

VILLAGE OF ALSIP
MINUTES OF
BOARD OF TRUSTEES
COMMITTEE MEETING
July 9, 2012

Mayor Kitching called the meeting to order at 7:30 p.m. Clerk Venhuizen called the roll with the following in attendance: Trustees Shapiro, McGreal, Daddona, Quinn, Dalzell, Ryan, and Mayor Kitching.

Mayor Kitching reported the Fire & Police Commissioners will swear in the next eligible candidate on the Fire Lieutenant's list, effective July 16, 2012.

Chairman Jack (Rocky) Golomb, performed the swearing in of Patrick Scott as Village of Alsip, Fire Lieutenant, effective July 16, 2012.

Following a ten minute recess, Mayor Kitching called the meeting back to order.

MAYOR'S REPORT: Mayor Kitching introduced Jim Makina, President of the Alsip Industrial Association. Mr. Makina reported the Alsip Industrial Association and the Alsip Chamber of Commerce are pleased to announce the 2012 scholarship recipients from the Alsip Scholarship Program. These funds are available to students through donations and sponsorship, from the Alsip Business community and this year's corporate sponsors; Alsterda Construction, Gove Masonry, Querry & Harrow, Park Lawn Association and Industrial Welder Rebuilders. These donors believe the education of future Alsip's workforce is important. This year's \$5,000 in funding this program brings the total funding to cover \$155,000, over the past 19 years. Mr. Makina introduced the Alsip Scholarship Committee; Mary Schmidt, Alsip Chamber of Commerce, Sandy Koscis-Rogalski, Koscis Brothers, Dan Lombard, Lombard Company, and Scott Petersen from Petersen Electro-Musical. Mayor Kitching, Mary Schmidt and Scott Petersen presented the following scholarships for 2012: Maheen Ahmed, \$1,000, University of Illinois, Accounting; Ambar Barajas, \$1,000, Everest College, Medical Assistant; Ahrianna Mitchell-Sodipe, \$1,000, University of Illinois, Biochemistry; William Patterson III, \$1,000, Wisconsin College, Biology/Pre Med; Autum Regal-Steinberg, \$1,000, St. Xavier University, Psychology.

Mayor Kitching introduced Mr. Arnie Schram, Progressive Energy Group, and recommended consideration of a small utility tax on electrical bills and elimination of the Village's vehicle sticker program. Mr. Schram, reported residential aggregation is a new law passed by the Illinois Legislature and run by the Illinois Commerce Commission (ICC) and Illinois Power Authority. This option allows residents and small commercial customers (under 15,000 kwh) to aggregate their electric usage to save money. This is much like municipal contracts for cable and trash removal. If approved by the Board, the Village of Alsip would need to put a "Binding Resolution" on the ballot for the November 6, 2012 election. This Binding Resolution would give the Municipal Council the authority, but not the obligation, to negotiate an electric contract on behalf of the residents and small commercial customers. Following approval of the Binding Resolution, the Municipality must conduct at least two public hearings/informational meetings for residents. Progressive Energy on behalf of the municipality negotiates rates with suppliers via municipal energy auction. Progressive Energy, NIMEC and Rock River are the only energy consultants under consideration that have successfully implemented an "Opt-Out" municipal electric aggregation program in Illinois. Progressive Energy Group fee is \$3.00 - \$4.00 per household, which is paid by the supplier. Mr. Schram will forward a contract to the Village for review by the Village attorney. Discussion followed.

CLERK'S REPORT: Clerk Venhuizen presented: 1) IDOT Motor Fuel Tax Allotment for June, 2012. 2) Recommendation from Robinson Engineering to award the contract for the IDOT General Obligation Bonds Phase 7/Hamlin Court Reconstruction to D Construction, Inc., the lowest, qualified bidder, in the amount of \$160,193.57.

PUBLIC FORUM: Mayor Kitching called for input from the public.

FINANCE REPORT: Trustee Quinn presented: 1) List of payroll. 2) List of accounts payable.

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69 3) Report on Public Act 97-0609, Compensation and Benefits. On August 26, 2011 Governor Pat
70 Quinn signed Senate Bill 1831 (Public Act 97-0609), amending the Illinois Open Meetings Act
71 and the Illinois Pension Code. This Act provides that within six days of approving its budget, an
72 Illinois Municipal Retirement Fund (IMRF) employer must post information for each employee
73 having a total compensation package that exceeds \$75,000.

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77 Additionally, any IMRF employer who approves an employee total compensation package equal
78 to or exceeding \$150,000 per year must post that information at least six days prior to approval
79 of the budget. Total compensation according to this Act is defined as salary, health insurance,
80 housing allowance, vehicle allowance, clothing allowance, bonuses, loans, vacation days granted
81 and sick days granted. In accordance with the definition of total compensation within the Act, the
82 Village of Alsip has no employees subject to the separate disclosure of compensation equal to or
83 greater than \$150,000.

84
85 Under P.A. 97-0609 the Village is only required to disclose compensation of employees who
86 participate in IMRF. However, the Village is providing the attached list of employees with an
87 estimate of the true compensation which includes other costs of the Village that benefit the
88 employee. We have sought to include all positions, including those covered by other retirement
89 programs. This information is as of May 1, 2012 for the fiscal year 2013, and is on the Village
90 website under Finance Department.

91
92 Trustee Quinn scheduled a Finance Committee of the Whole meeting for July 18, 2012 at
93 7:00 pm, to discuss bonds, red light cameras and other matters that affect the Finance
94 Department. Trustee Quinn requested the Clerk make the appropriate postings and provide
95 someone to take the minutes for this meeting.

96
97 FIRE DEPARTMENT REPORT: Trustee Dalzell presented: 1) Reminder that Fire Chief
98 Geraci's official date of retirement is July 15, 2012. 2) Letter of appreciation complementing the
99 Alsip Fire Department for responding to a person with a heart problem.

100
101 POLICE DEPARTMENT: Trustee Daddona presented: 1) Garcia timesheets. 2) May and June,
102 2012 monthly reports. 3) National Night Out will be held Tuesday, August 7, 2012 at 6:30 pm
103 outside the Village Hall.

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105 PUBLIC WORKS DEPARTMENT REPORT: Trustee McGreal reported the committee is
106 working on the Christmas decorations.

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108 BUILDING DEPARTMENT REPORT: No report.

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110 HEALTH & POLLUTION: No report.

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112 SEWER & WATER: Trustee Ryan presented: 1) Discussion on an Ordinance Approving First
113 Amended Intergovernmental Agreement for the Establishment of the South Suburban Joint
114 Action Water Agency. 2) Discussion on an Ordinance providing the execution and delivery of a
115 Member Guaranty Agreement and for the issuance of not to exceed \$1,650,000 General
116 Obligation Bonds, Series 2012 (the "Bonds") of the Village of Alsip, Cook County, Illinois, and
117 for the levy of a direct annual tax sufficient to pay the principal and interest on said Bonds.
118 Mr. Dan Donohue was in attendance to answer questions. Midlothian, Markham, Harvey,
119 Calumet Park, and Blue Island have approved the Amended Agreement and issuance of General
120 Obligation Bonds. Trustee Shapiro reported the water rate increases authorized by the City of
121 Chicago are: 2012-25%/50 cents per thousand; 2013-15%/37 cents per thousand; 2014-15%/43
122 cents per thousand; 2015-15%/50 cents per thousand.

123
124 Mr. Donohue explained the borrowing was structured borrowing so the first year is capitalized
125 interest; none of the Villages will have to come up with anything for the first year. Ideally, we
126 would come back with the Feasibility Study, give the Village hard numbers and hard
127 construction costs so the Village can enter into long term contracts with their customers and with
128 the agency. The Agency can take these long term water contracts and secure water revenue
129 bonds to construct the system. Trustee Shapiro recommended approval of the Ordinances.

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134 Trustee Quinn reported the \$1,650,000 million dollar liability for 12 years is just opening the
135 door for a three hundred million dollar liability. If this project falls apart a nickel per thousand
136 gallons will be added to the water rates to pay for the bonds. The Village is responsible for 30%
137 of the costs of the initial engineering and feasibility study, and we only have one vote on the
138 Board. Trustee Quinn recommended meeting with Palos Heights and Crestwood, the Village's
139 customers, to be assured they plan on remaining as Village customers; because if they bail in
140 2016, Alsip is liable for the daily allotment that includes their allocation.

141
142 Mr. Donohue explained that in order to stay a member of the agency the following conditions
143 must be met: 1) Village must be a party to the intergovernmental agreement. 2) Village must
144 have their own water allocation. 3) The Village must own municipal water system. 4) Village
145 must enter into long term water purchase contracts with the agency. If at the end of the short
146 term financing, Alsip does not like the numbers, Alsip does not enter into a long term water
147 purchase contract. At that point Alsip would no longer be a member, but remains responsible for
148 repayment of the \$1,650,000 bonds.

149
150 Mr. Donohue explained that Indiana law is like Illinois law – no municipality can block a public
151 utility, JAWA; they can permit, inspect and require restoration, but can't stop a public utility.
152 Trustee Quinn requested a copy of the legal opinion. Trustee Quinn will discuss with officials of
153 Crestwood and Palos Heights. Trustee Ryan made note of the enormous amount of materials for
154 the Board to review in order to make an educated decision. Mr. Donohue reported he is available
155 for any committee or board member that needs more information. Discussion followed. This
156 item should be placed on the agenda for next week.

157
158 LICENSE REPORT: Trustee Quinn presented: 1) Request for approval of a list of licenses.

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160 PLANNING/ZONING REPORT: Trustee Shapiro presented: 1) Report a CMAP Steering
161 Committee meeting is scheduled for July 24, 2012 at 6 pm, for the final stage of the first phase.

162
163 REPORTS OF SPECIAL COMMITTEES

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165 VILLAGE PROPERTY: No report.

166 INSURANCE COMMITTEE: No report.

167
168 ORDINANCE & LEGISLATION: Trustee Dalzell presented: 1) An Ordinance for Establishing
169 Compensation and Pay Rate for elected officials in the Village of Alsip was distributed to the
170 Board for review. This item should be placed on the agenda for next week. Trustee Dalzell
171 referenced three ordinances 97-11-2, 89-11-4, 87-8-3, that speak to different aspects of the
172 Ordinance and the Clerk will meet with Trustee Dalzell to review and consolidate these
173 ordinances.

174
175 IT REPORT: No report.

176 BOAT LAUNCH: No report.

177 PRESENTATIONS, PETITIONS, COMMUNICATIONS: None.

178
179 UNFINISHED BUSINESS: Trustee Quinn requested the Action Item regarding Sportsman Club
180 and be placed on the agenda for next week.

181
182 NEW BUSINESS: Mayor Kitching reported the Executive Session was scheduled for next week
183 to discuss pending litigation.

184
185 ADJOURNMENT: Motion by Trustee Dalzell to adjourn; seconded by Trustee Daddona. All in
186 favor; none opposed. Motion carried at approximately 8:30 pm.

187
188 Respectfully submitted,

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192 _____
193 Deborah Venhuizen
194 Village Clerk, Alsip, Illinois