

# VILLAGE OF ORLAND PARK

14700 Ravinia Avenue  
Orland Park, IL 60462  
[www.orland-park.il.us](http://www.orland-park.il.us)



## Meeting Minutes

Tuesday, January 3, 2012

6:00 PM

Village Hall

## Finance Committee

*Chairman Brad S. O'Halloran  
Trustees James V. Dodge and Patricia A. Gira  
Village Clerk David P. Maher*

**CALL TO ORDER/ROLL CALL**

The meeting was called to order at 6:00 PM.

**Present:** 2 - Chairman O'Halloran and Trustee Dodge

**Absent:** 1 - Trustee Gira

**APPROVAL OF MINUTES****2011-0800 Approval of the December 5, 2011 Finance Committee Minutes**

I move to approve the Minutes of the Regular Meeting of the Finance Committee of December 5, 2011.

**A motion was made by Trustee James Dodge, seconded by Chairman Brad O'Halloran, that this matter be APPROVED. The motion carried by the following votes.**

**Aye:** 2 - Chairman O'Halloran and Trustee Dodge

**Nay:** 0

**Absent:** 1 - Trustee Gira

**ITEMS FOR SEPARATE ACTION****2012-0005 Approval of Benefit Service Providers**

Midwest Center for Environmental Medicine provides Occupational Health Services including pre-employment exams, other employee medical exams and serves as the collection site for the drug and alcohol testing. The Village has a long standing positive working relationship with Dr. Moisan from Midwest Center for Environmental Medicine and has been well served by this office.

Lexis Nexis is a professional service that provides Medical Review Officer (MRO) services, random drug program administration, statistical reporting services, and emergency collection sites for the Village's drug and alcohol testing program. We began using Lexis Nexis in March 2008 (known as Choicepoint, Inc. at that time) as our drug and alcohol program third party administrator and have been very pleased with the services offered and provided.

I move to recommend to the Village Board to approve to continue to use Midwest Center for Environmental Medicine to provide Occupational Health Services

And

To recommend continuing to use Lexis Nexis as the third party administrator for the drug and alcohol testing program.

**A motion was made by Trustee Dodge, seconded by Chairman O'Halloran, that this matter be RECOMMENDED FOR APPROVAL to the Board of Trustees. The motion carried by the following vote:**

**Aye:** 2 - Chairman O'Halloran and Trustee Dodge

**Nay:** 0

**Absent:** 1 - Trustee Gira

### **2011-0813 Chicago Water Rate Increase - Approval**

Director of Finance Annmarie Mampe reported that In January 2008, the Village Board approved water rate increases for 2008 - 2012 based on an updated water rate study conducted by Municipal and Financial Services Group. Subsequent to approval of these rates, the Village received notice that the City of Chicago planned to increase water rates due to the increasing costs of operations and maintenance of the system that delivered water to customers outside of the limits of the City. Any increase in City of Chicago water rates are passed on to the Village by the Village of Oak Lawn. The City of Chicago rate increase for calendar years 2008, 2009 and 2010 was 15%, 15% and 14%, respectively. These increases were factored into the Village's rates accordingly. For calendar years 2011 and 2012, the Village factored in increases of 3% in its overall rates, to cover any increases passed on by the City of Chicago and/or the Village of Oak Lawn, as well as to cover any increases in the Village's internal cost of operations.

Recently, we were notified that the City of Chicago approved as part of its current budget process an additional increase in the rates charged to water customers due to aging infrastructure and the need for extensive repairs. A rate increase of 25% will go into effect on January 1, 2012, with subsequent increases of 15%, 15% and 15% on January 1, 2013, 2014 and 2015, respectively. Once again, the Village of Oak Lawn will pass these rate increases on to the Village.

As previously mentioned, the Village Board originally approved a rate increase of approximately 3% for calendar years 2011 and 2012, reflected as "Current Proposed" on the attached schedule. Based upon the rate increases approved by the City of Chicago, staff is recommending that the Board approve the "Revised Proposed" rates for calendar year 2012 as reflected on the attached schedule. As we move closer to finalizing the Water Supply Agreement with the Village of Oak Lawn, we will be able to determine if any additional increases are warranted.

Adoption of the "Revised Proposed" rates for calendar year 2012 will result in an increase to an average homeowner's water bill of approximately \$3.75 per bi-monthly billing period (base on bi-monthly usage of 9,000 gallons).

Trustee Dodge stated that he would like to make sure that the residents are aware of this increase.

Village Manager Grimes stated that this increase will be communicated very clearly to the residents that this is the City of Chicago water rate increase.

Chairman O'Halloran questioned isn't the Village still looking at a huge infrastructure commitment with respect to the overall infrastructure coming out of Oak Lawn between the Village and other neighboring communities?

Village Manager Grimes stated that is correct. The Village is still negotiating with the Village of Oak Lawn who gets the water to the downstream communities. That project is estimated to be about a \$75 to \$90 Million capital improvement just for the southwest suburban communities, this is a significant expenditure.

Trustee O'Halloran stated that the City of Chicago could continue to increase their rates as they please each year. Is the Village searching for alternatives?

Village Manager Grimes stated that alternative water suppliers have been discussed. The Kankakee River water, which is though the Joliet and Will County group, is one example. This system is not well developed at this time and nothing has come from that. Discussion of Hammond, Indiana was another source. This would be an enormous cost to bring the water line all the way from Hammond to the suburban communities. Also a treatment facility would need to be built.

Village Manager Grimes stated that the best option for Orland Park is to continue with the Oak Lawn water system to receive Lake Michigan water that is brought to the Village via the City of Chicago.

I move to recommend to the Village Board to approve the water rate increases as shown in the attached schedule and direct staff to amend the Village Code accordingly.

**A motion was made by Trustee Dodge, seconded by Chairman O'Halloran, that this matter be RECOMMENDED FOR APPROVAL to the Board of Trustees. The motion carried by the following vote:**

**Aye:** 2 - Chairman O'Halloran and Trustee Dodge

**Nay:** 0

**Absent:** 1 - Trustee Gira

**ADJOURNMENT - 6:05 PM**

A motion was made by Trustee James Dodge, seconded by Chairman Brad O'Halloran that this matter be ADJOURNED. The motion CARRIED by the following vote:

**Aye:** 2 - Chairman O'Halloran and Trustee Dodge

**Nay:** 0

**Absent:** 1 - Trustee Gira

/nm

APPROVED:

Respectfully Submitted,

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**David P. Maher, Village Clerk**