

**Village of Algonquin
Committee of the Whole Meeting Minutes
Held in Village Board Room
January 12, 2016**

AGENDAT ITEM 1: Roll Call to Establish a Quorum

Present: Trustees John Spella, Jerrold Glogowski, Jim Steigert, Robert Smith, Debby Sosine, Village President John Schmitt. Village Clerk Jerry Kautz was also in attendance.

Absent: Trustee Brian Dianis

Staff Members Present: Tim Schloneger, Village Manager; Bob Mitchard, Public Works Director; Andy Warmus, Utilities Superintendent; John Bucci Police Chief; and Attorney Kelly Cahill.

In the absence of Chairperson Brian Dianis, Trustee Debby Sosine called the Committee of the Whole Committee of the Whole meeting to order at 7:30 p.m.

Audience Comments None

AGENDA ITEM 2: Community Development
None

AGENDA ITEM 3: General Administration

A. Water Sewer Rate Study Presentation

Mr. Schloneger, Mr. Mitchard; Representing RHMG Sandy Voigt and William Rickert reporting:

First, Mr. Warmus was presented the Fox Valley Award for the top treatment plant Maintaining safe drinking water and environmentally sound sewer services is one our most important responsibilities.

As providing Water & Sewer services becomes more expensive (mandates, depreciation, pumping, treating, distribution, etc.), the Village is faced with the constant challenge of balancing the interest of offering a fundamental public health service at an affordable price, against the necessity of managing our systems in a financially sustainable manner. Water, sewer and all other utilities are businesses, regardless of who owns them. The Village's Water & Sewer utilities are businesses that just happen to be owned by government. The revenues and expenditures are directly related to the demand for water and sewers services and are not supplemented by any other fund or tax dollars. Currently, the Water and Sewer revenues dedicated to capital fluctuate greatly year to year based on tap-on fees from new development. This makes capital planning difficult and less cost-effective in the long run. Therefore, as a component of the water and sewer rate study, we evaluated the addition of a flat fee that provides a dedicated revenue stream to finance capital improvements and operations. The flat fee normalizes the funds and offsets the loss of the tax subsidy previously provided by the home rule sales tax, which is now

strictly dedicated to street projects. Throughout the rate setting process we worked to ensure that the water and sewer rates are not only fair and equitable, but are also based on an accurate cost of service analysis. Working with staff, RHMG provided eight different rate structures that cover all costs of day-to-day operations, growth, depreciation and debt service for any capital improvement projects. During discussion it was Mr. Smith asking why the village is asking for water conservation while those residents that use more than normal are penalized by higher percent of rates which would bring in more revenue for the village. Mr. Schmitt responded that all the surrounding communities use the same water aquifer and conservation is vital to guarantee many years of supply. The proposed fixed rate would bring in revenue for future years of equipment replacement and maintenance. Mr. Steigert stated he would prefer alternate 7 that increases usage fees rather than a flat rate extra charge. The basis is that the permanent flat rate will ensure that revenue funds will be available for keeping the water and the sewer systems viable. Following further discussion it was unanimous consensus of the Committee of the Whole to move this item forward to the Board for approval.

B. Red Light Camera Enforcement Recommendation

Mr. Schloneger reporting:

After study and review it is staff's recommendation that effective April 30, 2016; the village end the automated red light safety program (Randall Road/Algonquin Road; Randall and Bunker Hill/Huntington Drive). The program has successfully changed driver behavior as indicated by the dramatic decrease in violations. Consensus of the Committee of the Whole was to move this forward to the Board for approval.

AGENDA ITEM 4: Public Works & Safety
None

AGENDA ITEM 5: Executive Session
None

AGENDA ITEM 6: Other Business
None

AGENDA ITEM 7: Adjournment
There being no further business, the Committee of the Whole meeting was adjourned at 8:25 p.m.

Submitted: Jerry Kautz, Village Clerk