

**UNITED CITY OF YORKVILLE
ADMINISTRATION COMMITTEE MEETING
Wednesday, March 16, 2022 6:00pm
City Council Chambers
800 Game Farm Rd., Yorkville, IL**

Note: This meeting was held in accordance with Public Act 101-0640 and Gubernatorial Disaster Proclamation issued by Governor Pritzker pursuant to the powers vested in the Governor under the Illinois Emergency Management Agency Act. This allows remote attendance for this meeting to encourage social distancing due to the ongoing Covid-19 pandemic.

All attendees were in person unless otherwise noted.

Committee Members In Attendance:

Vice-Chairman Chris Funkhouser
Alderman Seaver Tarulis
Alderman Dan Transier
Alderman Craig Soling

Other City Officials In Attendance:

City Administrator Bart Olson
Assistant City Administrator Erin Willrett/electronic attendance
Finance Director Rob Fredrickson

Others in Attendance: None

The meeting was called to order at 6:00pm by Vice-Chairman Chris Funkhouser and he announced those who were present.

Citizen Comments: None

Minutes for Correction/Approval: February 16, 2022
The minutes were approved as presented.

New Business:

1. ADM 2022-14 Budget Report for February 2022

Mr. Olson reported the revenues continue to outperform expectations. He said Christmas sales will be on next month's report and it was the largest amount of holiday sales on record. In 2021, there was a shift to purchases being made in November in addition to December.

2. ADM 2022-15 Treasurer's Report for February 2022

Mr. Fredrickson reported the following:

Beginning Fund Balance:	\$14,992,735
YTD Revenue:	\$48,965,125
YTD Expenses	\$35,303,850
Projected Ending Fund Balance:	\$28,654,010

3. ADM 2022-16 Website Report for February 2022

Assistant City Administrator Willrett said the city is exclusively on Google Analytics now. A website refresh is scheduled which was contractually prepaid.

4. ADM 2022-17 Fiscal Year 2023 Insurance Renewals

Mr. Olson said staff recommends staying with Blue Cross Blue Shield after a comparison with other insurance companies. He said the actual benefits along with potential disruption to employees are also weighed each year when choosing a carrier. The rates are up 6.42% this year, but below the budgeted figure of 8%. BCBS dental and life insurance are also being recommended because of the best discounts. He also briefly discussed employee contributions. This moves to the Council consent agenda.

5. ADM 2022-18 Facilities Manager Intergovernmental Agreement

This agreement comes due at the end of the year, however, notice to renew must be given by the end of June. Mr. Olson said staff sees merits in renewing this shared position. He said the current Manager has demonstrated leadership in the upcoming city hall remodeling that will be beneficial for the future Public Works facility. Staff recommends renewal of the agreement with Oswego and a formal agreement will be brought back to the city.

Chairman Funkhouser asked how many hours of work Yorkville receives from the position. Those figures will be calculated and tried up in the next 2-3 weeks, though Mr. Olson did say that the Facilities Manager spends 60-70% of his time at Yorkville. Mr. Funkhouser asked when the city will have a need for a full-time person. Mr. Olson said that neither town has yet proposed that the position needs to be expanded, though both towns have seen the need grow. Alderman Soling asked about the length of the agreement term and Mr. Olson replied that five years will likely be negotiated. Mr. Soling asked if a shorter term would be more beneficial to allow for flexibility. The present agreement locks in a more secure, long-term position, said Mr. Funkhouser. This item will move to the Council for a vote on the regular agenda.

(all 3 below items discussed together)

6. ADM 2022-19 Ordinance Amending Water Service Rates and Sewer Maintenance Fees

7. ADM 2022-20 Water, Sewer and Road Infrastructure Fee Renewal

a. Ordinance Amending the Infrastructure Maintenance Fee for Water and Sanitary Sewer Service

b. Ordinance Amending the Termination Date of the Motor Vehicle Tax in the United City of Yorkville

8. ADM 2022-21 Fiscal Year 23023 Budget Proposal

Mr. Olson said water rates have not changed since 2016. The proposed bi-monthly rate increase is from \$17 base rate to \$24 base rate. Any base rate change primarily affects residents and volumetric rates impact businesses. He said the sewer rates are inflationary only and have not increased in several years. September 1 is the scheduled date for the base rate increase while January 1 is the date for the volumetric change.

The second item Mr. Olson discussed was the infrastructure fees with no proposal to change. He said they will be folded into the broader water rates at some point for a condensed bill. He said the ordinance for infrastructure is a one-year sunset renewal.

Chairman Funkhouser questioned how much revenue would be lost if the rate increase dates were delayed. Mr. Fredrickson said about \$316,000 would be realized on an annualized basis. Mr. Olson said a few million dollars could be generated by 2024. He said many of the project expenses would be within a 5-year period and it is not yet known if there will be grants, funds, loans.

Alderman Transier asked if any rates might be reduced such as infrastructure, MFT, etc. since the city has received more money from sales tax increases. Mr. Olson replied some projects would have to be eliminated to reduce rates. He noted that water and sewer projects have almost been all funded thanks to the best budget ever at this time.

Administrator Olson briefly discussed the real estate transfer tax proposal in Oswego and said he will bring that information to the next City Council meeting for discussion. He briefly explained that when a house/property is sold in Oswego, a tax would be imposed on the sale. The committee had a discussion about the procedure, who would pay the tax and the amount generated in some communities. He noted that if Yorkville decided to approve such a tax, it would need a referendum. Committee members commented that such a tax might be a tough sell, but they liked a fee-based system where residents pay for what they use.

The budget must be approved by the end of April and it would be beneficial to have the rates in the budget, said Mr. Olson. He said the infrastructure fees must be approved by the end of April, however, the water/sewer rates can be set after that date and sewer rates are proposed to start May 1. If the water rates are deferred, a budget amendment would be needed.

Chairman Funkhouser asked if senior water rates would be an option, similar to the senior rates for garbage pickup. Alderman Transier suggested a senior use rate as opposed to a cubic feet rate. Staff was asked to provide a comparison sample of senior household usage vs. regular household usage. Alderman Transier suggested a possible tiered rate and raise rates after they hit a certain threshold as an incentive to use less water. Alderman Funkhouser talked about different levels of wastewater and how it impacts the sewer system. Mr. Olson said YBSD is not likely to change their structure based on the upcoming projects they have. Alderman Soling said Fox Metro averages the cost for pool water with 30 day notice that a resident is filling their pool. Chairman Funkhouser said that water meters should be changed to a digital system for increased accuracy. Alderman Transier suggested that meter replacement might be part of

meeting the waste loss threshold. The city's current water loss is 12% and it must be reduced to 10%.

Alderman Soling noted that IEPA has forced sanitary districts to lower the amount of phosphorus to a certain level which Fox Metro has now met. He added that YBSD is right at the level and will be taking steps to improve that as the population grows.

The committee also briefly mentioned plowing trails in the winter as many people still use them in the winter. The downtown is not shoveled and it was noted that Oswego contracts to have their sidewalks cleared.

In summary:

-- the committee will move the water/sewer rates (item # 6) and maintenance discussion to the full Council on the regular agenda.

--the water/sewer/road infrastructure renewal (item #7) will move forward to the consent agenda as a recommendation

--the Budget Proposal (item #8) is for information.

Old Business: None

Additional Business: None

There was no further business and the meeting adjourned at 7:03pm.

Respectfully transcribed by
Marlys Young, Minute Taker