1200 Wilmette Avenue
WILMETTE, ILLINOIS 60091-0040

MINUTES OF THE SPECIAL MEETING OF THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF WILMETTE HELD ON THURSDAY, VILLAGE HALL, 1200 WILMETTE AVENUE, WILMETTE, ILLINOIS.

Members Present:	
President	Bob Bielinski
Trustees	Daniel Sullivan Gina Kennedy Kathy Dodd Joel Kurzman Peter Barrow Senta Plunkett
Staff Present:	Timothy Frenzer, Village Manager Michael Braiman, Assistant Village Manager Brigitte Berger-Raish, Engineering & Public Works Director Melinda Molloy, Finance Director John Prejzner, Assistant Director of Administrative Services Dan Manis, Village Engineer Jorge Cruz, Assistant Village Engineer Ryan Kearney, Project Manager
Guests Present	Keith Readling, Raftelis Financial Consultants Jill Wu, Raftelis Financial Consultants

1. Call to Order

President Bielinski called the meeting to order at 7:04 p.m.

2. Discussion of Stormwater Utility Fee (Presentation by Raftelis)

Assistant Village Manager Mike Braiman said that since June, the Village has been working with Raftelis Financial Consultants on the implementation of a stormwater utility fee, which is slated to be effective on January 1, 2020.

Trustee Barrow asked about the importance of the January 1 date. Mr. Braiman said the goal is to make a debt service payment at the end of 2020, so the Village will need to collect 12 months of the utility fee.

Keith Readling, Executive Vice President and Director of Stormwater Financial Management Consulting for Raftelis Financial Consultants, gave a presentation on the stormwater utility fee.

Mr. Readling gave a PowerPoint presentation (attached). He said they have been working with staff and the Village's financial advisor to create a scenario that optimizes the spending while easing into the rates over a seven year timeline. The revenue requirements will begin at less than $1.4 million in 2020 and increase steadily to $4.3 million in 2026. He showed a breakdown of proposed rates based on a fixed fee and rate for impervious area for non-residential properties and flat rates for impervious area ranges for residential properties. The average residential property in the first year would be charged $136 and the residential properties with more impervious area would be charged roughly $40 more.

Mr. Braiman said that everything past 2020 is a projection, which means based on the interest rates going forward, there may be fluctuations. President Bielinski said that the projection is very conservative.

Mr. Readling discussed possibly exempting Village owned or managed properties and tax capped units of government. He said tax capped entities like school districts and the library would generate roughly $225,000, if not exempted. If exempted, there would be an estimated $30 per year added to the average residential homeowner by 2026. He said in his experience, exempting certain tax-exempt entities can result in court challenges.

President Bielinski asked if government owned versus tax capped entities were the same. Mr. Readling said that in the case of exempting from a fee a privately held 501c or a church, it is almost always a summary judgment loser for the stormwater fee.

Mr. Readling said that he doesn't recommend exempting properties, but if the Village would choose to exempt, they could do the following: give a full exemption; charge a lesser fee or calculate and charge what would have been paid had the sewer rates been increased without a stormwater utility fee.

President Bielinski said that crafting public policy rationale to exempt properties would be difficult since the common taxpayer pays the fee whether it goes through the park district, school district or billed directly from the Village.

Trustee Plunkett asked if there was a fixed fee for tax capped entities. Mr. Readling said that he is unaware of any municipalities that have done that. He said that some cities have implemented a long phase in for the fees for tax capped entities. Mr. Braiman said there is a phase in period since the max fee is collected in 2026. He said that Winnetka does not exempt tax capped properties and that Downers Grove exempted tax capped and then the following year the non-profits, but that they didn't have debt service.

President Bielinski said that Wilmette has a target it must hit and if it doesn't collect from a tax exempt, it will have to come from the residents.

Mr. Readling said that multi-family residential properties are not the same as single detached residential units. There is a fixed fee for each unit and a low tier impervious fee per unit. This can be equivalent to a low tier single family residence. He said units in multi-family complexes proportionate share of impervious area is very small, which creates an overcharge. He recommended using a fixed charge for each unit or allocate the impervious area between all of the units and charge one fee per unit.

President Bielinski said it is basically like taking the commercial property fee and divvying it up. From an engineering standpoint, one small condo unit does not affect the impervious area as much as a single family residence.

Trustee Sullivan asked how the calculations are made for each complex. Mr. Readling said that it's broken down by number of units of impervious area plus one fixed charge. The condo association then divides the cost per unit. President Bielinski said it will be the same for commercial properties.

Trustee Dodd asked if each unit gets billed individually. Mr. Readling said that it will go through the water bill. If the complex is billed individually, the charge would be on the individual bill. If the association is billed as one, it would be up to the association to bill individual units.

Trustee Kennedy said it would be up to the complex to divide up the costs. Mr. Readling confirmed this.

Trustee Sullivan asked about the affordable housing unit. Mr. Braiman said the development isn't finished so they don't have the impervious area percentage but he believes the costs will be lower based on the smaller size of the development.

Mr. Readling discussed the residential rate structure. He said he recommends a fixed charge and a fee for impervious areas, for which there would be three ranges. He said that 19% of the revenue would come from Tier 1 properties; 50% would come from Tier 2 and 31% from Tier 3.

Mr. Readling addressed the question of using an impervious area percentage for the calculation of the fee. He said that he does not recommend this as the way green space interacts with runoff is different on every lot due to slope, wind direction, vegetation, soil, etc.

President Bielinski said impervious area is similar from property to property in contrast to pervious area. Mr. Readling agreed and said he has used this method once in the past on the commercial side only to find out that down the road, the property owner sold off a part of their undeveloped land, which caused their percent of pervious to go up, raising their bill. He said the industry standard is straight impervious area.

Trustee Kennedy asked about the assumption of 74% residential and 26% other contributing. Mr. Readling said that more than half of the impervious area in the Village is residential. Trustee Kennedy asked if the 26% included tax capped entities paying the fee. Mr. Readling said it's under the assumption that tax capped entities would be paying.

Trustee Dodd said that she is struggling with the idea of encouraging people to reduce their impervious surface because nothing being done is facilitate this. If someone has a low impervious surface, they are still paying the flat rate as someone within the same tier who is not. She said there are issues with slope already within the Village which are not being addressed.

Trustee Sullivan said if you can build something that is 3,200 sq. ft. but are incentivized to go 2,900 sq. ft., there is a financial incentive to do that, but if you can build something within a tier and maximize, what's the benefit to that system? President Bielinski said it's more a question about rates. By moving from Tier 3 to 2 is $120 a year and moving Tier 2 to Tier 1 is $75. He doesn't think most people would think that's enough incentive.

Trustee Kennedy said she doesn't believe the dollars are enough to drive activity. President Bielinski said it's just a more equitable way to split the cost, not drive the behavior. Mr. Frenzer said to drive behavior, change the zoning ordinance, which Trustee Dodd said that is something the Board should consider. Trustee Dodd said it is about making sure the fee is structured so that it ends up having a cost that mirrors the impact an individual residential property has on the stormwater system. She asked how the fixed fee is defined.

Mr. Readling said that someone who has a bigger lot might pay less due to the impervious coverage. He went on to say that individual properties vary but the demand on the system may be the same. In order to make an individualized charge for each property, each property would need to be evaluated for proximity to Village infrastructure, slope, soil, vegetation, etc., and he doesn't recommend it.

Trustee Kurzman said that he feels that the shift in utilizing impervious surface in large groupings is fundamental in doing more to address the issue than the nuances in the current conversation. It gets into particulars, but the broad strokes were taken care of by looking at a stormwater utility in the first place. He said that he sees all the things discussed like downspouts within the Village, soil and slope so he accepts the limitations of how specific this stormwater utility can be. He said he is also interested in furthering the efforts to encourage property owners to be more mindful of being environmentally conscious.

Trustee Plunkett said that comparing properties is dangerous because they are all different and not all properties are experiencing a flood problem. Therefore, people who aren't experiencing a flooding problem may not understand the need for the stormwater utility for themselves.

Trustee Dodd said she isn't proposing doing things by individual property but what is being charged should be tied to their direct impact to the stormwater runoff.

President Bielinski said utilizing the impervious coverage area instead of water usage is better but not perfect.

Trustee Dodd asked Mr. Readling how the fixed fee was calculated. Mr. Readling said that a fixed charge is fairer, as properties across all tiers will place the same demand on the system and the administrative costs of the program are the same for every property. The fixed charge was decided on how much revenue would be captured from the fixed charge, which is 25% in this case.

Mr. Readling explained the credits and incentives program. He said it's designed to address how different properties are managed in relation to demand for service, so if a property has a structural stormwater system, they could quality for a credit. His recommendation is to offer these incentives and credits to non-residential properties because such improvements have a tangible impact.

President Bielinski asked Engineering & Public Works Director Brigitte Berger if properties with current stormwater systems in place would be credited. Ms. Berger said that this would include properties going forward; there would be no grandfather clause.

Mr. Readling said for residential properties, he doesn't recommend credits but incentives. He said he recommends incentives for rain barrel installation and downspout disconnection.

Trustee Barrow asked how to put a dollar amount on these items. Mr. Readling said he would be meeting with staff on September 24 to discuss it, but he suggested allotting a certain amount of money for the year for a modest yearly incentive program.

Ms. Berger said that currently it depends where you live if you are required to disconnect your downspout. For a combined sewer system, downspouts are not allowed but if they were connected before 2008, they can be left as is. She said the Village could make it mandatory Village wide to disconnect.

Mr. Readling said that most residential homeowners would not be able to do much to their property to benefit the Village significantly so no credits on residential properties are recommended. He also said that in order to qualify for the small credit, the investment is so high that most homeowners won't do it.

Trustee Barrow said that residents want to be green so offering incentives and credits would be helpful. President Bielinski said an incentive program might be used while a credit program may not because the bar is set so high. Trustee Barrow said he wants to offer more.

Mr. Braiman spoke about the public education campaign. He said that the campaign will be based on using different resources to get the word out such as an article in The Communicator, dedicated webpages, a notice on utility bills, e-news, local media and two direct postcard mailings.

Trustee Barrow asked about timing and when the fee will appear on the bills. Finance Director Melinda Molloy said it will be on the first water bill in January which goes out the third week of that month.

Trustee Sullivan asked about a mock invoice. Mr. Braiman said that this will go on the first postcard in the direct mail campaign. Residents will see an example of the invoice so they know what to expect.

President Bielinski opened the meeting up to public comment.

Mr. Kaine Osburn, Superintendent from Avoca School District 37, thanked the Board for the thoroughness of their deliberations and asked for continued consideration for the concerns of the school districts and community.

Mr. Bob Davis, 227 Kilpatrick Avenue, asked if the federal government develops an infrastructure program, does Wilmette need to make an alternate plan for a shovel ready project in case the government appropriates money. Mr. Braiman said Wilmette is ahead because they have already begun the design phase.

President Bielinski reviewed the tiered rate program with one fixed rate fee and asked if any Board members had questions. Trustee Dodd asked Ms. Molloy what are the drivers of the fixed vs. variable fee and if the percentage is appropriate for the fixed fee. Ms. Molloy said there are operations costs but the driving costs are the debt service fees over time. She said that she feels confident what 2020 will be but as the model is developing, there will be a better understanding of what is fixed and what is variable. She said the variable piece at this time is the debt service.

President Bielinski asked what is the equitable way to divide costs. Ms. Berger replied that the 25% fixed fee is not tied into the overall cost or the engineering side or anything tangible. It’s more a best practice standard in the industry. President Bielinski asked what percentage of the Village’s impervious surface is public ROW versus private property. Ms. Berger said she didn’t have the number. Mr. Frenzer said that if the fixed fee is reduced, the parties whose rates go up are the commercial in Tier 3. Mr. Readling said it’s more about the allocability of costs. President Bielinski estimated there are 27.6 million square feet of streets, which equates to roughly 40% of impervious area located in the right-of-way. Mr. Readling said the average is around 30% in the communities he has worked. President Bielinski said that there is at least 25% of impervious area that is shared between Village residents. Trustee Kennedy pointed out that the higher the fixed percentage, the greater the burden on the lowest tier. Mr. Readling said he would not recommend a higher fixed rate percentage than 25%. President Bielinski asked if going with three tiers and a fixed fee is acceptable to the Board and all were in agreement.

President Bielinski asked who was leaning toward exempting the tax capped entities. Trustee Plunkett said she was leaning more toward a smaller fee for tax capped entities and Trustee Barrow agreed. President Bielinski asked Mr Readling how to implement a lesser fee. Mr. Readling said there are two options, but neither is a good choice in his opinion. The first is to use a percent impervious rate structure just for those few properties, which is calculable. The other option is to calculate how much more the entity would pay had the sewer/water rates been raised instead of a stormwater utility fee being imposed. Mr. Readling said that option is a little better. The bill for those properties would be capped at that amount.

Trustee Plunkett stated taxpayers paying into the school districts and library will also benefit from the stormwater project. She suggested taking a certain percentage of what the fee would be under this and charge them that. Mr. Frenzer said that the rationale for these tax capped entities to be exempt or discounted is tricky because they can't be exempted from water and sewer fees because they place a demand on the system and the costs need to be borne fairly. They will benefit from this stormwater runoff project just like any other homeowner so they should share the cost.

Trustee Barrow said that the additional cost they have to bear could be borne by raising taxes, just as they would with any other increase. Mr. Frenzer said that trickles down to the property owners. He said that this is a user fee and if you start treating users differently, that can be challenged in court as was done in Winnetka. It needs to be uniform.

President Bielinski asked if there was a real risk for lawsuits. Mr. Frenzer said that the risk is low. Mr. Readling said there is not much case law to refer to, as stormwater fees are fairly new to Illinois. He said a blanket exemption would be more dangerous than a more limited exemption.

Trustee Plunkett asked if there are any additional credits that could be given to tax capped entities. Mr. Braiman said they discussed education credits, but that would open it up to private schools in town and would create a bigger issue on the revenue side. Trustee Plunkett is worried that not exempting tax capped entities would drive up Wilmette taxpayers' bills. She said she wouldn't want to see them cut programs, but if they need to make up revenue, they might raise taxes.

Trustee Dodd said they are users of the system so they should pay. It's no different than garbage collection, water usage, etc.

Trustee Bielinski asked if the Board would rather have tax capped entities pay money to the Village or put that toward their programs and services.

Trustee Sullivan said that by exempting tax capped entities, the Village can control the fee. Trustee Plunkett said that she doesn't want a situation where Wilmette taxpayers pay more as a result of exemptions.

Trustee Sullivan asked if there is an estimate on how it would be calculated. Mr. Braiman used Loyola as an example and said they come out about the same in the stormwater fee as the sewer fee. Mr. Frenzer said if this was going under the sewer fee, no one would be discussing it.

Trustee Barrow asked Mr. Osburn from Avoca School District if he was assessed the fee, what would his response be. Mr. Osburn said that they would have to look where they can cut to account for the new expense. He said that it's possible that they may have to cut the professional development for the teachers. He said they run a lean ship already with a deficit the last 3-4 years. He estimates they will get to a 48% fund balance in two years and for a district that size, it's challenging.

Trustee Plunkett asked about a referendum. Mr. Osburn said once they set priorities, it would be something they would need to evaluate. He said his main goal is get the District into a surplus state and won't know all his costs until the next contract negotiation.

Trustee Barrow said he is moving toward a full exemption at this point. President Bielinski said that he feels that the schools and library would probably need to cut something somewhere because their budgets are lean already. Trustee Barrow said that the additional costs shown for full exemption are modest in relation to the benefit to those tax capped entities. Trustee Sullivan said he would rather not cut into the school's budgets, forcing them to cut student spending. Trustee Plunkett said if they can't justify a smaller fee, then she is in favor of exempting the tax capped entities.

President Bielinski reviewed the proposed recommendation for multi-family properties to be treated like commercial properties. Trustee Plunkett said that many people who are on a fixed income are more likely to live in a multi-family residence so the fee calculation seems fair. President Bielinski noted a consensus on this item.

President Bielinski discussed the credits and incentives. He said credits for non-residential would have to be new and in excess of what the MWRD and Village require. Incentives on the residential side are one-time payments with an amount to be calculated in the future. Trustee Barrow asked if there are more incentives to be offered. Mr. Braiman said there are. Trustee Dodd questioned why it's just for new stormwater improvements. She said that doesn't feel right to her. Mr. Frenzer said that the Rain Ready program has garnered good attention from residents who have turned in applications. Ms. Berger said a new layer could be written in to add other incentives. The consensus was to have incentives but the types will be determined later. Trustee Dodd asked if incentives would reduce the fee. President Bielinski said it would be a one-time cash payment to offset the costs of the system improvements to the home. There would be a cap in the system, which the dollar amount can be determined later, and the dollar amount could be raised as the sewer fund grows. Trustee Sullivan asked if we know how many downspouts are connected and Trustee Plunkett asked what it costs to disconnect. Ms. Berger said that disconnecting at the site of the home is relatively inexpensive, but disconnecting the storm sewer connection at the main line could cost several thousand dollars. Trustee Barrow asked if the disconnection would be done by Public Works crews or a private contractor. Ms. Berger said it would be done by a private contractor.

President Bielinski said the Village will offer incentives and Municipal Services will work out the details.

He said that credits for non-residential properties is something to encourage. He said that even if the credit is made up by a small increase to residential bills, it’s fair because the residential homes will benefit from the commercial property’s improvements which reduce demand on the entire system.

President Bielinski called for a short recess at 9:10 p.m.

The meeting reconvened at 9:21 p.m.

3. Discussion of Annual Road Program

Mr. Frenzer explained the budget process and timeline. Ms. Molloy discussed the current debt service, which is projected to grow by $132.8 million.

Trustee Sullivan asked where the $22 million for the police station was derived. Mr Frenzer said there was a feasibility study done years ago and it was a rough number based on comparable sized police departments from other communities. Mr. Braiman said a space and land needs study will need to be done in 2023 to assess the numbers. The $22 million is a rough estimate.

Ms. Berger explained the overall condition of the roads in Wilmette indicates a PCI of 57. Mr. Braiman said there are still opportunities to improve the condition of some of the existing serious condition streets to bring them into a more fair condition. Ms. Berger explained the road program, which includes alleys, sidewalks, brick streets, patching, etc. Engineering staff took a look at everything and said $2.3 million is necessary to keep the program from deteriorating further. This keeps things steady until 2027 when debt service proceeds can be utilized for the road program. The $2.3 million is strictly for the road program. Another $1.4 million is budgeted separately for things such as engineering fees, topographical surveys and maintenance items.

Mr. Braiman said to keep the road program whole, alternative funding sources must be considered for the one time large grant funded projects. In looking at the Central Avenue project, without alternative sources, $1.2 million would need to be pulled from the annual road program funds in 2020 and 2021. However, this is not a simple resurfacing project; therefore, bond proceeds are recommended as additional funding, which will increase the tax levy by .88% but not until 2022. For the Skokie Valley Trail and the Skokie/Lake intersection projects, the recommendation is to utilize the General Fund reserves, as the levels can sustain these projects. There is an additional $500,000 in revenue required to fund the annual road program for 2020 to get to the $2.3 million. He believes the tax levy is the most stable form of funding. An additional 2.7% increase equates to approximately $50 for the average residential tax payer. The number may be adjusted after all the budget discussions are complete.

President Bielinski said this includes the $490,000 in additional MFT funds from the state, which brings the funding total to almost $1 million.

Trustee Dodd asked how significant this property tax increase is relative to the last ten years. President Bielinski said the last time was when Nancy Canafax was Village President and the increase was 4.97%. He said that included in the existing levy increase is 2% is for pensions. The remaining pension increase will be funded by the General Fund reserves. He said that if you remove that, the remaining increase is for normal debt service items. Mr. Braiman said that the numbers are not permanently set yet.

President Bielinski said that newly elected Trustees reported their constituents said the road program was in the forefront of their concerns. Trustee Plunkett said she has been asked repeatedly how the sewer system is being funded.

Trustee Barrow said he is still hearing about roads as well. He said people are worried about having another bad winter and how that would set the road conditions back further. He said the numbers are starting to get large and Wilmette is already doing a lot of big projects. He said everyone drives so the condition of roads is very concerning.

Trustee Kennedy said that there is a general sense that Wilmette's roads are significantly worse than the surrounding communities such as Evanston, Winnetka, Glenview and Glencoe.

President Bielinski said Wilmette residents driving in other communities are generally not driving on side streets. They are using main roads which may be in more favorable condition. Trustee Kennedy said that the charts indicate our road conditions are far worse than other communities. She said it's not just the general condition of the roads, it's the large number of roads that are in very poor and serious condition and that residents don't want to wait to year 2023 to have their street approved for resurfacing.

Trustee Plunkett talked about federal funding and said that once the federally funded projects like Locust Street and Central Avenue are finished, the overall impression of our roads is going to be better, but a lot has already been spent on roads.

Trustee Barrow said he isn’t sure that people will consider the general condition of all roads to be better after Central and Locust are finished. President Bielinski said that it will all depend on where people are driving. He said that road maintenance will always be ongoing and that Wilmette has many things on its plate currently. In addition to roads, there are pensions and the stormwater project. He said the projections last year were appropriate and had they been more aggressive, there might have been larger holes in the budget. He said the current situation and projections will cover keeping the roads the way they are and possibly improving them. If more is to be done, the percentage of increase in taxes will go even higher. Trustee Plunkett said there will always be increases to the tax levy.

Trustee Sullivan asked for a breakdown of the 4.9% as far as debt service and pensions. Ms. Molloy said that roughly 4.03% is for operations, 0.75% for public safety pensions and 0.12% for debt service. Mr. Braiman said that the public safety pensions will be going up much more than that but reserves are being utilized to offset the majority of that increase. The 4.03% for operations is comprised largely of IMRF pensions which are increasing approximately $230,000. He noted last year the IMRF pensions went down $200,000 so at this point, it’s just catching up on fund performance issues. He went on to say that the recurring revenues have stagnated or declined, which need to be supplemented by the tax levy.

President Bielinski asked how Trustees were feeling about the $2.3 million. Trustee Kurzman said he hears from residents that the safety of the roads is also paramount and that significant progress has been made there. He is hearing less from residents about the condition of the roads as a priority in light of what other issues the Village is tackling. Trustee Kurzman said he has had positive feedback about pedestrian improvements, crossing guards, traffic calming, striping, etc.

President Bielinski asked about the funding amounts. Trustee Barrow said he thinks more for this year and next and then revert to the $2.3 million suggested after that, which would be funded through the property tax levy.

Ms. Berger went through the scenario using the $2.3 million until 2027. She said initially, the PCI will rise but then decline. Mr. Frenzer said that this is inclusive of the funding being discussed ($47 increase in property tax), but that as we get past 2021, hopefully the Edens Plaza situation will clear and there will be an opportunity for rising sales taxes once again.

Ms. Berger showed a slide on the condition of the roads between now and 2036, which showed a dramatic shift from serious to excellent. President Bielinski asked what the costs would be to do all the serious and poor condition roads at one time. Mr. Braiman said it would be $8.6 million and

15% for engineering costs. He said all the 2020 serious streets would be done at that point. Mr. Frenzer and Trustee Plunkett both agreed that would make construction logistics very difficult with all the other projects going on.

Ms. Berger brought up another slide showing the accelerated road program, which showed in addition to the construction costs, there would be another $1.2 million in debt service and additional funding. Mr. Frenzer said that there are also additional costs for outside construction management.

Trustee Dodd asked what road condition the Board would be comfortable with. She asked if an overall PCI of 65 is satisfactory. She said she doesn't think it's feasible with everything else going on. She said that if the property tax is increased at 9% and there is no noticeable condition upgrade in the roads, people will be unsatisfied. President Bielinski said this will not be fixed overnight. Bond issues can create financial problems and he is nervous about creating more. He said the balance is to make it a little better every year. Trustee Kennedy said she is worried the costs will rise to make it unaffordable in the future to fix the streets. She said waiting may end up costing residents more than doing it all up front this year.

Mr. Braiman showed a slide showing the funding levels for fixing the worst streets. He said the funding levels going from $2.3 million a year to $2.75 million shows a negligible impact on how long it will take to address the roads, but it has significant impact on the tax levy. Ms. Berger said that in taking $2.3 million per year, it would take almost four years to accomplish the serious streets. If you wanted to add the poor streets, it's almost ten years and does not anticipate future declining roads. Trustee Kennedy asked about the possibility of rebuilding roads at that point. Ms. Berger said that there are still options for resurfacing that will buy time.

President Bielinski said the Board may need time to do more analysis. Trustee Dodd said that she drove the roads and in her opinion some of the very poor streets were not that bad. She said she thinks taking care of the serious roads now is more of a priority. Mr. Braiman asked the Board for their funding limitations and to narrow down the possibilities. President Bielinski said that doing a $5 million bond issue results in half the streets. Trustee Plunkett said she thought policy was not to bond issues with short life spans. Trustee Dodd said that if no bonds will be issued and the property tax won't be raised, what about a food and beverage tax. President Bielinski said that Central will be torn up so restaurants will probably be hurting. Trustee Dodd said plan it for a year and half out when Central is done. President Bielinski said that he feels like the Board needs to look at the presentations from 2016 and see the explanations on what the Village can do for funding.

Mr. Braiman said the paver program gets to a point where the condition can't be improved, which drives up the serious category. Mr. Braiman said scenarios will be calculated manually to account for this. He said a $5 million bond issue would cover the current very poor streets but not the serious streets in 2020. T

Trustee Plunkett asked how much more for the $2.3 million would the Village be getting versus the lower dollar amounts spent the last few years. Ms. Berger answered that the actual current spending level is approximately $1 million so it's nearly double with the $2.3 million. Trustee Dodd said that in 2018, the total amount spent on construction was only $1.1 million. Ms. Berger said that we are also getting 2 additional miles of streets with the stormwater construction project, which are factored into the PCI already.

4. Discussion of Water & Sewer Funds and 2020 Rate Projections

Finance Director Ms. Molloy talked about water consumption and water/sewer rates. She said the water fund debt service will grow to cover large capital projects like the water mains on Locust, Central and Lake; electrical improvements; automated meter reading system; treatment process improvements and water intake. She said the current debt service was kept short to coincide with the current wholesale water service contract, which has been extended to 2050. She said that water consumption has been declining, which has caused the fund to underperform, impacting the reserves. Fixing the water mains has been pushed back until 2023 to allow time to review water consumption levels and North Main. This means no rate increase for 2020 and 2021.

She said that the debt service for sewer is rising due to electrical improvements, the neighborhood storage project and sewer lining projects in the future. The reserve is being weighed down by GIS costs, sewer maintenance, personnel, automotive and capital outlays. Ms. Molloy covered projects through 2025 indicating the reserves will decline without a rate increase. A 4% increase in 2020 and again in 2021 is recommended. Mr. Braiman said that in 2025, the reserves do begin to increase, especially after the debt service retires. If no further debt is initiated, the rate can be revisited. She said that again, water consumption will affect the actual outcome. Ms. Molloy showed comparable community water and sewer rates, with the new stormwater utility fee included in Wilmette's rates. She said that Winnetka and Highland Park have a stormwater utility fee. With the combined rates, Wilmette is ranked fourth in the list of 13 comparable communities.

President Bielinski gave staff direction on preparing for more road discussions and budget matters. He suggested looking at the 2016 materials in their preparations.

5. Public Comment

There was no public comment.

6. Other Business

There was no other business discussed.

7. Adjourn

Trustee Sullivan moved to adjourn the meeting at 10:34 p.m., seconded by Trustee Plunkett. There was no further discussion on the motion. All voted aye, the motion carried.

Respectfully submitted,

Karen Norwood

Karen Norwood
Deputy Village Clerk