



MINUTES

President and Board of Trustees
Village of Arlington Heights
Committee-of-the-Whole
Board Room
Arlington Heights Village Hall
33 S. Arlington Heights Road
Arlington Heights, IL 60005
November 15, 2017
7:00 PM

I. CALL TO ORDER

President Hayes called the meeting to order at 7:00 PM

II. PLEDGE OF ALLEGIANCE

III. ROLL CALL

BOARD MEMBERS PRESENT:

Mayor Thomas Hayes, Trustees Baldino, Blackwood, LaBedz, Scaletta, & Sidor

BOARD MEMBERS ABSENT:

Trustees Glasgow, Rosenberg & Tinaglia

STAFF MEMBERS PRESENT:

R. Recklaus, T. Kuehne, J. McCalister, J. Massarelli, S. Shirley, K. Koeppen, C. Papierniak, K. Hansen, M. Juarez, D. Ruda, P. Wilkiel, Various Department Support Staff

OTHERS PRESENT:

Steve Daday, Joe Keefe, Metropolis, Various Metropolis Staff

IV. NEW BUSINESS

A. Staff Follow-up from Previous Meeting

There was no staff follow-up.

B. Boards and Commissions

Mr. Kuehne stated that the budget for Boards and Commissions is status quo. Mayor Hayes said that he never realized that the Environmental Commission members get paid for attending their meetings and asked if

there was a statutory reason for it. Mr. Recklaus thought that it was a determination that was made at the time the commission was created. He reminded the Board that a review of the scope of work and makeup for each commission will be done over the next planning cycle. Mayor Hayes thought that there was a State statute that mandates payments for some Commissions and asked to be provided the statutory reason why they are paid. Mr. Recklaus stated that it will be looked into and that staff will get some history as well.

Regarding the Special Events Commission, Mayor Hayes asked about the newly proposed Health Event/Family Field Day that is budgeted. Mr. Recklaus said that the commission is trying to have an event that focuses on health and wellness in the community. The Board will need further details before any funding is approved. Trustee Sidor asked if the Board of Health would comment and be involved in this event. Mayor Hayes agreed and thought that the different commissions should work together on this type of event. Mr. Recklaus added that there is potential for multiple groups to collaborate on this event, including the Interagency Health Group that works in the community.

C. Performing Arts at Metropolis Theater Budget Review

Mayor Hayes thanked the Whistler family for their recent contribution, and all contributors to the Metropolis as well as Metropolis staff for all of their hard work.

Mr. Steven Daday said that Metropolis is very happy with the quality of the shows that were done this past year and are looking forward to the upcoming year. He continued by giving a brief overview of some of Metropolis' goals and accomplishments which included focusing on the development of major gifts, donations, and corporate sponsorships. He stated that a toddler theater has been instituted. Mr. Keefe explained that the Metropolis Playhouse will be a small theater on the second floor that is devoted to children 18 months to 5 years old, and said that it should be opened for programming, shows, and playtime early in January.

Mr. Daday went on to say that although the revenue is not quite what it was hoped to be, Metropolis believes they are on the right track, saying that the quality of the shows have improved significantly since Mr. Keefe has been Executive Director. Mr. Keefe added that what is normal in this type of business and what is looked for, is a balance between contributed income and ticket revenue, saying that two years ago ticket revenue was higher and contributed revenue was lower. He said that this year ticket revenue is down slightly, and that per the Board's direction a concentration was put on contributed income. Mr. Keefe stated that the goal is to have 35% of their operating budget being contributed income. He said that two years ago it was at 20-23% which will be up significantly this year, and are hoping to have a goal of 30% plus for next year.

Mayor Hayes asked Mr. Keefe to explain the number of restaurant seats that

have opened within one block of the Metropolis. Mr. Keefe explained that Downtown activity was very high, that food and beverage taxes increased and said that in the last 18 months 600 new restaurant seats were added within a block of Metropolis. He stated that the Metropolis takes a lot of pride being an economic engine for Downtown.

Trustee Sidor asked why ticket sales are flat. Mr. Keefe answered by saying that across the industry they are seeing a leveling across the board, and said that Metropolis has been performing as well or better than most of their competitors. Trustee Sidor asked how that was measured. Mr. Keefe stated that he talks quite a bit with the other Executive Directors and asks them about their current and prior year sales, what issues and challenges they are facing, and what mechanisms they are using, and what is working for them. He also said that another reason for some flat sales are attributable to some programming choices that were more challenging this year as well. Trustee Sidor felt that what is most important is the product that is put on stage, which will fill the seats, and said that ticket sales will tell how many people are coming into town. Mr. Keefe said that acceptance of the shows this year have been high or excellent.

Trustee Sidor asked why tuition and fees are under budget. Mr. Keefe said that in the past 18 months the school has undergone a series of transformations. He said that they are heavily dependent on private lessons, and are trying to expand offerings to include more group lessons which he stated are more economically more beneficial to their institution, and to increase the types of programming. He went on to explain that the school is now fully staffed and now has good direction.

In reading a bullet point in Metropolis' 2018 budget narrative, "Continued focus on producing a positive working cash balance in order to build up our own reserves", Trustee Sidor asked how realistic that was. Mr. Daday stated that it is a challenge, and that every month and year they look at that to see where they are. He thought that the key is with increased contributed income that would help with the buildup of working cash. Mr. Keefe believes that the quality of program is helping with the contributed income.

Trustee LaBedz asked how ticket sales compared from presented shows to produced shows. Mr. Keefe said that this year, presented show sales will be average to good, whereas produced shows will be average to slightly under average. He explained that they have a wide range of shows and are trying to find a better balance of how many presented and produced shows they can reasonably do and still achieve maximum revenues from them. Mr. Keefe went on to say that presented shows are pretty reliable from a net profit point of view, but doesn't have the same level of risk/reward as produced shows. He said that presented shows are lower risk with the reward sometimes being higher, but said the challenge that presented shows face is that is not what your theater is known for. Mr. Keefe said that Metropolis wants to embrace what they would consider a wonderful menu of cultural arts. Discussion continued regarding the variety of shows.

Trustee Scaletta congratulated all of Metropolis staff for bringing a lot of energy to the Metropolis Theater. He continued by saying that the diversity of shows that are at Metropolis are starting to bear fruit and have something for everyone at different times for each of the quarters. He said that when you look at budget versus estimated actuals, the Metropolis has done a very good job of not only staying within budget, but that when revenues start to decline, you reduce your expenses. Trustee Scaletta then asked why Metropolis thought they may see an increase of about 18% in ticket sales next year. Mr. Keefe explained that there were three things attributable for the difference in the budget; an increase in ticket prices from \$38 to \$40 per seat, an increased number in produced (16) and presented (8) shows for 2018, and are considering the possibility of a slight increase of a service charge for ticketing.

Trustee Scaletta then asked why there is about a 20% increase in the Guest Artist Fees budgeted for 2018 from 2017. Mr. Keefe said it would be because of the increase in shows, but also because of a slight difference in the way they project the presented shows as well. He explained that it is difficult to do twelve months of projection for the presented shows because they cannot contract out that far with many of the acts. He added that they are trying to plan further in advance for the shows and to have placeholders for shows, typically toward the end of the year.

Trustee Scaletta asked if presented shows are more expensive to put on. Mr. Daday said it depends on the entertainer, and the royalties of longer produced shows. Trustee Scaletta felt that one of the reasons that the budgeted and actuals are in much better balance than they have been in the past years is because Metropolis has focused on exactly where everything belongs. Trustee Scaletta asked where the Casting Director line item came from when it wasn't budgeted for, and why it is budgeted significantly higher than the year-to-date estimated actual. Mr. Keefe said that prior to this year, the employee that fills that function had been paid for three different types of services in three different categories. It was determined that it was more economical to pay her on this basis and to reduce the payments from the various areas.

Trustee Scaletta asked about the significant increase in the Artist Care and Feeding line item. Mr. Keefe said most of the increase is due to the additional shows and longer days and in recognizing the investment they put into Metropolis. He noted that payment to actors has not increased in several years, and that they may look at that in 2019.

Trustee Scaletta asked about the budget increase for liability and workers comp. Mr. Daday said that it is generally a function of the salaries that are paid out and how they account for some people. He said they are putting in a larger number because they want to budget conservatively. Trustee Scaletta asked if people were added since salaries have gone up. Mr. Keefe stated there have been management structural issues that have been discussed with

the Board, and said that they are not yet ready for total restructuring but wanted to put in the budget for consideration of adding full-time staff if necessary. Mr. Keefe stated that from a theatrical management point of view, Metropolis is a very lean organization in some areas of administration. He said that the proposed budget is functional for the Metropolis and that it was an important step to take. Trustee Scaletta was glad that it was put in the budget since it is something Metropolis is thinking about doing and is transparent.

Trustee Scaletta thanked Metropolis for the efforts they made over the past year and appreciated the thoughtful budget. He asked Metropolis to consider talking to Mr. Kuehne in providing a similar report that the Board receives from Village departments that show why there are variations, saying that it will give the Board indication and direction of Metropolis. Mr. Keefe stated that they will incorporate the variances and the narrative as support in future submissions.

Resident, Mr. Keith Moens addressed the Board and asked what amount the Village gives Metropolis every year to keep the lights on. Mr. Kuehne explained that there is an operating contribution of \$260,000 budgeted for 2018, and added that Metropolis' total budget is close to \$3 million. Mayor Hayes stated that the money budgeted for the Metropolis goes to a lot more than just keeping the lights on. Mr. Moens asked if the Village would ever not be in a position to give Metropolis money. Mayor Hayes stated that this topic has been addressed for years, and said that Mr. Moens has attended many of the meetings himself and has heard the reason why. He went on to say that theaters like this have a difficult time providing enough revenue to support themselves, and said many municipalities that are similar to this provide subsidies as well and that it is not unusual.

Mr. Keefe spoke and said that the money that the \$260,000 that is allocated comes from the food & beverage tax, saying that the Metropolis draws as many as 140,000 people annually who go to the Downtown area and spend their money. He went on to say that Metropolis appreciates the powerful sensitivity of the community around them, saying that they are there as servants to the community. He stressed that in regards to the money that Metropolis receives from the Village, it is hoped and planned to raise that money by being an economic engine that draws people to the Downtown which would increase the food & beverage taxes collected. Mr. Keefe said that he is dedicated to the notion of providing cultural value to the Village in addition to financial and fiscal business value to the Downtown area. Mayor Hayes thanked Mr. Keefe for the reminder that the subsidy is coming from people other than Arlington Heights residents.

D. Review of Department Budgets:

- Legal
- Health & Human Services
- Engineering
- Public Works

- Fire

Mayor Hayes asked Mr. Dave Parulo of Meet Chicago Northwest (MCNW) to give a brief overview of how Village money will be spent and benefit Arlington Heights next year. Mr. Parulo said MCNW is working on marketing plans to draw visitors deeper into the community, and are looking for a new design partner to improve marketing deliverables including community maps. He went on to say that matching funds from the State have been delayed, and said because they have worked hard to increase reserves they did not have to cease placing advertising and campaigns. Mr. Parulo went on to say that they have been doing more leisure activations by using Metropolis and Arlington Heights Racecourse which serves as key places to entertain buyers that are coming in. Mayor Hayes thought it is money that is well spent.

Trustee Blackwood asked Mr. Parulo to talk about the ranking of the Dragon Boat Race. Mr. Parulo said that the GWN Dragon Boat race which happens at Lake Arlington each year has been recognized as the best amateur sports event by Sports Event Magazine. Mr. Parulo went on to say that on a board level, MCNW is working to source a professional consultant to help redo their multiple year strategic plan. He also said they are also looking to source a marketing design firm to strengthen the image of their brand.

Each of the following Departments gave an overview of their goals and planned activities for 2017:

Legal

Ms. Ward stated that there is nothing new in the Legal Department's budget. She went on to say that for the first time, the Village is evaluating the pursuit of cell tower leases on Village property, and said that there is a bill sitting in the legislature waiting to be approved. Trustee LaBedz asked about the bill. Ms. Ward explained that the bill in the legislature is about regulations for entities that want to put up antennas on Village light poles, ComEd poles, or put up new poles, and would impact what kinds of controls the Village would have, and what kinds of permit fees can be charged. She went on to say that if somebody wants to put a small cell antenna on Village light poles, as a landlord, the Village has a right to get revenue for putting it on our property, as well as collecting permit fees. Trustee Sidor asked what the projected revenue would be if this legislation passed. Ms. Recklaus said that no revenue is projected in this budget.

Mayor Hayes asked how the new adjudication process was going. Ms. Ward stated that it is going well, saying that code enforcement adjudication started about 3-4 months ago. She said that the hearing officer is doing a great job, and that Arlington Heights is a little busier than other towns that he works with. Mayor Hayes stated that he has received less complaints from people about it being an unfair process.

Health Services/Senior Services

Mr. McCalister stated that the 2018 Health Services proposed budget is a

maintenance budget, saying that there are no expanded budget or capital outlay requests. He said that overall, the proposed budget, including the Senior Center, shows a 3.2% decrease in total expenditures. Mr. McCalister stated that the full-time public health nurse position was reclassified to a part-time three day a week position. He said the immunization clinic will be closing, but said the nurses will be assisting with the Hoffman Estates clinic which will allow residents of Arlington Heights to use that clinic to get vaccines for \$10 each.

Mr. McCalister went on to explain that the Human Services Coordinator position was replaced with a Social Services Coordinator position who will oversee all social services including the Disability Services Coordinator and Staff Assistant. With this change, Mr. McCalister noted a few areas that will be explored which include, having short-term assessments and counseling done in the department, have that position work closely with the Police and Fire Departments on social service related issues, and participate on the Opioid Task Force. He also said that the possibility of using master level interns to assist the departments, and updating the social services database will also be evaluated.

Mr. McCalister stated that the department's strategic goals for 2017 have been met, and have purchased the initial software and hardware for digital inspections by the Health Officers in the field, which will start the first of 2018. He also said that enforcement of the new food code will begin in July.

Mayor Hayes asked who would be administering the emergency assistance fund. Mr. McCalister stated that the Social Services Coordinator will be doing so. Mayor Hayes asked Ms. Hansen to talk about the "Let it Snow, Make it Go" program that was initiated by the Youth Commission. Ms. Hansen stated that it is a pilot project that will be a valuable service to the seniors in the community, and hopes to get more students involved. Ms. Hansen said that this program is designed for the students to get paid and develop job skills, as well as giving seniors the option of having the students shovel the snow for them.

Engineering

Mr. Massarelli started by saying that after approving reports and developing a funding source, Phase I of storm water improvements are ready to go to design. He said that the Engineering Department will coordinate the design and construction of the Campbell/Sigwalt street improvements, and that the next step is to hire a design consultant to prepare plans in 2018 for construction in 2019. Mr. Massarelli continued by giving a brief overview on how Engineering will review existing storm water development standards for single-family teardown construction, and work with other communities regarding their regulations in order to develop more effective storm water management improvements for them. He went on to say that Engineering will continue to manage the Village's street resurfacing and rehabilitation programs, saying that these projects are the centerpiece of the Engineering

Department's budget. He explained that funding was increased recently and the Department continues to modify and review different methods and means of construction. In trying to be effective and efficient with funding, Mr. Massarelli gave an overview on the results of a road product called Reclamite that the Village tested and had good results with. He said that it is hoped to see 3-5 years of additional life of the streets. Discussion took place regarding the process of using Reclamite, why it makes the streets look messy, and on how residents are notified of the projects, including the use of the Village's website and Facebook.

Trustee Sidor asked about the timeframe on the Downtown mid-block crosswalks in relation to the Campbell/Sigwalt storm water improvements. Mr. Massarelli said that after discussions, that the crosswalk that would be behind Peggy Kinnanes and in front of Metropolis will be incorporated into the storm water project that will be done in 2019 with construction of the sewer project. He went on to say that the Planning Department was planning on doing a mid-block crossing on Dunton sometime next summer.

Public Works

Mr. Shirley gave a brief overview of each of the Public Works goals for 2018 which include; continued work with other departments on the new police station, the third year of a seven year plan to increase the annual water main replacement program, the fourth year of a four year plan to repair the Village's four public parking garages, planning for the Cypress detention basin/lift station project, and further development of the Cityworks and the See Click Fix mobile applications. He went on to say that the budget is tight and within the budget ceilings.

Mayor Hayes asked about the winter forecast in regards to snowplowing and the purchase of salt. Mr. Shirley stated that the budget for snow removal and salt are based on average years. Discussion took place regarding snow shoveling around the train station areas. It was discussed that some walks and areas by the train station buildings are done by the Village, but that other areas, like the platforms are the responsibility of Metra.

Trustee Scaletta asked what the scope of work is for the Evergreen Garage. Mr. Papierniak said there were no significant repairs, and explained that there would be some floor repair, striping, painting, and stairwell repair, and said that most things are cosmetic. For safety reasons, Trustee Scaletta asked if there were going to be any additional lights installed. Mr. Papierniak said no, but added that the current fixtures will be retrofitted with LED lights which will make it much brighter.

Trustee Scaletta asked what can be done about the dirty condition of the Downtown garbage cans. Mr. Shirley said there isn't the personnel to devote to that, and said that all of the cans were brought in last year to be sandblasted and painted. He said that it is a challenge to keep them clean, saying that simple wipe downs may not be enough. Mr. Shirley said that he will discuss this with his staff and get back to Mr. Recklaus with a plan to

address it.

Trustee Scaletta asked if preventative maintenance efficiency is expected to improve further this year. Mr. Papierniak stated that he has not seen an update on the miles yet. He explained that they have had communication to make sure that the vehicles are not overdue on service, and said that employees can use the Cityworks program to communicate with Public Works when they see their vehicle is up for service.

Trustee Scaletta expressed his gratitude for the consistent professionalism shown residents from Public Works' staff.

Trustee Sidor stated that he was happy with the outcome of the Vail Street garage and thanked Public Works for the work that was done. He then asked about the elevators in the garage, saying that those elevators get a lot of use. Mr. Papierniak said that there were 30 service requests for the Vail Street elevators this year. He said that the capital improvement program showed future funding to consider modernization of them. He went on to explain that with the use of those elevators and because they are outside where there is a lot of moisture, that vents have been added to help with that issue. Mr. Papierniak stated that the long-term plan is to get them replaced and modernized when appropriate, possibly in 2022.

Trustee Baldino asked if the Village is responsible for the maintenance of the sidewalks around the Metra Station and near the crossing gates. Mr. Shirley responded yes. Trustee Baldino asked if there was system in place for prioritizing sidewalk maintenance. Mr. Shirley explained that when problems with concrete offsets are seen, then Public Works would take action on them, adding that if they occur during the winter, they would take care of it the following season. Trustee Baldino expressed his concern with a number of spots near the Metra station. Mr. Shirley stated that there are some restrictions on when they can work and how they work on things between the gates. Mr. Papierniak said that the concrete leading up to the gates would be the Village's responsibility, and said that between the gates and the asphalt work and pads are the responsibility of Union Pacific. He went on to say in the Downtown area, a couple of things have been identified for the brick paver replacement program. He also explained the changes in handicap law have significantly complicated the project of getting handicap ramp slope requirements to work the train tracks. Discussion continued regarding access covers and various areas around the train tracks. Mr. Recklaus stated that staff will take a look and get back to the Board with anything that is found in that vicinity.

FIRE

Chief Koeppen gave a brief overview of each of the goals of the Fire Department for 2018 which include; continuing to strengthen the ISO Class 1 rating, putting policy and procedure in place for any active shooter/hostile event, implement the restructured ambulance fee schedule, continuance of the Succession Planning Program, and organize position-specific National

Incident Management System (NIMS) training for Fire, Police, and other Village staff.

Trustee Scaletta asked about the significant drop in response times for EMS calls for 2016 from 2015. Chief Koeppen stated that EMS calls increased in 2016 by 8.6% or 600 calls. He explained that because of that increase, their vehicles were on the street and were unavailable to respond to other calls. He added that when other calls come in, they have to get an ALS ambulance or mutual aid who are coming from other districts or communities. Chief Koeppen said that station alertings that they have been putting in are designed to help with response times. He stressed that what is more important is that they get to the calls safely, and with the proper equipment and proper manning. Chief Koeppen went on to explain a software update that is scheduled to be done in the next year that will have a tool called Automatic Vehicle Locator (AVL) which should help with response times.

Trustee Scaletta complimented Chief Koeppen on his ability to communicate with the firefighters through the technology that he has implemented, and on his challenge for fire fighters to be more active and physically fit. He felt that the efforts in using fans and baby wipes when they leave a burning building, in order to reduce the carcinogens getting into their bodies, will help them have a long, healthy life in retirement.

Trustee Blackwood thanked Chief Koeppen and the Fire Department for partnering with the Police Department on the active shooter/hostile event issues, and said that from the business community, as well as from individuals that she talks to on a regular basis, they are happy and grateful for that.

Mayor Hayes thanked Bernie Lyons for all the great years and dedicated service with the Village and congratulated him on his upcoming retirement.

Mayor Hayes thanked Mr. Recklaus and Mr. Kuehne with their efforts in streamlining the budget process. Mr. Recklaus wanted to thank Ms. Juarez and Ms. Ruda for all the work in keeping everyone organized and on task during budget preparations.

- E. Final Recommendation of Committee-of-the-Whole to Board of Trustees for the 2017 Property Tax Levy payable in 2018

Trustee Scaletta moved, seconded by Trustee Sidor that the Committee-of-the-Whole recommend to the Village Board to authorize staff to prepare the Village's and the Arlington Heights Memorial Library's 2017 tax levy ordinance reflecting an estimated total tax levy of \$49,465,192 or a 2.61% increase over the 2016 extended tax levy for the Village and Library portion of the levy. The motion passed unanimously.

- F. Final Recommendation of Committee-of-the-Whole to Board of Trustees for the 2018 Budget

Trustee LaBedz moved, seconded by Trustee Blackwood that the Committee-of-the-Whole recommend to the Board of Trustees that the Board approve the Proposed 2018 Budget as amended through the review process. The motion passed unanimously.

V. OTHER BUSINESS

VI.ADJOURNMENT

Trustee Scaletta moved, seconded by Trustee Blackwood to adjourn the meeting at 9:03 P.M. The motion carried unanimously.