange				\$6454.07

RESIDENTIAL REMODEL/ ADDITION - EXAMPLE

Control - 700 ft² 2 story addition, construction cost \$150,000; 2 HVAC units, 200 amp 42 circuit, 5 fixtures

VILLAGE	CALCULATION	PERMIT FEE	INSPECTIONS	TOTAL
La Grange-current	1% of cost	\$1,500	\$210	\$1,710
La Grange	1.5% of cost	\$2,250		\$2,250
Glen Ellyn	\$1.35 ft ²	\$945		\$945
Hinsdale	2% of cost	\$3,000	\$1,160	\$4,160
Burr Ridge	\$1.20 ft ² over 500 plus \$650	\$890	\$308	\$1,198
Clarendon Hills	\$.05784 ft ³ plus \$274	\$597.90	\$911	\$1,508.90
Riverside	\$75 plus \$15 per \$1000 over \$7500	\$2,212.50		\$2,212.50
La Grange Park	1.15% of cost	\$1,725	\$475	\$2,200
Brookfield	1.5% of cost	\$2,250		\$2,250
Western Springs	1.5% of cost	\$2,250		\$2,250
River Forest	2.35% of cost	\$3,525	\$723	\$4,248
Oak Park	1.25% of cost	\$1,875		\$1,875
Average permit fee excluding La Grange				\$2284.74

COMMERCIAL - EXAMPLE

Control - 2500 ft² build-out, costing \$200,000; 3 HVAC units, 400 amp upgrade, 10 fixtures

VILLAGE	CALCULATION	INSPECTIONS	TOTAL
La Grange-current	1% to \$500K, .5% next \$500K, .25% next \$4M, .1% over \$5M	\$2,000 + \$320	\$2,320
La Grange	1.5% of cost to \$1M, .5% next \$4M, .25% over \$5M		\$3,000
Glen Ellyn	1 story \$1.20 ft ² , 2 story \$1.75 ft ² , 3 story \$2.25 ft ²		\$3,000
Hinsdale	\$.75 for 25Kft ² , \$.50 over 25K ft ²	\$1,875 + \$1,540	\$3,415
Bur Ridge	\$574 review fee plus \$1.50 x review fee	\$1435 + \$1,100	\$2,535
Clarendon Hills	\$.11589 ft ³	\$3476.7 + \$1299	\$4,775.70
Riverside	\$15 per \$1000 plus \$7500		\$2,962.50
La Grange Park	1.15% of cost to \$1M, .5% next \$4M, .25% over \$5M	\$2,300 + \$693	\$2,993
Brookfield	1.5% of cost		\$3,000
Western Springs	1.5% of cost to \$1M, .5% next \$4M, .25% over \$5M		\$3,000
River Forest	2.35% of cost	\$4700+\$1042.5	\$5,743
Oak Park	1.5% of cost		\$3,000
Average permit fee excluding La Grange			\$3442.42

6-A.12

MISC PERMIT FEES

3/29/2012

VILLAGE	MINIMUM PERMIT FEE	SIGNS	POOLS
LA GRANGE- CURRENT	\$50 minimum; 1%	\$75 illuminated; \$50 non	\$75 inground; \$50
LA GRANGE- PROPOSED	\$50 minimum; 1.5%	\$125 illuminated; \$100 non	1.5%; \$100 min
GLEN ELLYN	\$75 first \$1,000; \$20 per \$1,000 after	\$150 illuminated; \$100 non	\$200 inground; \$100
HINSDALE	\$100 minimum	\$4 sq.ft, \$75 min	\$200
BURR RIDGE	\$50 minimum	\$1.25 sq.ft+ \$75 review, \$75 min	\$100
CLARENDON HILLS	\$60 minimum	\$3.50 sq.ft, \$75 min	\$73.75 per \$1,000 ft3
RIVERSIDE	\$75 first \$7,500; \$15 per \$1,000 after	\$100	\$100 inground; \$75
LA GRANGE PARK	\$50 minimum; 1.15%	\$1 sq.ft or 1%, \$35 min	\$200 inground; \$100
BROOKFIELD	\$50 minimum; 1.5 %	\$100	\$150
WESTERN SPRINGS	\$50 minimum; 1.5 %	\$50 illuminated; \$30 non	\$5 per 1,000 ft3
RIVER FOREST	\$100 minimum	\$200 illuminated; \$100 non	\$25 per 500 sq.ft
OAK PARK	\$75 minimum	\$80+\$1sq.ft over 50; \$64+\$1sq.ft over 50	\$128 1st 500 sq.ft; \$64 per 100 after
	Average excluding La Grange \$76.50	Average excluding La Grange \$126.59	Average excluding La Grange \$118.18

MISC. FEES	RE-INSPECTION FEE	CONTRACTOR
LA GRANGE- CURRENT	\$25	\$100 general; \$75
LA GRANGE- PROPOSED	\$50	\$100 general; \$75
GLEN ELLYN	\$50	\$100 general; \$50
HINSDALE	\$115	\$25
BURR RIDGE	\$100	not required
CLARENDON HILLS	\$57	\$50
RIVERSIDE	\$50	\$100
LA GRANGE PARK	\$50	\$75 general; \$50
BROOKFIELD	\$50	\$75 general; \$50
WESTERN SPRINGS	\$100	\$75
RIVER FOREST	\$75	\$100
OAK PARK	\$30	\$50
	Average excluding La Grange \$67.70	Average excluding La Grange \$72.22

6-A-13

VILLAGE OF LA GRANGE
Finance Department

BOARD REPORT

TO: Village President, Board of Trustees, Village Clerk and
Village Attorney

FROM: Robert J. Pilipiszyn, Village Manager,
Lou Cipparrone, Finance Director

DATE: April 5, 2012

RE: **ORDINANCE – AMENDMENT TO THE VILLAGE’S MUNICIPAL
UTILITY TAXES**

The Village’s current five year financial plan identifies the need for a 1% increase in the Village’s utility taxes scheduled in FY 2012-13. The Village’s utility taxes are a combination of tax charges on electricity, natural gas and telecommunications. The statutory limitation on the municipal utility tax and simplified telecommunication tax are five and six percent, respectively.

The increase in the utility and simplified telecommunication taxes has been an integral part of our long range financial plan for more than fifteen years. With the cost containment plan in place for the foreseeable future, and with no significant changes in Village services anticipated, the 1% utility tax increase included in the current 5-year financial plan remains critical for the Village in order generate sufficient revenue to meet ongoing and increasing operating expenditures.

The Village Board has stated as a matter of financial policies, that revenues should be user-fee oriented, wherever possibly. The utility tax is user-fee oriented, and as such, allows us to generate revenue from other, non-residential/commercial entities that enjoy/use Village service, such as the hospital, to pay for their fair share of Village services, which is not possible via property taxes.

Utility taxes for natural gas is calculated based upon a gross charges method; however, utility taxes for electricity are based upon a 10 tiered, per kilowatt hour used or consumed in a month. The Village implemented the 10 tier, usage based system back in 1998 to avoid any loss of municipal utility tax revenue due to the deregulation of electric utilities. In order to ensure revenue neutrality based upon the proposed 1% utility tax increase, the individual tier rates have been adjusted to generate revenues equal to a 4% electric utility tax based on gross receipts.

6-B

At the Village Board meeting held on March 12, 2012, the Village Board approved a 1% increase in the local telecommunications tax from 3% to 4%, effective July 1, 2012. The telecommunications tax increase was approved separately in order to have the enabling ordinance on file with the Illinois Department of Revenue, pursuant to statutory requirement/deadlines.

Staff recommends adoption of the attached ordinance implementing the 1% increase on the remaining utility taxes for natural gas and electricity, effective July 1, 2012.

6-B.1

VILLAGE OF LA GRANGE

ORDINANCE NO. _____

AN ORDINANCE AMENDING THE LA GRANGE CODE OF ORDINANCES
RELATED TO MUNICIPAL UTILITY TAXES ON GAS AND ELECTRICITY

WHEREAS, Section 8-11-2 of the Illinois Municipal Code, 65 ILCS 5/8-11-2, authorizes municipalities to impose a tax on: (i) persons engaged in the business of distributing, supplying, furnishing, or selling gas for use or consumption within the corporate limits of the Village ("*Gas Utility Tax*"), and (ii) the privilege of using or consuming electricity acquired in the purchase at retail and used or consumed within the corporate limits of the Village ("*Electric Utility Tax*"); and

WHEREAS, under Sections 36.35 through 36.45 of Chapter 36 of Title III of the La Grange Code of Ordinances (the "*Subchapter*") the Village imposes a Gas Utility Tax and an Electric Utility Tax; and

WHEREAS, the President and Board of Trustees of the Village have determined that it is useful, appropriate, and in the best interests of the Village to amend certain sections of the Subchapter to update the language of the Subchapter and to increase the rates of the Gas Utility Tax and the Electric Utility Tax pursuant to the Illinois Municipal Code and as provided in this Ordinance;

NOW, THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of La Grange, Cook County, and State of Illinois, as follows:

Section 1. Recitals. The foregoing recitals are incorporated herein as findings of the President and Board of Trustees.

Section 2. Amendment to Code of Ordinances Section 36.35. Section 36.35, titled "Definitions" of Title III, Chapter 36 of the Code of Ordinances is hereby amended with respect to the definition of "Gross Receipts," to read as follows:

§ 36.35 DEFINITIONS

* * *

GROSS RECEIPTS. The consideration received for distributing, supplying, furnishing or selling gas for use or consumption and not for resale and for all services rendered in connection therewith valued in money, whether received in money or otherwise, including cash, credit, services, and property of every kind and material and for all services rendered therewith. "Gross receipts" will be determined without any deduction on account of the cost of the service, product or commodity supplied, the cost of materials used, labor or service cost, or any other expenses whatsoever.

6-B.2

Section 3. Amendment to Code of Ordinances Section 36.36. Section 36.36, titled "Tax Imposed" of Title III, Chapter 36 of the Code of Ordinances is hereby amended in its entirety to read as follows:

§ 36.36 TAX IMPOSED

(A) A municipal utility tax is imposed on all persons engaging in the following occupations or privileges:

(1) Persons engaged in the business of distributing, supplying, furnishing, or selling gas for use or consumption within the corporate limits of the village, and not for resale, at the rate of 4% of the gross receipts therefrom.

(2) The privilege of using or consuming electricity acquired in a purchase at retail and used or consumed within the corporate limits of the Village, calculated on a monthly basis for each purchaser:

- (i) For the first 2,000 kilowatt-hours used or consumed in a month; 0.457 cents per kilowatt-hour;
- (ii) For the next 48,000 kilowatt-hours used or consumed in a month; 0.299 cents per kilowatt-hour;
- (iii) For the next 50,000 kilowatt-hours used or consumed in a month; 0.271 cents per kilowatt-hour;
- (iv) For the next 400,000 kilowatt-hours used or consumed in a month; 0.263 cents per kilowatt-hour;
- (v) For the next 500,000 kilowatt-hours used or consumed in a month; 0.255 cents per kilowatt-hour;
- (vi) For the next 2,000,000 kilowatt-hours used or consumed in a month; 0.240 cents per kilowatt-hour;
- (vii) For the next 2,000,000 kilowatt-hours used or consumed in a month; 0.236 cents per kilowatt-hour;
- (viii) For the next 5,000,000 kilowatt-hours used or consumed in a month; 0.233 cents per kilowatt-hour;
- (ix) For the next 10,000,000 kilowatt-hours used or consumed in a month; 0.230 cents per kilowatt-hour; and
- (x) For all electricity used or consumed in excess of 20,000,000 kilowatt-hours in a month, 0.225 cents per kilowatt-hour.

(B) No tax is imposed by this subchapter with respect to any transaction in interstate commerce or otherwise to the extent to which the business or privilege may not, under the constitution and statutes of the United States, be made the subject of taxation by this state or any political sub-division thereof; nor is any

6-B.3

person engaged in the business of distributing, supplying, furnishing, selling or transmitting gas or electricity, or using or consuming electricity acquired in a purchase at retail, subject to taxation under the provisions of this subchapter for those transactions that are or may become subject to taxation under the provisions of the Municipal Retailers' Occupation Tax Act, as authorized by Section 8-11-1 of the Illinois Municipal Code.

Section 4. Deletion of Code of Ordinances Sections 36.41, 36.42, and 36.45. Sections 36.41, titled "Tax Imposed," 36.42, titled "Exceptions," and 36.45, titled "Reports to Municipality," of Title III, Chapter 36 of the Code of Ordinances are hereby deleted in their entirety.

Section 5. Amendment of Code of Ordinances Section 36.44. Section 36.44, titled "Collection" of Title III, Chapter 36 of the Code of Ordinances is hereby amended in its entirety to read as follows:

§ 36.41 COLLECTION

The tax authorized by Section 36.36(A)(2) must be collected from the purchaser by the person maintaining a place of business in this state who delivers the electricity to the purchaser. This tax constitutes a debt of the purchaser to the person who delivers the electricity to the purchaser and, if unpaid, is recoverable in the same manner as the original charge for delivering the electricity. The tax required to be collected pursuant to Section 36.36(A)(2), and any such tax collected by a person delivering electricity, constitutes a debt owed to the Village by such person delivering the electricity, provided, that the person delivering electricity may be allowed credit for such tax related to deliveries of electricity the charges for which are written off as uncollectible, and provided further, that if such charges are thereafter collected, the delivering supplier is obligated to remit such tax. For purposes of this Section 36.42, any partial payment not specifically identified by the purchaser will be deemed to be for the delivery of electricity. Persons delivering electricity must collect the tax from the purchaser by adding such tax to the gross charge for delivering the electricity, in the manner prescribed by the Village. Persons delivering electricity are also authorized to add to such gross charge an amount equal to 3% of the tax to reimburse the person delivering electricity for the expenses incurred in keeping records, billing customers, preparing and filing returns, remitting the tax and supplying data to the municipality upon request. If the person delivering electricity fails to collect the tax from the purchaser, then the purchaser must pay the tax directly to the Village in the manner prescribed by the Village. Persons delivering electricity who file returns pursuant to this Section 36.42 must, at the time of filing such return, pay the Village the amount of the tax collected pursuant to Section 36.36(A)(2).

Section 6. Repeal of Conflicting Provisions. All code provisions, ordinances, or parts thereof in conflict with the provisions of this Ordinance are hereby repealed on the first day of implementation of the Simplified Municipal Telecommunications Tax imposed pursuant to this Ordinance, but only to the extent that they are in conflict with the provisions of this Ordinance on the effective date of this Ordinance.

6-B.4

Section 7. Effective Date; Notice to Utilities. This Ordinance will be in full force and effect after its passage, approval, and publication in pamphlet form in the manner provided by law. The Village Clerk is hereby authorized and directed to send a certified copy of this Ordinance to each utility company affected by this Ordinance.

PASSED this ____ day of _____ 2012.

AYES: _____

NAYS: _____

ABSENT: _____

APPROVED this ____ day of _____ 2012.

Elizabeth M. Asperger, Village President

ATTEST:

Thomas Morsch, Village Clerk

6-B.5

VILLAGE OF LA GRANGE
Finance Department

BOARD REPORT

TO: Village President, Village Clerk, Board of Trustees,
Village Attorney and Village Comptroller

FROM: Bob Pilipiszyn, Village Manager,
Lou Cipparrone, Finance Director,
Joe Munizza, Assistant Finance Director

DATE: April 5, 2012

RE: **RESOLUTION — APPROVING THE FY 2012-13 OPERATING
AND CAPITAL IMPROVEMENTS BUDGET**

Please find attached a resolution approving the Village of La Grange's annual Operating and Capital Improvements Budget for the fiscal year beginning May 1, 2012. Several workshops have been conducted over the past six months to develop this final FY 2012-13 Five-Year Operating and Capital Improvement Budget document. In addition, a public hearing was held earlier this evening to provide residents with a final opportunity to comment on the proposed budget document.

The format for this budget document includes revenue, expenditure and fund balance projections, by fund and account, for each of the Village's 15 funds for the five-year period ending April 30, 2017. The budget document also includes a capital improvement summary report and a schedule of anticipated property tax levies.

Only the FY 2012-13 operating and capital improvement budget is required to be adopted tonight. Subsequent fiscal year budgets through FY 2016-17 are presented for informational purposes. The five year projections provide a comprehensive planning tool for forecasting revenues and expenditures for future years, in order to maintain the Village's strong financial position over the long term.

National and state economic instability continues to challenge Village finances. In response to these recessionary conditions and the corresponding fiscal stress placed upon the Village's General Fund, the Village developed a comprehensive and multi-year cost containment strategy, largely involving a reduction of personnel expenses by \$500,000 per year, to stabilize Village finances. In addition to the cost containment plan, the Village also reduced capital maintenance activities by \$200,000 annually. The FY 2012-13 budget reflects maintaining the cost containment plan and reduced maintenance activities for each of the next five fiscal years. The Village will continue to evaluate staff efficiencies and staffing needs through attrition, technology and as other opportunities arise.

6-C

In response to increasing health insurance costs during most of this decade, the Village shifted this financial burden onto employees in the form of plan design changes and increased co-payments. Due to the continued rising cost of health insurance coverage, the Village increased the employee contribution to 10% of total premiums effective May 1, 2011. A second increase in the employee contribution towards group health insurance premiums from 10% to 12% is included in the current budget, effective May 1, 2012.

Finally, with the support of our local pension boards, the Village Board exercised its fiduciary leadership with the December 2011 property tax levy by taking an amount equal to the difference between the budgeted pension contributions for fiscal 2012-2013 and the combined pension fund levies recommended by the Village's actuary (which reflected a savings of approximately \$400,000 result of statutory pension reform), and used that increment to adjust certain pension assumptions in an effort to stabilize the Village's pension levies over the long-term. The net effect of this action was budget neutral.

Despite these austerity measures, the Village continues to be challenged by a decrease and flattening across our major revenue streams (e.g. — income tax, new growth component of the property tax levy, building permits, etc.) due to macro-economic conditions, and major operational and capital costs, health care expenditures, and required pension contributions in excess of those reduced revenues. Many of these revenue sources are still below actual annual revenue levels prior to the recession. In addition to our cost containment plan, the Village has had to offset the lost revenue with the use of its General Fund reserves. These reserves have yet to be replenished.

In order to continue to deliver high quality services to residents, the proposed budget includes a 1% increase in municipal utility tax fees (from 3% to 4%), and a 1% increase in the simplified telecommunications tax (from 4% to 5%), which was reintroduced to the five year financial plan in 2009. The 1% increase, scheduled to become effective in FY 2012-13, is projected to generate additional revenue of \$275,000 per year.

If an economic recovery had taken hold, it may have been possible to delay or set aside the 1.0% utility tax revenue enhancement as we have done in the past. Unfortunately, a clear and sustainable recovery has not yet materialized. Because of the cost containment plan and budget contraction, we have not had to accelerate the implementation of this revenue enhancement sooner than planned.

It is critically important that we proceed with implementing the 1.0% utility tax as strategically planned and now proposed with the FY 2012-13 budget, in order to maintain operations. The Village of La Grange is one of the few municipalities in the West Cook County/Du Page County region which has not levied the maximum rate of 5.0%. Many of these other communities have been at the maximum rate for many years. We are proposing only the increase needed to sustain operations.

6-C.1

Each year, as part of the budget development process, we carefully look at both expenditure and revenue assumptions. With respect to revenue assumptions, we first look at cost recovery on user fees (where applicable), followed by indexing fees with comparable jurisdictions before increasing user fees more broadly to generate new revenue for the Village. For example, last year we adjusted fire department plan review fees and fire department extrication fees.

This year, we came to the conclusion that building permit fees need to be adjusted. Due to inconsistencies with reporting the cost of construction based upon the current fee structure, we are proposing to change to a simpler, per square foot (psf) fee method for new single family homes. For all other permits including commercial, residential remodeling and additions the fee is proposed to increase from 1.0% to 1.5% of construction costs, which is comparable to surrounding municipalities. The new fee structure and increase in base fee more accurately reflects staff and consultant costs incurred in issuing a building permit. The base building permit fee was last revised in 1993.

We are beginning to realize the annual and compounded savings from the cost containment plan. The final General Fund budget includes modest surpluses over the next five fiscal years. At the end of this five-year financial plan, General Fund reserves are projected to be approximately 49%. Although this is an adequate reserve balance for the time being, it is slightly below our target range of 50-75%. While it is too early to project if this stabilization will hold over time due to factors beyond our influence or control, the Village's management team has taken a conservative approach in developing the budget, which means that we are not making any recommendations at this time to restore funding for programs or positions which have been impacted by our cost containment efforts.

Although the Village's operating budget has been impacted by softening revenues and increasing expenditures in excess of property tax caps, capital expenditures of approximately \$5.3 million remain budgeted in FY 2012-13. This total consists of \$2.0 million for water pumping station improvements and a water meter replacement program, funded by alternate revenue bonds; \$1.0 million in street resurfacing and reconstruction; \$1.0 million for the renovation of Stone Avenue Station; \$500,000 for sewer improvements; \$300,000 for the street light replacement program debt service; and approximately \$250,000 in miscellaneous public improvements and major maintenance activities including sidewalks, thermoplastic street markings, and tree planting.

The Village is able to maintain this progressive capital improvements plan primarily due to grant funding secured through State agency appropriations and State capital bill, and Federal stimulus monies. Over the past five years the Village has secured over \$9.7 million in grant funds which leveraged over \$18.5 million in capital improvements. The Village will continue to pursue funding opportunities for capital expenditure consistent with the substance and spirit of our proposed financial plan and the Village Board's strategic priorities.

The five-year budget as presented maintains the Village's conservative fiscal policies while at the same time providing funding for high quality services and ongoing capital improvements. By exercising discipline and observing conservative financial management practices, as well as

6-C.2

exploring alternative revenue streams/sources, the Village will remain faithful to its fiscal policies and strategic priorities to lessen the burden of property taxes on La Grange residents and businesses.

Please find attached a summary of revenue and expenditure adjustments which reconciles the preliminary FY 2012-13 budget to the final FY 2012-13 budget. A single adjustment is reflected in the reconciliation for health insurance expenditures, which have been adjusted in all Village operating departments and funds due to the rate freeze for health insurance premiums. In summary, the proposed budget is a responsible budget. It is one that is balanced between recognizing the downward pressure on our financial means, sensitive to financial challenges being experienced by taxpayers, but at the same time, maintains community vitality.

We recommend that the attached resolution, adopting the FY 2012-13 Operating and Capital Improvements Budget, be approved.

VILLAGE OF LA GRANGE

A RESOLUTION ADOPTING THE FY 2012-13 OPERATING
AND CAPITAL IMPROVEMENTS BUDGET

RESOLUTION R-12-_____

BE IT RESOLVED that the President and Board of Trustees of the Village of La Grange adopt the FY 2012-13 Operating and Capital Improvements Budget as set forth in the budget documents as attached hereto and made a part hereof.

Adopted this 9th day of April, 2012, pursuant to a roll call vote as follows:

AYES: _____

NAYS: _____

ABSENT: _____

Approved by me this 9th day of April, 2012

Elizabeth M. Asperger, Village President

ATTEST:

Thomas Morsch, Village Clerk

6-C.4

VILLAGE OF LA GRANGE - VILLAGE BUDGET ADJUSTMENTS
FY 2011-12 THROUGH FY 2016-17

SUMMARY OF ADJUSTMENTS

	2011-12 EST ACT	2012-13 BUDGET	2013-14 BUDGET	2014-15 BUDGET	2015-16 BUDGET	2016-17 BUDGET
REVENUES-ALL FUNDS						
Proposed All Funds Revenues	23,575,442	28,052,348	26,837,498	26,200,896	27,967,618	27,661,752
Revised All Funds Revenues	23,575,442	28,052,348	26,837,498	26,200,896	27,967,618	27,661,752
All Funds-Revenue Adjustments Increase / (Decrease)	0	0	0	0	0	0
EXPENDITURES-ALL FUNDS						
Proposed All Funds Expenditures	(24,435,336)	(27,681,151)	(28,148,623)	(24,458,478)	(27,232,408)	(25,750,023)
Revised All Funds Expenditures	(24,435,336)	(27,604,751)	(28,066,449)	(24,370,091)	(27,137,338)	(25,647,763)
All Funds-Expenditures Adjustments (Increase) / Decrease	0	76,400	82,174	88,387	95,070	102,260

DETAIL OF ADJUSTMENTS

REVENUES - GENERAL FUND

Fund	Account	Description	2011-12 EST ACT	2012-13 BUDGET	2013-14 BUDGET	2014-15 BUDGET	2015-16 BUDGET	2016-17 BUDGET
n/a	n/a	n/a	-	-	-	-	-	-
Total General Fund Revenue Adjustments Increase / (Decrease)			-	-	-	-	-	-

REVENUES - OTHER FUNDS

n/a	n/a	n/a	-	-	-	-	-	-
Total Other Funds Revenue Adjustments Increase / (Decrease)			-	-	-	-	-	-
Total All Funds Revenue Adjustments Increase / (Decrease)			-	-	-	-	-	-

EXPENDITURES - GENERAL FUND

Fund	Account	Description	2011-12 EST ACT	2012-13 BUDGET	2013-14 BUDGET	2014-15 BUDGET	2015-16 BUDGET	2016-17 BUDGET
Adm	01-02-60-6010	Health Ins - Zero Percent Renewal	-	2,535	2,725	2,930	3,150	3,386
Finance	01-03-60-6010	Health Ins - Zero Percent Renewal	-	4,267	4,587	4,931	5,301	5,698
Com Dvlp	01-06-60-6010	Health Ins - Zero Percent Renewal	-	5,071	5,451	5,860	6,299	6,772
Police	01-07-60-6010	Health Ins - Zero Percent Renewal	-	24,098	25,950	27,946	30,097	32,414
Fire	01-09-60-6010	Health Ins - Zero Percent Renewal	-	18,011	19,362	20,814	22,375	24,053
DPW	01-11-60-6010	Health Ins - Zero Percent Renewal	-	9,740	10,471	11,256	12,100	13,007
Total General Fund Expenditure Adjustments (Increase) / Decrease			-	63,722	68,546	73,737	79,322	85,330

EXPENDITURE - OTHER FUNDS

Water	50-00-60-6010	Health Ins - Zero Percent Renewal	-	9,740	10,470	11,256	12,099	13,007
Parking	51-00-60-6010	Health Ins - Zero Percent Renewal	-	1,871	2,011	2,161	2,324	2,498
Sewer	80-00-60-6010	Health Ins - Zero Percent Renewal	-	1,067	1,147	1,233	1,325	1,425
Total Other Funds Expenditure Adjustments (Increase) / Decrease			-	12,678	13,628	14,650	15,748	16,930
Total All Funds Expenditure Adjustments (Increase) / Decrease			-	76,400	82,174	88,387	95,070	102,260

GENERAL FUND SURPLUS/(DEFICIT)

Proposed General Fund Surplus/(Deficit)	(160,185)	(20,287)	83,420	32,474	(3,162)	(50,664)
ADD: General Fund Revenue Adjustments Increase / (Decrease)	-	-	-	-	-	-
LESS: General Fund Expenditure Adjustments (Decrease) / Increase	-	63,722	68,546	73,737	79,322	85,330
Revised General Fund Surplus / (Deficit)	(160,185)	43,435	151,966	106,211	76,160	34,666

b-c.5

VILLAGE OF LA GRANGE
Administrative Offices

BOARD REPORT

TO: Village President, Village Clerk,
Board of Trustees and Village Attorney

FROM: Robert J. Pilipiszyn, Village Manager
Andrianna Peterson, Assistant Village Manager

DATE: April 9, 2012

RE: AWARD OF CONTRACT – SOLID WASTE COLLECTION AND
DISPOSAL SERVICES

OVERVIEW

The Village's contract for residential solid waste collection and disposal services expires on April 30, 2012.

In anticipation of the contract expiration date, the Village's Environmental Quality Control Commission (EQCC) evaluated several different structures for refuse collection services, including the current volume-based program (stickers), a modified volume-based program (stickers plus monthly fee) and a Village-wide toter program.

The EQCC presented its research and findings to the Village Board in September 2011. After discussion, the Village Board directed staff to issue a request for proposals (RFP) process that included all three refuse collection service structures.

COMPETITIVE PROPOSALS SOLICITED

Specifications were prepared and an RFP was issued in October 2011 to eight area haulers. The Village received proposals in November from four contractors: Allied Waste, DisposAll Waste, Groot Industries, and Waste Management. One additional contractor, Flood Brothers, advised the Village that it was declining the invitation to submit a proposal.

The RFP asked contractors to provide pricing related to four different program options:

- Option 1: The Village's current volume-based program.
- Option 2a: A modified volume-based program composed of a monthly fee included on the customer's water bill plus a sticker for each waste container.

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- Option 2b: A modified volume-based program composed of a monthly fee included on the customer's water bill, the first waste container free, and a sticker on each additional waster container.
- Option 3: A Village-wide refuse and recycling toter program with various toter sizes and service options.

The RFP advised contractors that the Village would retain certain elements of the Village's existing contract such as a Spring Clean Up day, special event services, and service to municipal buildings.

COST ANALYSIS

Staff evaluated the four proposals as follows: (1) identifying the most cost-effective options for the customers by calculating the cost of each option in each contractor's proposal; (2) considering the changes recommended by each contractor to the contract and the economic and operational impacts that would be realized by each of those changes; and (3) considering the experience of each contractor, particularly whether the contractor has current municipal contracts of similar size and complexity as the program (and potential programs) in La Grange.

Option 1 – Volume-Based Program

Three of the four contractors provided a volume-based proposal for Program Option 1. Proposed refuse sticker prices ranged from \$4.00 to \$4.45, and proposed toter subscription prices ranged from \$22.60 to \$26.25 per month for the first year.

Options 2a and 2b – Modified Volume-Based Programs

All four contractors provided a modified volume-based proposal for Program Options 2a and 2b. Both options include a flat monthly fee included on the customer's water bill (payable to the hauler). This fee helps the contractor by stabilizing revenues. Under Option 2a, customers would affix a sticker as they do now to each waste container placed at the curb each week. Under Option 2b, the first waste container each week would be "free" (that is, no sticker required) and the customers would affix a sticker to each additional container.

Because of the flat monthly fee, the sticker prices under Options 2a and 2b are less than those under Option 1. Under Option 2a and 2b, sticker price proposals for the first year ranged from \$2.14 to \$4.00. Sticker prices were the same for both options.

The flat monthly fees for Option 2a ranged from \$5.00 per month to \$9.00 per month.

6-0.1

The flat monthly fee for Option 2b was higher, however, than the fee for Option 2a, to account for the one “free” waste container. The flat monthly fees ranged from \$13.25 per month to \$16.90 per month.

Option 3 – Village-wide refuse and recycling toter program

All four contractors provided a toter proposal. Toter rental costs varied from \$14.50 to \$22.60 per month for the first year, depending on several variables including the size of the carts and the frequency of pick-up, among others. The capital expenditure component of the price proposal (purchase of the carts) was built into the pricing and generally is approximately \$1 to \$2 per month over the five-year contract period. That estimated cost includes the containers themselves and maintenance and delivery.

Most municipal toter programs offer (a) two 65-gallon containers (one for refuse and one for recycling) or (b) a 95-gallon refuse container and 65-gallon recycling container as their basic program. Other sizes of containers typically are offered as options at different pricing levels.

COMPARISON OF PROGRAM OPTIONS

For comparison purposes, staff assumed the same number of stickers sold in 2010 extrapolated across each household that we estimate to be utilizing the sticker program (4,000 households is the estimate—we did not count an approximately 665 toter subscribers for the analysis). Based on 136,875 total stickers sold in calendar year 2010, we estimated that, on average, each household purchases about 34 stickers per year (approximately 2.85 stickers per month or 0.66 stickers purchased per week).

Based on the data, the current volume-based program with a toter subscription option (Option 1) proves to be the most cost-effective option for the average household in La Grange, both this year and over the five-year contract period.

For example, the average annual cost per household of the proposals received for the first year under Option 1 is \$148 as compared to \$189 under Option 2a and \$179 under Option 2b. Under Option 3, the average annual cost per household for the first year would range from an average of \$202 to \$270 depending on the toter program selected.

It is noted that continuation of the volume based program does not fully address the equity issues identified by the EQCC. However, the analysis indicated that moving to a program with a fixed-fee component would result in perhaps significant increases in costs to some households at this time.

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COMPETITIVE NATURE OF THE PROPOSALS

Generally the proposals were commercially competitive when compared with each other and when compared to current pricing in the marketplace. Representatives of the West Cook County Solid Waste Agency advise us that the proposals reflect that contractors were aggressively pursuing the Village's business. In addition, the terms offered by the Village's current contractor, Allied Waste, appear to reflect Allied's strong desire to retain the Village's business.

One contractor's proposal was slightly less than Allied Waste for the current volume-based program. That contractor, however, has very limited experience with municipal contracts. In contrast, the Village has more than 20 years of positive experience with Allied Waste / BFI. Resident complaints are minimal and Allied is quick to resolve issues when they do occur. As a result, staff has determined that Allied Waste was the most qualified and responsible contractor. The West Cook County Solid Waste Agency representatives concur with staff's determination.

RECOMMENDATION TO AWARD CONTRACT TO ALLIED WASTE

Staff therefore has negotiated a five-year contract with Allied Waste for the Board's consideration.

Contract provisions of note include:

1. The current sticker pricing will not increase for the first year of the contract (remaining at \$4.20) and will increase incrementally to \$5.00 in the fifth year of the contract.
2. Subscription toter services have been enhanced by offering two toter options for refuse collection: 1) a 95 gallon wheeled container with lid (toter) and 2) a 65 gallon wheeled container with lid (toter). Under both programs, a 65 gallon wheeled container with lid will be provided for recycling. The 95 gallon option will be offered at a lower monthly rate for the first year (\$25.25) than current pricing.

The pricing for the 65 gallon refuse service is priced at \$18.25 per month which is approximately equal to purchasing one sticker per week. This option is expected to be attractive to households that are heavy recyclers as the added benefit of the 65 gallon wheeled recycling container is that it is equal to approximately 4.5 recycling bins.

To address operational concerns with frequent service level changes by the same household, Allied will be able to assess a \$20 charge after a second service level change.

6-D.3

3. For residents selecting the volume based (sticker) program, larger bins (up to 20 gallons) for recycling are being evaluated and will be introduced over time and offered on an as needed basis.
4. Spring Clean-up program remains the same as the previous contract (i.e. 3 stickers required to participate).
5. Certain unfavorable contractual provisions identified by the Village were eliminated while existing programs including disposal of large items, white goods, free service at special events, municipal facility service, etc. was retained.
6. Given the competitiveness of the proposals received, we are confident that current and future contract pricing is reflective of the marketplace and therefore a good value for residents.

In summary, under this negotiated contract, the Village's volume-based system, which has been in place for more than 20 years, will remain intact. In addition, new and enhanced toter options for refuse and recycling have been incorporated in order to provide options for residents that best fit their household needs. Larger capacity recycling options will continue to allow the Village to continue to enjoy its reputation among the western suburbs as a leader in environmental matters, consistently achieving the highest rates for recycling and waste diversion.

Attached for your consideration is the new, five-year contract between the Village of La Grange and Allied Waste for solid waste collection and disposal services beginning May 1, 2012. The contract has been developed with significant input from the Village Attorney.

It is our recommendation that the contract be approved.

6-D.4

VILLAGE OF LA GRANGE

**CONTRACT FOR RESIDENTIAL COLLECTION,
TRANSPORTATION, AND DISPOSAL OF GENERAL REFUSE
AND THE COLLECTION AND PROCESSING
OF LANDSCAPE WASTE AND RECYCLABLE COMMODITIES**

THIS CONTRACT (this "Contract") is made and entered into as of the 10th day of April 2012, by and between the VILLAGE OF LA GRANGE, an Illinois municipal corporation (the "VILLAGE") and ALLIED WASTE SERVICES OF NORTH AMERICA, LLC (formerly BFI Waste Systems of North America, Inc.), a limited liability company authorized to do business in the State of Illinois (the "CONTRACTOR"):

R E C I T A L S:

WHEREAS, the VILLAGE has determined that a new contract with the CONTRACTOR for the collection of residential general refuse, landscape waste, and recyclable commodities is in the best interests of the VILLAGE; and

WHEREAS, the VILLAGE is desirous of maintaining the ability to arrange for the services provided in this Contract separate from other services that may be rendered by the CONTRACTOR; and

WHEREAS, the CONTRACTOR acknowledges that this franchise is specifically for residential collection as defined herein and that the VILLAGE intends to license other contractors to collect refuse, landscape waste, and recyclable commodities from multiple family dwellings and non-residential entities;

NOW, THEREFORE, IN CONSIDERATION of the promises contained herein, and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

I. GENERAL

- A. Term of Contract. This Contract is for a term commencing on May 1, 2012, and expiring on April 30, 2017.
- B. The CONTRACTOR is the exclusive contractor for (i) the collection and transportation of general refuse, (ii) the collection and disposal of landscape waste, and (iii) the collection, processing, and marketing of all recyclable commodities from Residential Units within the corporate limits of the VILLAGE during the term of this Contract.
- C. The CONTRACTOR agrees to furnish all labor, material, and equipment necessary for the services set forth above.
- D. For purpose of this Contract, the following definitions shall apply:

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1. Residential Unit: Each single-family detached dwelling and each residential dwelling that is located in a building of one or two units.
2. Hazardous Waste: A waste or combination of wastes that, because of its quantity, concentration, or physical, chemical, or infectious characteristics may cause or significantly contribute to an increase in mortality or an increase in serious, irreversible or incapacitating reversible illness; or pose a substantial present or potential hazard to human health or the environment when improperly treated, stored, transported, or disposed of, or otherwise managed or which has been identified, by characteristics or listing, as hazardous pursuant to Section 3001 of the Resource Conservation and Recovery Act of 1976 (P.L. 94-580), or pursuant to Pollution Control Board or federal regulations.
3. Bulk Items: Any item of General Refuse that cannot fit into a 35-gallon container, or toter as applicable (such as furniture; properly prepared carpeting; fixtures; household appliances of all kinds including "white goods" such as refrigerators, stoves, dishwashers, clothes washers and dryers, and other large appliances; and small amounts of construction debris), but that can be loaded into the CONTRACTOR'S standard equipment without assistance and be legally accepted by the transfer station or disposal site to which it is transported.
4. General Refuse: Any combination of the following:
 - a. Garbage: All biodegradable or putrescible wastes, except for those items defined herein as "Landscape Waste" or sewage, generated by a Residential Unit.
 - b. Refuse: All non-biodegradable and non-putrescible waste materials except for "Recyclable Commodities" as defined herein, generated by a Residential Unit.
 - c. Bulk items generated by a Residential Unit.
 - d. Ashes generated by a Residential Unit.

General Refuse does not include Hazardous Waste.
5. Recyclable Commodities: The items set forth in Paragraph II.B.1 of this Contract, as it may be revised from time to time by the VILLAGE and the CONTRACTOR, or similar items which are specifically set aside from other General Refuse for the purpose of recycling.
6. Landscape Waste: Leaves, grass, brush, garden debris, and tree trimmings generated by a Residential Unit.

6-D.6

II. SERVICE AND RATES

A. General Refuse Services:

1. The CONTRACTOR shall provide regular General Refuse collection service once each week to each Residential Unit. Service must be scheduled in various parts of the VILLAGE as set forth in Exhibit A to this Contract. The CONTRACTOR shall collect and transport to a facility designated by the VILLAGE all General Refuse collected under the sticker program, when it is placed in maximum 35-gallon or equivalent or smaller container (metal, rubber, or plastic) displaying an authorized General Refuse collection sticker and General Refuse placed in Contractor-supplied refuse totes as provided in this Contract, and placed in the vicinity of the street curb, in the alley where alleys exist, or at the back door if the residential user has chosen and paid for the back door service described in Paragraph II.A.6 below. No individual container may exceed 50 pounds when full. The CONTRACTOR is not responsible for picking up garbage that is placed on top of, or alongside of, a container or is otherwise not enclosed in the container, unless the material is considered recyclable or a special pickup is ordered. However, the CONTRACTOR shall be responsible for picking up loose garbage, recyclable commodities, and yard waste that may have been caused by the failure of the CONTRACTOR to properly service a container or to collect bulk items. The CONTRACTOR shall also be responsible for picking up loose garbage, recyclable commodities, and yard waste within 10 feet of a container that may have been caused by weather conditions, vandalism, wildlife, or similar occurrences.

In addition, the CONTRACTOR is responsible for completely emptying all containers and returning them to the parkways (or point of set-out if alley or back door pick-up) in a neat and orderly fashion. Further, empty containers must be returned in an upright position and grouped. The CONTRACTOR understands and agrees that these are very important service delivery standards for the VILLAGE.

The cost of each authorized General Refuse collection sticker shall be as follows: \$4.20 per sticker until April 30, 2013; thereafter \$4.40 per sticker until April 30, 2014; thereafter \$4.60 per sticker until April 30, 2015; thereafter \$4.80 per sticker until April 30, 2016; and thereafter \$5.00 per sticker until April 30, 2017, or until expiration of this Contract including any renewal hereof. Stickers purchased by residents under previous contracts will be honored until December 31, 2013, and stickers purchased at a particular price under this Contract will be honored for a minimum of 90 days after any implementation of any increase in sticker price. The parties may agree to honor superseded stickers for a time period greater than the required minimum of 90 days.

2. The CONTRACTOR also shall provide for collection of Bulk Items. General Refuse collection stickers must be affixed on each Bulk Item to be collected as follows: two stickers per item until expiration of this Contract, including renewal thereof. Bulk Item collection service shall be provided on the same day as General Refuse collection.
3. The CONTRACTOR also shall provide for special pick-up service to any resident for the resident's Residential Unit. The CONTRACTOR shall provide a telephone number where it can be contacted regarding such special pick-up, with the price, container size, and pick-up frequency to be determined by the CONTRACTOR and resident. Special pick-up service shall be provided within 48 hours after the Residential Unit and the CONTRACTOR have agreed to the cost of the service. Residents may also contract with other licensed commercial haulers within the VILLAGE for special pick-up service.
4. The CONTRACTOR shall not collect or transport to the facility designated by the VILLAGE any material, general refuse or otherwise, which that facility is not permitted to receive or which violates any law, regulation, or any rule of said facility or of the West Cook County Solid Waste Agency. Further, the designated facility must be allowed to transfer and dispose of any such material under the terms of the West Cook County Solid Waste Agency Transfer, Transportation and Disposal Contract, which contract is hereby incorporated by reference herein. The materials that shall not be transported to the designated facility include but are not limited to any Hazardous Waste.
5. Unless specified otherwise by a resident, collection shall take place at the curbside or in alleys where alleys exist. Each resident may notify the CONTRACTOR in writing that the resident chooses back door collection. This notification must be given in January of each calendar year in order for the service to be provided during the subsequent contract year. An exception is herein provided for new residents, who shall each have 30 days after taking occupancy of a new residence to make such election. The cost for this service shall be \$180 per year until April 30, 2013; and \$192 per year until April 30, 2017, or until expiration of this Contract including any renewal thereof. This cost shall be paid annually directly to the CONTRACTOR in a lump sum when billed by the CONTRACTOR on or before each successive year in which the resident chooses back door collection. The cost to any new resident shall be prorated as of the day the resident begins back door collection service. Any resident using this service who moves away from a residence in the VILLAGE shall be entitled to receive a refund for the remaining portion of the year, prorated as of the day the departing resident terminates this service.
6. Collection shall occur only between 7:00 a.m. and 5:00 p.m.

7. Each resident shall be responsible for furnishing and utilizing water-tight General Refuse containers.
8. During March or April of the years 2012 through 2017, the CONTRACTOR will provide a "Spring Clean-Up Day" collection for each Residential Unit in accordance with the following terms:
 - a. Spring Clean-Up Day will be held on a day or days in March or April selected by the CONTRACTOR and approved by the VILLAGE. The date must be set far enough in advance so that notice of the date can be given to customers, as provided in Paragraph b below.
 - b. The CONTRACTOR must provide the Village, not less than 90 days in advance of the Spring Clean-Up Day, with draft language for a notice of that day. The draft language must describe the Spring Clean-Up Day and set forth the rules and limitations applicable to it. The VILLAGE may disseminate the notice through its website and newsletter and as the Village otherwise determines is appropriate.
 - c. Each household participating in the Spring Clean-Up Day must affix, in a visible location, three refuse disposal stickers at the then-current sticker price. Each household subscribing to totter service established by Section VI.D of this Contract must affix in a visible location three refuse disposal stickers at the then-current sticker price to any waste outside of the totter. Those three stickers will be the total cost to that household for that Spring Clean-Up Day, regardless of the amount and type of materials collected from that household, unless the materials placed for pick-up are outside of the limitations set in the notice to customers.
 - d. Residents may set out for collection the following items: General Refuse in 35-gallon or smaller containers and Bulk Items. The CONTRACTOR reserves the right to exclude the following items from collection: tires, liquids, Hazardous Waste and other materials not accepted at the VILLAGE'S transfer station, and construction and demolition materials including but not limited to brick, stone, rocks, concrete, dirt, soil, railroad ties, lumber, boards, siding, and roofing material.
9. The CONTRACTOR shall provide General Refuse collection services free of charge to all public buildings under control of the VILLAGE during the term and any extended term of this Contract. The CONTRACTOR shall provide roll-off boxes to the VILLAGE at a mutually agreed price, at the VILLAGE request.

10. The CONTRACTOR shall provide General Refuse collection services in emergencies as determined and declared by the VILLAGE to alleviate threats to public health, safety, or welfare. Those services shall be provided free of charge up to a value of \$3,000 per year (the "Annual Value"). Any portion of the Annual Value of emergency services that the VILLAGE does not use in a year shall be rolled over to the next year (the "Cumulative Annual Value"), except that the Cumulative Annual Value of available emergency collection services may not exceed \$6,000. To the extent that the Village requires emergency collection services in excess of the Cumulative Annual Value, the Contractor will provide those services at a price agreed on by the CONTRACTOR and the VILLAGE; except that the CONTRACTOR is not required to provide emergency services in any year exceeding \$6,000 more than the Cumulative Annual Value.
11. The CONTRACTOR shall provide General Refuse collection services free of charge in conjunction with various community events held partially or fully on public property, and shall also provide, at no charge to the VILLAGE, a sufficient number of portable toilets and hand washing stations for each festival.
12. The CONTRACTOR shall provide dumpster service free of charge at the public works facility so long as the dumpster is used only for waste from routine office and garage operations. The VILLAGE may enter into a separate contract with the CONTRACTOR for collection and disposal of other waste such as construction debris, spoil, and other heavy or non-compactable waste.
13. The CONTRACTOR shall prepare and submit to the VILLAGE a monthly report accurately detailing:
 - a. the total weight of the General Refuse collected and disposed of and the facility to which it was transported; and
 - b. any other data reasonably requested by the VILLAGE.

B. Recycling Collection:

1. The CONTRACTOR shall collect from each Residential Unit the following items (collectively "Recyclable Commodities):
 - a. Newsprint
 - b. Mixed paper, which shall include magazines, telephone books, catalogs, junk mail (brochures, advertisements, fliers, etc.), computer paper, stationery, envelopes, bills, greeting cards and brown paper bags

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- c. Corrugated cardboard (in pieces not to exceed 3' x 3'), chipboard, and wet-strength cardboard (e.g., cardboard beverage carriers, frozen food packaging, and the like)
- d. Glass, which shall include all types of clear and colored glass bottles, jars and containers
- e. Plastics, which shall include all plastic resin labeled PETE 1 and HDPE 2; and 6- and 12-pack plastic beverage rings and carriers
- f. Aluminum, which shall include all types of aluminum food and beverage cans; formed aluminum containers; and aluminum foil
- g. Bi-Metal, which shall include all types of bi-metal food and beverage cans
- h. Empty paint cans
- i. Empty aerosol cans
- j. All plastic resin labeled PVC3 (e.g., health and beauty aid bottles), or labeled LDPE4 (e.g., certain yogurt and cottage cheese containers and other miscellaneous dairy products containers), or labeled PP5 (e.g., syrup bottles, ketchup bottles, and the like), or labeled #7 (e.g., squeezable bottles, microwave containers, and the like)
- k. Aseptic packaging and gable – topped containers (e.g. – juice boxes, milk cartons, juice cartons etc.)
- l. Formed steel containers

Additional Recyclable Commodities may be added to the curbside collection system from time to time on agreement of the VILLAGE and the CONTRACTOR.

- 2. Recyclable Commodities shall be collected each week on the same day as General Refuse collection.
- 3. Recyclable Commodities shall generally be collected in recycling containers issued by the VILLAGE or Contractor-supplied recycling totes as provided in this Contract. Each Residential Unit has received one recycling container. The VILLAGE will provide replacement containers at cost upon a resident's request. The VILLAGE may elect, at the VILLAGE'S sole discretion, to purchase and distribute additional recycling containers or recycling containers that are different than those currently in use. The VILLAGE will discuss any such changes with the CONTRACTOR before implementation.

4. The CONTRACTOR may request a change to the manner in which residents set out Recyclable Commodities for collection in order to accommodate changes in collection or processing technologies (e.g., requiring residents to bag newsprint and mixed paper). Any such change is subject to the VILLAGE'S approval at its sole discretion.
5. All Recyclable Commodities shall be collected, separated, and processed to facilitate the sale of Recyclable Commodities to re-manufacturers for post-consumer use. No materials collected as Recyclable Commodities shall be deposited at a landfill or waste incinerator.
6. The CONTRACTOR shall be responsible for preparing and submitting to the VILLAGE a monthly report detailing weekly and monthly participation rates, tons collected, revenue derived, and other information as may be reasonably requested by the VILLAGE.

C. Landscape Waste Collection:

1. Once each week from April 1 until December 15 each year, the CONTRACTOR shall collect from each Residential Unit, on the same day as General Refuse collection, Landscape Waste contained within any 35-gallon or equivalent or smaller reusable or disposable container (plastic, metal, rubberized), including but not limited to kraft paper bags, provided said container has affixed a Landscape Waste sticker. The VILLAGE and the CONTRACTOR may mutually agree in writing to alter the beginning or ending dates of the Landscape Waste collection period. No one branch or brush bundle shall exceed four feet in length by two feet in diameter.
2. The CONTRACTOR is required to supply, at no charge, ample printed Landscape Waste stickers for sale to residential users at the following rates: \$4.20 per sticker until April 30, 2013; \$4.40 per sticker until April 30, 2014; \$4.60 per sticker until April 30, 2015; \$4.80 per sticker until April 30, 2016; and \$5.00 per sticker until April 30, 2017, or until expiration of this Contract including any renewal thereof. The CONTRACTOR shall distribute Landscape Waste stickers at specific sale locations determined by the VILLAGE. Stickers purchased by residents under previous contracts will be honored until December 31, 2013; stickers purchased at a particular price under this Contract will be honored for a minimum of 90 days after any implementation of any increase in sticker price. The parties may agree to honor superseded stickers for a time period greater than the required minimum of 90 days.
3. Quarterly collection reports shall be furnished to the VILLAGE documenting the volume and tonnage of Landscape Waste collected and the fee paid for disposal of such waste, as well as tipping fees saved from disposal at a composting facility (if any).

4. Christmas trees left at the curbside through the second week of January of each year during the term of this Contract, shall be collected at no cost to the resident or the VILLAGE.
 5. On July 1, October 1, and January 1 of each year during the term of this Contract (each a "Landscape Waste Period"), the CONTRACTOR shall remit to the VILLAGE the sum of 60¢ for each La Grange landscape waste sticker sold in the VILLAGE or surrounding areas during the preceding Landscape Waste Period.
- D. **Unused Sticker Reimbursement:** Upon cancellation, termination, or expiration of this Contract, the CONTRACTOR shall, within 60 days, reimburse the VILLAGE for the full value of all unused refuse and yard waste stickers that are returned to the VILLAGE within 30 days after that cancellation, termination, or expiration. The requirements of this Subsection D shall survive cancellation, termination, or expiration of this Contract and shall be binding on and enforceable against the CONTRACTOR after cancellation, termination, or expiration.
- E. **Change of Law:** The rates and charges set forth in this Contract are subject to adjustment in accordance with this Subsection E in the event of a "Change of Law." For purposes of this Contract, "Change of Law" means a change in current federal, State of Illinois, or local law, statute, ordinance, or regulation or a new federal, State of Illinois, or local law, statute, ordinance or regulation that affects the CONTRACTOR'S cost of providing services as follows:
1. The creation of a new tax, or an increase in an existing tax, on gross receipts of the type collected by the CONTRACTOR pursuant to this Contract;
 2. The creation of a new tax, or an increase in an existing tax, on the sales of services provided pursuant to this Contract; or
 3. An increase or decrease in the amount of a current tax, fee, or surcharge imposed by a governmental body or imposed directly as a consequence of an action of a governmental body that increases or decreases the cost of performing the services required of the CONTRACTOR pursuant to this Contract by more than one percent of the current monthly revenue.

In the event of a Change of Law, the CONTRACTOR shall provide a detailed written notice to the VILLAGE of the Change of Law, the manner in which the Change of Law affects the costs of services, the magnitude of the effect of the Change of law on the cost of services, and the CONTRACTOR'S proposal in response to that effect. Within 30 days after receipt by the VILLAGE of the CONTRACTOR'S notice, the CONTRACTOR and the VILLAGE shall meet to discuss the Change of Law and determine what change, if any, is necessary and appropriate to the rates and charges in this Contract and the timing and method of implementing any such change. The VILLAGE may request any documentation

necessary from the CONTRACTOR to assist with the analysis of the Change of Law impact.

III. COLLECTION

- A. Collection of General Refuse, Landscape Waste and Recyclable Commodities will be delayed one day during holiday weeks when a recognized holiday falls on or before a regular collection day. Recognized holidays include: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.
- B. The CONTRACTOR is not required to collect materials that are not prepared in compliance with the guidelines set forth in this Contract. The CONTRACTOR must place a self-adhesive "sorry note" on that material stating the reason it was not collected. The date, address, and reason the "sorry note" was issued shall, at the VILLAGE'S request, be reported to the VILLAGE. The CONTRACTOR shall provide "sorry notes" at its own cost.

The CONTRACTOR shall provide a local telephone number, staffed by an authorized agent, between the hours of 8:00 a.m. and 5:00 p.m. Monday through Friday, to handle inquiries and complaints connected with the CONTRACTOR'S services. Each complaint must receive prompt and courteous attention from the CONTRACTOR. Complaints alleging missed collections shall be investigated promptly and, if one is verified, the CONTRACTOR shall arrange for pick-up within 24 hours after the complaint.

- C. If the CONTRACTOR is unable to resolve a complaint in a satisfactory manner within 72 hours after receipt of a complaint, then the CONTRACTOR shall deliver written notice to the Village Manager or his designee stipulating the name and address of the resident, the date and time of complaint, the nature of complaint, and the CONTRACTOR'S response. The Village Manager or his designee shall intervene, mediate the dispute, and render a final binding decision.
- D. Services provided by the CONTRACTOR shall be performed at all times in a good and workman-like manner.
- E. The CONTRACTOR shall furnish capable employees for use in the crews performing the services specified in this Contract. The CONTRACTOR shall prohibit drinking of alcoholic beverages and use of controlled substances by its drivers and crew members while on duty or in the course of performing their duties under this Contract.

If a CONTRACTOR employee is deemed by the VILLAGE to be unfit or unsuited to perform services under this Contract as a result of intoxication, drug use, incompetence, improper attire, or abusive or obnoxious behavior, then the CONTRACTOR shall immediately remove that employee from work within the VILLAGE and replace him or her with a suitable and competent employee at no expense to the VILLAGE.

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- F. Any customer container damaged by the CONTRACTOR shall be repaired or replaced at the expense of the CONTRACTOR.
- G. In furnishing General Refuse collection services, the CONTRACTOR agrees to adhere to all federal, State, and local laws pertaining to refuse haulers.

IV. EQUIPMENT

- A. The CONTRACTOR shall use modern, enclosed equipment with a hydraulic compacting system in the collection of General Refuse and Landscape Waste.
- B. All equipment used for collection services of any kind shall be properly licensed by the State of Illinois and conform to all federal and State equipment safety standards.
- C. The CONTRACTOR shall not store, or allow to be stored, any equipment or materials on private property except in strict compliance with the La Grange Code of Ordinances.

V. DISPOSITION OF MATERIALS

- A. All General Refuse shall be removed from the VILLAGE at the close of each collection day and transported to a facility designated by the VILLAGE in accordance with Section VI.B below at the CONTRACTOR'S expense.
- B. All Landscape Waste shall be legally disposed of at a facility designed to treat, compost, grind, or land apply the waste, unless otherwise authorized by the State of Illinois. The VILLAGE reserves the right to approve the final disposal site of all Landscape Waste and to direct said waste to a facility of the VILLAGE'S choice. The VILLAGE shall give the CONTRACTOR 120 days' notice in the event this option is utilized.
- C. The CONTRACTOR may retain the proceeds, if any, from the sale of Recyclable Commodities, except only that this provision is subject to the terms of the VILLAGE'S contract with a regional transfer facility. No Recyclable Commodities collected pursuant to this Contract may be disposed of in a landfill, waste-to-energy facility, or incinerator.

VI. BILLING AND COLLECTION

- A. The CONTRACTOR will be solely responsible for printing and distributing General Refuse stickers to the VILLAGE (if the VILLAGE so chooses) and various satellite vendors mutually selected by the parties to sell General Refuse stickers. The VILLAGE maintains the ability to change or add vendors at any time with the mutual consent of the CONTRACTOR. The CONTRACTOR shall be responsible for the collection of General Refuse sticker proceeds from each sale outlet. The annual charge for residents requesting toter service or back door

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pickup service for General Refuse collection shall be billed by the CONTRACTOR directly to the resident.

- B. The CONTRACTOR shall transport General Refuse to a facility (a "Facility") defined and set forth in the West Cook County Solid Waste Agency Project Use Contract entered into by the VILLAGE (the "Agency Contract"), pursuant to Section V.A of this Contract.

For the term of this Contract, the CONTRACTOR shall pay all charges due for the CONTRACTOR'S disposal of General Refuse at the Facility directly to the West Cook County Solid Waste Agency (the "Agency") within 45 days after the Agency's billing date. At no time shall the VILLAGE be required to pay for actual disposal charges. The CONTRACTOR will be responsible for any lawful interest, penalties, or late payment charge assessed against the VILLAGE as a result of the CONTRACTOR'S failure to make timely payment as set forth above. The VILLAGE may terminate this Contract if disposal charges payable to the Agency are past due (that is, unpaid for more than 45 days after the billing date). The CONTRACTOR may not withhold payment of any amount that the CONTRACTOR disputes but shall pay such sum and shall continue to seek resolution of any such dispute between the parties. The VILLAGE'S right of termination shall be exercised in writing delivered to the CONTRACTOR prior to such date as past due amounts are paid by the CONTRACTOR.

Within 30 days after each annual period of this Contract, and from time to time as reasonably requested by the VILLAGE, the CONTRACTOR shall provide the VILLAGE with a report showing the number of General Refuse stickers sold, Landscape Waste stickers sold, totter customers, and back door collection service accounts during the previous annual period or other time period requested by the Village.

At the beginning of each annual period, the CONTRACTOR shall submit a report to the VILLAGE indicating that (1) the CONTRACTOR has conducted a compliance audit of its operations and shall attest that there is no co-mingling of third-party waste with the VILLAGE'S General Refuse, (2) the CONTRACTOR has verified said compliance with periodic field inspections. and (3) the CONTRACTOR has properly trained its route supervisors to ensure that co-mingling does not occur between third-party waste and the VILLAGE'S General Refuse.

- C. The cost of Landscape Waste collection shall be paid based on volume, with one sticker required for each container or bundle. Customers must purchase stickers from the CONTRACTOR, or from the VILLAGE (if the VILLAGE chooses to act as a vendor), or from another authorized agent. The CONTRACTOR is responsible for printing and distributing Landscape Waste stickers and for collecting sale proceeds. The CONTRACTOR shall quarterly remit to the VILLAGE the entire amount stated in Paragraph II.C.5 of this Contract.

- D. Customers may subscribe to a toter service for General Refuse collection in lieu of the volume-based service, on the following terms:
1. The CONTRACTOR shall provide the Residential Unit with one or more 95-gallon toters or 65-gallon toter for refuse at no additional charge or fee (including delivery fees);
 2. The CONTRACTOR shall provide the Residential Unit subscribing to either the 95 gallon toter or 65 gallon toter with one 65 gallon toter for recycling at no additional charge or monthly fee;
 3. The CONTRACTOR shall directly bill each Residential Unit \$25.25 per month for each 95 gallon refuse and recycling toter option selected until April 30, 2013; \$25.50 per month until April 30, 2014; \$25.75 per month until April 30, 2015; \$26.00 per month until April 30, 2016 and \$26.25 per month until April 30, 2017 or until this amount is renegotiated and approved in writing by the CONTRACTOR and the VILLAGE;
 4. The CONTRACTOR shall directly bill each Residential Unit \$18.25 per month for each 65 gallon refuse and recycling toter option until April 30, 2013; \$18.90 per month until April 30, 2014; \$19.55 per month until April 30, 2015; \$20.25 per month until April 30, 2016; and \$20.95 per month until April 30, 2017.
 5. Each Residential Unit shall be entitled to one exchange for a different capacity cart or one container removal at no charge. A Residential Unit shall be charged \$20.00 for additional exchanges or removals. Should a Residential Unit not return a cart after cancelling service, the Residential Unit shall be charged \$70 for each non-returned cart.
 6. A Residential Unit using a toter must affix one Municipal Solid Waste Sticker on each container, other than a toter, set out for collection.

VII. CONTRACT DURATION

- A. The VILLAGE has the right to cancel this Contract in the event of non-performance by the CONTRACTOR. To exercise this option, the Village must submit a written notice to the CONTRACTOR or its authorized agent 90 days prior to the date of cancellation, except when specifically provided otherwise in this Contract.
- B. The VILLAGE may also terminate this Contract under circumstances including but not limited to:
1. Filing of bankruptcy by the CONTRACTOR and subsequent proceedings thereafter.

2. Abandonment by the CONTRACTOR of the conduct of its operations, in which case no notice is required.
- C. This Contract expires on April 30, 2017. Prior to April 30, 2017, the VILLAGE and the CONTRACTOR may agree to extend the Contract, by a properly approved written agreement, for a set period of years not exceeding five years.

VIII. OTHER CONSIDERATIONS

- A. Year-End Report: At the request of the VILLAGE, the CONTRACTOR shall furnish a year-end financial report and a sworn statement from the Chief Operating Officer of the CONTRACTOR verifying the existence and veracity of the report.
- B. Performance Bond: The CONTRACTOR shall renew, if necessary, and keep in place during the Contract Term a Performance Bond for the faithful performance of this Contract, said Performance Bond to be executed by a responsible surety company rated AA or better by Best's Insurance Reports. The Bond shall be in the penal sum as follows: \$250,000 from May 1, 2012, until April 30, 2017, or until expiration of this Contract including any renewal thereof. The Performance Bond shall be conditioned upon the faithful performance by the CONTRACTOR of its obligations under this Contract and upon its full compliance with the all applicable laws, ordinances and regulations. Said Performance Bond shall indemnify the VILLAGE against any loss resulting from any breach or failure of performance.
- C. Failure of CONTRACTOR to Perform:
 1. All terms and conditions of the Contract are considered material and failure to perform any of said terms or conditions on the part of the CONTRACTOR shall be considered a breach of this Contract. Should the CONTRACTOR fail to perform any of such terms or conditions, the VILLAGE shall have, in addition to the rights set forth in this section, the right to terminate this Contract after five days' written notice to the CONTRACTOR of the violation of the Contract and the failure of the CONTRACTOR to remedy the violation within said time to the satisfaction of the VILLAGE. In addition to any and all equitable legal remedies available to the VILLAGE in the event of a breach of this Contract by the CONTRACTOR, the VILLAGE shall have the right to call upon the Performance Bond described in this Contract. The remedies provided to the VILLAGE herein shall be cumulative and not exclusive. No waiver by the VILLAGE of a default by the CONTRACTOR under this Contract shall be construed as a waiver by the VILLAGE of any subsequent default or failure to perform on the part of the CONTRACTOR.
 2. Subject only to the limited exceptions stated in Subsection 2 below, in the event of a failure by the CONTRACTOR to provide scheduled service

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under this Contract for a period of five days after written notice of such failure, the Contractor shall be deemed to be immediately in breach of this Contract and the VILLAGE, in addition to all other remedies available to the Village, may immediately hire a third party to perform the services required under this Contract but not performed by the Contractor or implement any other reasonable remedy such as, for example but not limited to, establishing a drop-off point for residents to deliver their waste and recyclables for a third party to collect, transport and dispose. The Contractor shall be responsible for all costs and expenses incurred by the VILLAGE in undertaking any such actions, including administrative costs up to \$2000, reasonable legal fees and court costs, and the Village may immediately take action to draw on the performance bond or otherwise recover its costs and expenses. The Contractor shall not be deemed to be in default of this Contract for failure to provide scheduled services if the failure is caused by riots, terrorist acts, compliance with specific State or federal government quarantines related to public health or safety, or a natural or man-made disaster that makes compliance impossible.

D. Insurance:

1. At the inception of this Contract, the CONTRACTOR shall furnish the VILLAGE a new certificate of insurance verifying the existence and continuation of following insurance coverage limits:
 - a. Workers' Compensation Insurance – Statutory Limits
 - b. Commercial General Liability (CGL)
 - \$5,000,000 per occurrence
 - \$5,000,000 general aggregate
 - c. Auto Liability:
 - \$5,000,000 combined single limit (CSL)
 - d. Umbrella Liability:
 - \$5,000,000.00 each occurrence
 - \$5,000,000 general aggregate
2. The CONTRACTOR shall furnish a certificate of insurance annually, verifying the existence of the aforementioned coverage. Further, the VILLAGE shall be shown as an additional insured party on each liability policy, except Workers Compensation Insurance, in a form subject to the review and approval by the VILLAGE at its sole discretion. For purposes of this Contract, "arising out of the CONTRACTOR'S work" shall mean:

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- a. Liability the VILLAGE may incur for which the VILLAGE is indemnified under Article VIII.D.3 below; and/or
 - b. Liability the VILLAGE may incur due to joint negligence of the CONTRACTOR and the VILLAGE.
3. The CONTRACTOR shall indemnify the VILLAGE, and its agents, officials, and employees, against any and all claims for injury, death, loss, damages, claims of every type, nature, and description (including without limitation environmental and patent claims), suits, liabilities, judgments, costs, and expenses, including reasonable attorneys' fees and court costs, arising from or related in any way to the alleged negligence or act or omission of the CONTRACTOR or its employees, agents, servants, subcontractors, or suppliers in connection with performance of this Contract. The CONTRACTOR shall not be responsible for indemnifying the VILLAGE against the VILLAGE'S negligence, acts, or omissions.
 4. The CONTRACTOR shall, at the CONTRACTOR'S own expense, appear, defend, and pay all charges of attorneys and all costs and other expenses arising from the foregoing, or incurred in connection therewith in the defense of the VILLAGE and its agents, officials, and employees.
 5. The CONTRACTOR agrees that in the event a judgment should be entered against the VILLAGE as a result of the negligence and omissions herein above described, the CONTRACTOR shall immediately satisfy same including, but without limitation on the foregoing, all costs and interest in connection therewith.
 6. The CONTRACTOR expressly understands and agrees that any Performance Bond or insurance protection required of the CONTRACTOR, or otherwise provided by the CONTRACTOR, shall in no way limit the responsibility to indemnify, keep and save harmless, and defend the VILLAGE and its agents, officials, and employees as hereinabove provided.
- E. Federal, State, and Local Regulations; Taxes; Permits; Licenses:
1. The CONTRACTOR shall adhere to all federal and State of Illinois guidelines governing equal employment opportunities.
 2. The VILLAGE has adopted an ordinance governing the prevailing rate of wages paid for work performed in Cook County as determined by the Illinois Department of Labor. All labor performed under the provisions of this Contract shall comply with the Illinois Prevailing Wage Act.
 3. The VILLAGE is exempt from State of Illinois and local sales, excise, and use taxes. Rates shall include all applicable taxes.

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4. Rates shall include the cost of permits, licenses, and all other certifications required by federal, State of Illinois and local laws, regulations and ordinances, except only as may be specifically set forth otherwise in this Contract.
- F. No Commercial Hauler License Fee: The VILLAGE will not charge the CONTRACTOR a fee for the Village commercial hauler license for the duration of this Contract, but only so long as the CONTRACTOR continues to waive payment by the VILLAGE of any fuel surcharge fee.
- G. Subcontracting: The CONTRACTOR shall not subcontract out or assign General Refuse collection services or this Contract to a subcontractor or an assignee without prior written consent of the VILLAGE and said consent may be withheld at the VILLAGE'S sole discretion.
- H. Title:
 1. Title to General Refuse shall at all times relevant to this Contract be in the VILLAGE.
 2. Also, title to Recyclable Commodities, Landscape Waste, and other materials set out for collection shall reside in the VILLAGE. The CONTRACTOR shall market those materials on behalf of the VILLAGE. When the CONTRACTOR transports those materials to a processing, disposal, or other site (collectively a "Disposal Site") on behalf of the VILLAGE, title shall pass to the operator of that Disposal Site. If the Disposal Site is paid for taking the materials, that payment shall be paid solely the responsibility of the CONTRACTOR. If the CONTRACTOR is paid for the material, the CONTRACTOR shall keep the proceeds and shall give an accounting to the VILLAGE, on its request, for internal informational purposes only.
- I. Public Informational Flyers: At the VILLAGE'S request, the CONTRACTOR will provide funds up to \$2,500 during the term of this Contract, to cover costs of printing brochures and other public informational flyers.

IX. NOTICES

- A. Except as otherwise explicitly provided in this Contract, all notices permitted or required to be given by the parties to this Contract shall be in writing and shall be deemed delivered to the addressee when delivered in person on a business day at the address set forth below, or on the third business day after being deposited in the United States mail for delivery at the address set forth below, postage prepaid, certified or registered mail, return receipt requested.
- B. Notices to the VILLAGE shall be addressed to, and delivered at, the following address:

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Village of La Grange
53 South La Grange Road
La Grange, Illinois 60525
Attention: Village Manager

- C. Notices to the CONTRACTOR shall be addressed to, and delivered at, the following address:

Allied Waste Services of North America, LLC
5050 West Lake Street
Melrose Park, Illinois 60160
Attention: General Manager

- D. By notice complying with the requirements of this Article, each party shall have the right to change the address or addressee or both for all future notices to such party.

X. ARBITRATION

- A. Except as set forth in Paragraph X.B below, any controversy or claim arising out of or relating to this Contract, or the breach thereof, shall be settled by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.
- B. Any request for an increase or other change in the rate structure as provided for herein shall be negotiated exclusively between the parties hereto, and shall not be subject to arbitration. If the parties fail to reach contract, the sole remedy for either party is to declare the Contract terminated according to procedures set forth in this Contract.

XI. TERMS

- A. Interpretation: The provisions of this Contract shall be interpreted when possible to sustain their legality and enforceability.
- B. Complete Contract: This Contract sets forth the entire contract between the parties with respect to the accomplishment of the work and the rates and charges therefor, and there are no other understandings or contracts, oral or written, between the parties with respect to the service to be provided and the rate and charges therefor.
- C. Amendments: No modification, addition, deletion, revision, alteration, or other change to this Contract shall be effective unless and until such change is reduced to writing and executed and delivered by the authorized representative of the VILLAGE and the CONTRACTOR.

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D. Miscellaneous:

1. The CONTRACTOR shall immediately clean up and remediate all blowing debris, spills, and releases of any material over which it exercises control occurring prior to the delivery of the material to its intended destination.
2. This Contract is not transferable or assignable in any fashion, whether voluntarily, involuntarily, or by process of law, without the prior, express, written consent of the VILLAGE, which consent may be withheld by the VILLAGE at its sole discretion. The CONTRACTOR covenants and agrees to comply at all times with all applicable laws, ordinances, and regulations in the performance with and in any manner related to the CONTRACTOR'S rights, duties, obligations, and operations under this Contract. The CONTRACTOR shall obtain and maintain in effect all licenses and permits necessary to perform its obligations under this Contract.
3. The CONTRACTOR shall not discriminate against any person because of race, sex, age, creed, color, religion, or national origin.
4. The CONTRACTOR warrants that it is experienced in each of the areas under which it will have duties and obligations under this Contract and that it has adequate personnel and experience to properly and satisfactorily discharge its duties and obligations under this Contract.

E. Applicable Law: This Contract shall be interpreted according to the laws of, but not the conflicts of laws rules of, the State of Illinois.

IN WITNESS WHEREOF, the CONTRACTOR has caused this Contract to be executed by its duly authorized corporate officials acting pursuant to authority granted by its Board of Directors, and the VILLAGE has caused this Contract to be executed by its Village President and Village Clerk acting pursuant to authority granted by its Board of Trustees, all on the day and year first written above.

[all signatures appear on next page]

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VILLAGE OF LA GRANGE

By: _____
Elizabeth Asperger, Village President

Attest:

By: _____
Thomas Morsch, Village Clerk

ALLIED WASTE SYSTEMS OF NORTH AMERICA, LLC

By: _____

Name: _____

Title: _____

Attest:

By: _____

Name: _____

Title: _____

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6-V.24

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Elizabeth Asperger, the Village President of the Village of La Grange and Thomas Morsch, the Village Clerk of the Village of La Grange, whose names are subscribed to the foregoing instrument as such Village President and Village Clerk, respectively, appeared before me this day in person and acknowledged that they signed and delivered the foregoing Contract as their own free and voluntary act and as the free and voluntary act of said Village, for the uses and purposes set forth in the Contract; and the Village Clerk, as custodian of the corporate seal of said Village, affixed the corporate seal of said Village to the Contract as his own free and voluntary act and as the free and voluntary act of said Village, for the uses and purposes therein set forth.

GIVEN under my hand and seal this ____ day of April 2012.

Notary Public

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that _____, the authorized agent of Allied Waste Services of North America LLC, and _____, the authorized agent of said corporation, personally known to me to be the same persons whose names are subscribed to the foregoing Contract as such General Manager and Municipal Services Director, respectively appeared before me this day in person and acknowledged that they signed and delivered the Contract as their own free and voluntary act and as the free and voluntary act of said corporation for the uses and purposes therein set forth; and the said General Manager, as custodian of the corporate seal of said corporation, did affix the corporate seal of said corporation to the Contract as his own free and voluntary act and as the free and voluntary act of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and seal this ____ day of April 2012.

Notary Public

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EXHIBIT A

SERVICE SCHEDULE

Two days each week, as follows:

1. Monday: All portions of the Village north of 47th Street.
2. Thursday: All portions of the Village south of 47th Street.

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EXHIBIT B

RETAIL ESTABLISHMENTS AUTHORIZED TO SELL STICKERS

DE VRIES GROCERY	806 ARLINGTON STREET, LA GRANGE
DOMINICK'S	14 GARDEN MARKET, WESTERN SPRINGS
HORTON'S	60 SOUTH LA GRANGE ROAD, LA GRANGE
JEWEL	507 EAST WOODLAWN, LA GRANGE PARK
JEWEL	5545 SOUTH BRAINARD, COUNTRYSIDE
VILLAGE HALL	53 SOUTH LA GRANGE ROAD, LA GRANGE
7-ELEVEN	6 EAST 47TH STREET, LA GRANGE

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