

**COMMITTEE-OF-THE-WHOLE  
MINUTES OF THE MEETING OF THE PRESIDENT  
AND THE BOARD OF TRUSTEES OF  
THE VILLAGE OF ARLINGTON HEIGHTS  
VIRTUAL MEETING  
TUESDAY, NOVEMBER 10, 2020  
7:00 P.M.**

**BOARD MEMBERS PRESENT:** Mayor Thomas Hayes, Trustees Rosenberg, Baldino, Canty, LaBedz, Padovani, Scaletta, Schwingbeck & Tinaglia

**STAFF MEMBERS PRESENT:** R. Recklaus, T. Kuehne, M. Juarez, K. Baumgartner, M. Mattio, B. Hume, Charles Witherington-Perkins, Scott Shirley, Chief Andrew Larson, Deputy Chief Ron Fraider and Various Department Support Staff

**OTHERS PRESENT:** Steve Daday from Metropolis

**SUBJECTS:**

- A. Staff follow-up from previous meeting
  - B. Performing Arts at Metropolis
  - C. Review of Department Budgets
  - D. Final Recommendations of Committee-of-the-Whole to Board of Trustees for Property Tax Levy
  - E. Final Recommendations of Committee-of-the-Whole to Board of Trustees for the 2021 Budget
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Pres ProTem Rosenberg called the meeting to order at 7:00 PM.

**Staff follow-up from previous meeting**

It was asked if in addition to medical supplies, there was a decrease in other costs under Commodities - General Fund. Mr. Kuehne said the Fire Department saw a decrease of \$85,000 in medical supplies and a decrease of \$73,000 for clothing costs. There was also a \$73,500 decrease in petroleum costs over various departments.

Why does the water bill transactions performance measure increase each year? Mr. Kuehne stated that in 2018 the Village changed credit card processors and they changed their banking and recording relationships. He went on to say he does not feel very confident about the numbers reported due to all the changes. He suggested to the Board to either delete the performance measure or continue to monitor and review it in the next year. Trustee Scaletta said he would like it to remain until the Finance Department can reevaluate how the information is acquired and disseminated into the budget process.

Why did the Senior Center's health insurance cost increase by 45%? Mr. Kuehne stated that one employee who previously did not participate in the Village's health insurance plan obtained family coverage, and one employee who previously had single coverage changed to family coverage.

Why did the Fire Department's cost of medical insurance for on-duty injuries increase? Mr. Kuehne clarified that there were three duty-related disability firefighter retirees added to the 2021 health insurance budget.

### **Performing Arts at Metropolis**

Mr. Steve Daday, President of Metropolis' Board began by thanking the Village and mentioning the newly installed marquee. He stated that the theater attempted a reopening in May for some in-person performances but it was financially unfeasible. However, he went on to say that the school is up and running offering virtual and limited in-person classes.

Mr. Daday announced that Baskerville will open in January with virtual performances. He stated that the theater plans to offer other virtual performances and is working with the Village and land owners to possibly have an outdoor venue for performances outside.

Mr. Joe Keefe, Executive Director of Metropolis, said that during the past 4 or 5 years, the Metropolis Theater experienced much success providing reserves that along with support from the Village, donors and the Board will carry them into 2021. He expects to be in full revenue generation by mid-2021.

Trustee Rosenberg asked if the additional funds they are seeking could be spread out with their regular payments or if there is an immediate need for it. Ms. Carla McAleer, Metropolis' Finance Director, said that the funds could be spread out. Trustee Rosenberg also asked if the PPP loan they received was netted against expenses for bookkeeping purposes. Ms. McAleer stated that the PPP money was used over a period of several weeks to cover payroll expenses and that it did not net against it. However, since the loan has been forgiven the funds will have to reflect as income.

Trustee Canty, Trustee Tinaglia, and Trustee LaBedz all praised the Metropolis Theater and its staff for their efforts to keep the theater going throughout 2020.

Trustee Scaletta said he feels comfortable with the reserves for Metropolis as they are meant to be used as cash flow. He mentioned that he had a conversation with Mr. Keefe about Save our Stages – a grant program that is being presented to congress to save live stages such as performing arts and live concerts.

Mayor Hayes arrived at 7:40 PM and assumes the meeting.

## **Review of Department Budgets – Department Representatives**

### **Boards & Commissions**

Mr. Recklaus said there hasn't been a lot of change with regards to the budget. He noted 2 items where there is a deviation: A \$2,400 increase in dues for Meet Chicago Northwest, and The Board of Police and Fire Commissioners saw a \$10,000 decrease in the bi-annual examinations.

Trustee Rosenberg asked if the amount given to Meet Chicago Northwest is based on actual hotels and stays, a percentage or flat rate? Mr. Kuehne said it is 8% of hotel and motel taxes, and mentioned that there is a slight increase because 2019 was a good year. However, he said that there will be a decrease next year because 2020 receipts are definitely not as good as 2019. Mr. Recklaus added that the 2020 budget is based on 2019 hotel tax receipts.

Trustee Scaletta mentioned that as tourism has gone down, he is not sure how Meet Chicago Northwest will make up the deficit in the coming year. He went on to say that they have done so much for the Village with branding and providing materials at hotels.

### **Planning & Community Development**

Mr. Perkins began his presentation by mentioning some highlights that included Arlington Al Fresco, offered small businesses in the community assistance and relief packages, and provided information about various Federal, State and Local programs including the Village's own program. He went on to say that despite the pandemic, the department carried on with pending projects such as the affordable housing guidelines, South Arlington Heights Road corridor, and the implementation of the downtown parkin study phase 1. The Department also reviewed 500 more permits from March through October of 2020 than the same period in 2019.

Discussion took place regarding the General Fund, Economic Development budget and Community Development Fund. Mr. Perkins noted there is a proposed \$28,000 in the General Fund to continue converting current files into electronic format for ease of searching records and complete research. With regards to the Community Development Fund he highlighted that they have received an additional \$383,000 in CDBG COVID funds.

Mayor Hayes asked if the additional CDBG COVID funds will be restricted in anyway as they are COVID related. Mr. Perkins said they will be restricted to COVID related needs. Trustee Rosenberg asked if the \$25,000 labeled public services in the CDBG Fund went to the Health Department. Mr. Perkins stated that the majority of the \$164,000 went to the Health Department and the \$25,000 was held back for other social service agencies if the Health Department did not use it. Trustee Scaletta asked if the COVID CDBG Funds could go towards reimbursing organizations for purchasing COVID related items such as masks, face shields, installation of dividers. Mr. Perkins said those are all eligible for reimbursement, but did not know how retroactive the allocation could be. He mentioned that a lot of the requests they are receiving are from agencies to assist with payment for hotel accommodations for clients.

Mr. Perkins went on to talk about the TIF Districts. Pertaining to TIF IV, he stated that there is a proposed \$500,000 placeholder for redevelopment of a mixed-use development to combine commercial along Golf Road and a senior living facility in the rear of the development. In regards to TIF V, there is a proposed \$2.5M placeholder for potential redevelopment and the uptown branding initiative which has been a work in progress with IDOT. There is also a \$100,000 holdback to be able to accommodate future tax appeals that may need to be reimbursed. Mr. Perkins went on to talk about the Hickory/Kensington TIF District. The Board previously approved a redevelopment plan for 4 N. Hickory with an incentive of \$1.5M. That project did not commence this year and it will be re-budgeted for the upcoming year. Lastly, as for the South Arlington Heights Road TIF, they are waiting for the county to provide their certified equalized assessment levels.

In regards to the uptown branding initiative, Trustee Scaletta asked if IDOT provides reasons when they deny signage. Mr. Perkins stated that they have had meetings with IDOT, and IDOT has indicated they do not want anymore poles in their right-of-way. A possible solution would be key entry signs placed on private easements.

Mr. Perkins moved on to discuss the Capital Projects Fund, Affordable Housing Trust Fund and the Zero Interest Loan Fund. He stated that in the Capital Projects Fund the downtown streetscape project and the Rand Road corridor project will be re-budgeted. As for the Zero Interest Loan Fund, a total of \$400,000 has been loaned to small businesses in the community or other economic development activity.

### **Public Works**

Mr. Shirley began his presentation with 2020 accomplishments which included the watermain replacement program, completion of cured-in-place lining, commencement of a sewer study in the south corridor and the continued development of the Cityworks application. He went on to mention a few projects that will happen in 2021 and the continuation of others such as street light LED upgrades, Kensington Road resurfacing and multi-use path improvements, and paver brick maintenance.

Mr. Shirley recalled the weekend in July 2019 when there were 22 water main breaks. As a result, AECOM consulting firm was hired to assess the water system. They identified some weaknesses and redesigned the way the water system is controlled. After implementation of some changes in May of 2020, the Village has seen 100 fewer watermain breaks in comparison to the prior years.

Trustee Scaletta noted that the budgeted amount for backyard drainage improvements under the Storm Water Control Fund has decreased from \$600,000 in 2020 to \$400,000 in 2021 and further to \$300,000 in 2022. He asked if the budgeted amount is sufficient considering some residents have reached out to the Trustees when encountering problems in their backyard. Mr. Shirley stated that drainage patterns have changed and the amounts budgeted are placeholders. He said that the revenue from the Storm Water Utility Fund is being used towards projects eliminating structure flooding, but that the backyard drainage program will go on for a long time.

Mr. Pagones added they plan to keep funding in the \$300,000 and that they have been researching possible grants.

Trustee LaBedz asked how the enhanced overhead sewer project is going. Mr. Shirley stated that the program is administered by the Building Department. Mr. Recklaus added that despite the increase in subsidy, there have not been many residents interested in the program, perhaps because the level of flooding has decreased. Mayor Hayes also added that since 2007, 238 overhead sewer projects have been completed and 42 have been part of the enhanced program.

Trustee Rosenberg inquired about the progress of the street LED lighting project. Mr. Shirley stated that Public Works does about 400 upgrades per year and that the project will continue for another five years. Trustee Rosenberg asked how much time the Department needs to disassemble Arlington Al Fresco. Mr. Shirley said it would take four days to drain the water barriers and clean up the sidewalks. Trustee Rosenberg asked if they continue to replace water meters. Mr. Shirley explained that some water meters are replaced, while others are repaired, depending on the kind and age of meter. He went on to say that it is a big project on their list, and they want to invest time to research the type of water meters before purchasing. In regards to the Water & Sewer Fund, Trustee Rosenberg asked if the 2.5% increase from the Northwest Water Commission was planned after a certain amount of years and if it is passed to all municipalities. Mr. Shirley stated that the Northwest Water Commission feels that the Village can afford to increase water rates and reinvest the funds for future projects. Trustee Rosenberg asked what the funds allocated to the Risk & Resiliency Plan are for. Mr. Shirley said that in 2018 the USEPA required for all pumping stations providing potable drinking water to be secured. A consulting firm was hired and developed a plan to include installation of a camera system, key fob entry, security lighting, and fences around all facilities. The lower cost security improvements such as cameras and key fobs will be put into place in 2021 and paid for by a grant received from the Northwest Water Commission.

### **Fire Department**

Chief Larson began by acknowledging the men and women of the Arlington Heights Fire Department for their dedication during this challenging year. He stated that in 2020 the Fire Department undertook two key projects. The first, finalization of the entry level firefighter testing cycle which brought in more than 400 application submissions. He stated it was due to their newly developed recruitment team and expanded outreach. The second project was the creation of a new division known as Risk Reduction. This division is an initiative to enhance public education by sharing safety messages via social media and to develop incident action plans and safety policies for residential and employee safety. Risk Reduction became crucial during the COVID-19 pandemic. The division also serves as the Department's workers compensation and FMLA representative.

Chief Larson went on to say that while preparing the 2021 budget, the fire administration noticed an increased number of variances as a result of an attempt to enhance operational efficiency through fund accountability and tracking measures. To clarify any confusion, the budget team developed new account titles to support the intent of the overall account.

In regards to the COVID pandemic, Chief Larson stated that the Department initially saw a 24% decrease in call volume. More recently they have experienced a surge, and anticipate the call volume will increase as 2020 comes to an end. They have also experienced more calls with positive COVID cases. He went on to mention that there has only been one significant outbreak within the Department. As a result, there were modifications made to limit future incidents and recognizes the administrations work for implementing policies and procedures, and employees for remaining diligent and following them.

Chief Larson stated that the Fire Department has identified two measures to lessen the Village's financial challenges. First, in July of 2020 the Village Board authorized the purchase of two additional power-load systems – one for each reserve ambulance. The reserve ambulances will now rotate into frontline status which will result in a longer apparatus lifespan. Therefore, the anticipated replacement of an ambulance in 2021 at an estimated cost of \$325,000 and one in 2022 at an estimated cost of \$334,000 can be delayed. Second, the Fire Department will be participating in the Ground Emergency Medical Transport (GEMT) Medicaid reimbursement program. Under this program the Village would be reimbursed the difference between the current Medicaid reimbursement rate of approximately \$700 and the true cost of an ambulance call which is estimated to be about \$2,000. This could potentially realize a significant increase in addition General Fund Revenue.

Trustee Rosenberg asked for clarification on the proposal of expanding ambulance lifespan and if the number of ambulances in service at any point in time will remain the same. Chief Larson explained that there are currently two ambulances in reserve that are due for replacement in the next few years. The reserve ambulances are not utilized as frequently resulting in less mileage and less wear and tear. Rather than purchasing two new ambulances, he proposed investing roughly \$50,000 and rotating the reserve ambulances into front-line status to delay the purchase of two new ambulances. He confirmed that the number of ambulances in service will remain the same. Mr. Recklaus added that by better equipping the reserve ambulances it will increase their use and take the pressure off the more frequently used ambulances. Trustee Rosenberg inquired about response times. Fire Division Chief Rick Manthy stated the Department added the ability for screening calls for response determinant. The response times are a bit skewed because ambulances responding to less-emergent calls may take longer than those responding to more urgent calls. He stated that they are working on sorting out response time based on the level of emergency. Trustee Rosenberg asked if the re-writing of the Fire Department General Orders and Standard Operating Procedures that was listed as a strategic priority for 2020 and 2021 are the same. Deputy Chief Fraider stated that the project was much larger than anticipated. In 2020 they completed 21 re-writes and have another 15 to do going into 2021. He explained that some policies were close to 20 years old and for one policy an additional 3 policies had to be created to support it. Trustee Rosenberg asked about the life-cycle of turnout gear. The Fire Department responded that the life of turnout gear is 10 years.

Trustee Scaletta acknowledged the Department's creativity and efforts to use reserve ambulances to further extend the lifespan of more frequently used ambulances, therefore reducing taxes imposed by the residents. He went on to ask about the correlation between response times and ISO ratings, and requested a breakdown of response times for each response determinant. Mr. Recklaus stated that going forward the Department will be able to provide that

information. Fire Division Chief Manthy added that with the new software they will be able to dispatch vehicles based on response determinant and location of the vehicle using GPS. In regards to the power cots, Fire Division Chief Manthy related its importance to reducing worker's compensation claims. Trustee Scaletta requested that at next year's budget meeting a line item be added to show how many worker's compensation days were lost each year.

**Final Recommendation of Committee-of-the-Whole to Board to Trustees for the Property Tax Levy**

Trustee Rosenberg moved, seconded by Trustee Scaletta that the Committee-of-the-Whole recommend to the Village Board of Trustees to authorize staff to prepare the Village's and the Arlington Heights Memorial Library's 2020 Tax Levy Ordinance reflecting an estimated total tax levy of \$51,828,721 or a 0% increase over the 2019 extended tax levy for the Village and Library portion of the levy.

**Final Recommendation of Committee-of-the-Whole to Board of Trustees for the 2021 Budget**

Trustee Rosenberg moved, seconded by Trustee Tinaglia that the Committee-of-the-Whole recommend to the Village Board of Trustees that the Board approve the Proposed 2021 Budget as amended through the review process.

**TRUSTEE SCALETTA MOVED, SECONDED BY TRUSTEE CANTY TO ADJOURN THE MEETING AT 9:40 P.M.**