

ADMINISTRATION COMMITTEE MEETING MINUTES
February 8, 2024 – 7:00 pm

Chairperson Lisa Haderlein called the meeting to order at 6:30 pm. Committee members present: Chairperson Lisa Haderlein, Alderman Dan Carncross, Alderman Charlie Gorman and Alderman Matt Perkins. Also present were Mayor Mike Kelly, City Administrator Lou Leone, Finance Director Deb Bejot, City Clerk Lori Moller, Public Works Supt. Rob Lamz and Utilities Supt. Jim Grant.

Public Comment

Chairwoman Haderlein opened the floor to public comment for any item not on the agenda. There were none.

Water Billing Rates

Finance Director Deb Bejot gave an overview of her memo relative to water billing data and increase proposal with the following recommendations:

- Charge by unit starting with 1 unit starting May 1;
- There are currently 55-60 additional flat fee users that are marked inactive in the system (no meter, vacation, vacant property, etc.) that are currently not billed that will be charged Maintenance/Infrastructure/EPA tax fees. Public Works is conducting additional research on each of those properties after which a determination will be made by administration as to what should be done. Supt. Lamz clarified that only homes/buildings with a meter attached to the building would be affected.
- Increase usage fees 6% over the next three years;
- Increase Infrastructure fee from \$25 to \$35 per billing (for IEPA Loan Payment);
- Flat Fees:
 - EPA Fee to remain at \$1.06;
 - Maintenance fee – 3 choices:
 - Remain at \$20 – This is feasible for maintaining and doing some extras;
 - Increase to \$25 – This will allow for greater future improvements;
 - Step increases – Remain at \$20 year one, \$22 year two, \$25 year three;
- Utility tax to remain at 5%.

The Committee also discussed evaluating the water rates/fees each year and to move towards a monthly billing cycle.

After discussion, a motion was made Alderman Carncross to recommend to the City Council to adopt an ordinance, to be effective May 1, as follows:

- Charge the current inactive accounts the Maintenance/Infrastructure/EPA tax fees. City Administrator Leone & Finance Director Bejot noted this is an internal policy at the administration level and did not need to be included in the ordinance. Alderman Carncross removed the item from his motion.
- Switch to charging by unit instead of a base fee;
- Infrastructure fee increase to \$35;
- Maintenance fee with step increases (remain at \$20 year one, \$22 year two, \$25 year 3);
- Usage fee increase 6% over the next three years.

Alderswoman Haderlein seconded the motion. All ayes. Motion carried.

Alderman Gorman will conduct additional research and run possible scenarios prior to the City Council Meeting.

Water Tower Program

Supt. Utilities Jim Grant gave a history of what initiated looking into a water tower asset management program. Deb and Jim presented an overview of the program whereby all three towers would be completely refurbished, painted inside/out and inspected over the course of 10 years. The cost would start at \$300,000-\$400,000 each year for about the first six years after which the cost would decrease each year. Deb related that due diligence was done in reaching out to companies referred by the IRWA that would provide a competitive rate. Staff met with both Viking Industrial Painting and Maguire Iron; it was determined in house that Maguire Iron would be the better route for the City. City Administrator Leone commented that both companies have pre-written in their contract that the City can delay a payment if needed without penalty. The contract is auto renewed each year and can also be cancelled at any time. If the contract were cancelled, the City would only owe what was in arrears compared to actual work completed. The program will essentially cash flow the cost over a period of time.

After discussion, a motion was made by Alderman Gorman, seconded by Alderman Perkins to recommend to the City Council to enter into a contract with Maguire Iron for a 10 year program as presented. All ayes. Motion carried.

Christopher Burke Engineering Proposal for Engineering Services for Lead Water Service Line Inventory/Replacement Plan

Supt. Public Works Rob Lamz reviewed the Illinois Lead Service Replacement and Notification Act, signed into law on January 1, 2022, which mandates that the City develop an inventory of lead service lines within the community and develop a plan to replace them. The City has met the guideline the past few years in turning in best estimates on where lead service lines are, how many there are and tracking/replacing them. Another component is the replacement plan itself as well as a more detailed job of figuring out where the lead lines are at and how many we have. With hard information, the City can start applying for grant funding for a replacement program. The City is currently reporting 1299 lead service lines. Starting next year, the City has 15 years to replace 7% of those lead service lines per year. This would equate to replacing 86 lines a year at a cost of \$8,000 per service line requiring a budget of \$692,800/year. The IEPA will be doing another round of grant funding for the development of a lead service line inventory and replacement program. One of the grant requirements is to have a service agreement with a third party firm to assist the City. Christopher Burke Engineering submitted a proposal in the amount of \$32,636 to assist the City in completing the Lead Water Service Line Material Inventory and to develop the Initial Lead Water Service Line Replacement Plan. Their program would provide a QR code to walk homeowners through a very intuitive process to self-identify and report lead service lines. Rob submitted a request to the IEPA for an extension to the deadline for the plan currently due on April 15th, 2024; the extension was granted and the new final inventory due date is September 1, 2024. Pre-approval of Burke's proposal would allow the City to submit the grant once funding is released.

After discussion, a motion was made by Alderman Carncross to recommend to the City Council to approve the proposal from Christopher Burke; the cost would be covered under the proposed grant funding. At Deb's inquiry whether the grant requires up front funding, Rob replied once the City applies for the grant, the IEPA will award 50% at the signing of the contract and 50% upon completion. Instead of a budget amendment, Deb recommended that the 50% amount of \$16,318.00 be paid through the sewer/water tap on fund and when the grant reimbursement is received to put the money back into that fund. Alderman Carncross amended his motion to include Deb's recommendation. Alderman Gorman seconded the motion. All ayes. Motion carried.

Milky Way Park Pit/Pump

Finance Director Deb Bejot gave an overview of the project to address the issue with the bathrooms at Milky Way Park that aren't able to handle the capacity of the activity at the park. Staff received several quotes for the project, with Hartwig Mechanical submitting the lowest. Alderman Perkins requested that in the future, the Committee be given all the quotes or a summary of quotes submitted for comparison.

A motion was made by Alderman Perkins, seconded by Alderman Carncross to recommend to the City Council to move forward with the Milky Way Park Pit/Pump Project with Hartwig Mechanical, Inc. in the amount of \$32,515.00; the project will be paid using ARPA funds. All ayes. Motion carried.

Surplus Property Declaration

The Committee reviewed the list of surplus property which includes ammunition, Dodge Dakota, Bucket 710, plate compactor, 16" walk behind saw, black toolbox, decommissioned/replaced street signs, two printers, police equipment and a wooden cabinet with welding supplies. A motion was made by Alderman Perkins to recommend to the City Council that the submitted list be declared surplus. City Administrator Leone reviewed the internal transfer of vehicles: the SUV from the PD will go Public Works; the truck that Rob drives will be shifted to Darrel, which is more suited for what he needs to do in the Parks Dept. The pickup recently purchased for the Parks Dept. had very low mileage over the last two years. It was decided inhouse to transfer the truck to the Administration fleet where it will get more use; the truck can still be utilized by any department that would need to use it. The motion was seconded by Alderman Carncross. All ayes. Motion carried.

Discussion on Changing City Clerk to an Appointed Position

City Administrator Lou Leone reviewed his memo outlining a proposal on whether or not to move forward with a referendum question asking the voters of Harvard to remove the City Clerk from an elected position to an appointed position. City Clerk Lori Moller is the current City Clerk as well as the Administrative Assistant. If approved by the voters, the City Clerk position would be appointed similar to the City Administrator, Finance Director and Chief of Police. Eventually the two positions would be merged. This proposal would streamline the positions and make the City run more efficiently. If approved, it would go on the ballot in November and would take effect at the end of the current clerk's term. Lori concurred with the proposal and noted that historically City staff has performed most of the day-to-

day duties of the City Clerk. At Alderman Perkins' inquiry, City Administrator Leone will find out which communities in McHenry County have appointed verses elected city clerks. As of three years ago, 19 out of 52 communities in Lake County have moved to an appointed city clerk.

After discussion, a motion was made by Alderman Gorman, seconded by Alderman Carncross to recommend to the City Council to move forward with a referendum question. All ayes. Motion carried. City Administrator Leone will have Attorney Clifton draft the referendum question for the next City Council Meeting.

New Business

Capital Improvement Plan Update – February 2024

Finance Director Deb Bejot asked the committee to contact her with any questions on the CIP Plan Update. Deb noted that she left the pool pumps blank. She has since found out that one has been purchased but hasn't been replaced; additional equipment has been requested in the upcoming budget as it all goes together for installation.

A motion was made by Alderman Gorman, seconded by Alderman Carncross to adjourn the meeting. All ayes. Motion carried.

Meeting adjourned at 8:15 pm.

Submitted by:
Chairwoman Lisa Haderlein