

**Public Works Committee
Minutes and Report to Council
4:30 p.m., March 15, 2018**

Roll Call: Alan Shoemaker
Troy Rund
Drew Hoel
Alta Long
Denny Cruzan

- FY2018 Budget. Long reviewed the prepared draft budgets for several departments. It was noted that the department heads had each reviewed the budget draft with Long and provided input to proposed changes over last year's budget. Long noted that, throughout the draft budget, salary lines have been increased by 2.5% as a "placeholder" until a specific wage and salary proposal is made. She also noted that insurance lines are adjusted slightly throughout the budget to reflect updated billing. Specific comments, by department, are as follows:
 - Municipal Buildings.
 - Communications/Telephone is decreased from \$2,400 to \$2,000 to reflect actual experience.
 - Utilities are decreased from \$17,000 to \$15,000 due, primarily, to increased efficiency of the new HVAC system at the Community Building.
 - Supplies and Parts is decreased from \$4,000 to \$2,500. This line was increased last year to complete the outfitting of the Community Building.
 - Repairs and Maintenance is decreased from \$30,000 to \$15,000. Last year, the completion of the new siding installation at the Senior Center was included. This year, electronic door locks, like at City Hall and the Community Building, are included in the budget.
 - Streets & Alleys.
 - Salary lines in Streets and Parks are changed to reflect the moving of one employee (Rob Geiler) to the Park Department temporarily.
 - \$25,000 in Capital Outlay for the installation of new furnaces at the Street Shed. The old forced air furnaces are original to the building and in need of replacement. The proposal includes an upgrade to infrared "tube" style heaters instead of forced air.
 - Communications/Telephone is decreased from \$1,100 to \$750 to reflect savings from a new phone/internet plan.
 - Vehicle Fuel is reduced from \$18,000 to \$16,000 and Utilities is reduced from \$50,000 to \$45,000 to reflect actual experience.
 - Cruzan reported that he had received a quote for a replacement of our 1999 Bobcat skid steer. The quote was for approximately \$28,200, and includes a trade-in allowance. The Capital Replacement schedule anticipated the purchase in 2014 at a cost of \$50,000. Committee members recommend to add the replacement to the Capital Plan this year.
 - Park Department.
 - Landscape Maintenance is increased from \$5,500 to \$7,500 for fertilizer, top dressing, and additional tree plantings.

- Capital Outlay is reduced to \$0 from \$35,000. The replacement backstop at the girls' softball diamond was in last year's budget. Committee members discussed possible resurfacing of the tennis and basketball courts at Ervin Park, but it was determined that the repairs would likely involve a complete tear-out and re-installation. Hoel and Cruzan will research possible solutions and costs for future consideration.
 - Repairs and Maintenance is increased from \$5,000 to \$16,000. Hoel reported that one of the ball diamond light poles was replaced last year due to deterioration. Committee members discussed methods to investigate and evaluate the remaining 31 light poles. \$10,000 was added to this line item to hire a consultant to conduct field testing and analysis of the poles, so that a replacement plan and timeline can be determined.
 - The Capital Replacement Plan includes \$25,000 to replace the 2007 pickup (originally scheduled for 2014) and \$10,000 to replace one of the two zero-turn mowers, scheduled for this year.
 - Pool Department.
 - Communications/Telephone is increased from \$550 to \$700 to reflect actual experience.
 - Training is increased from \$1,500 to \$1,800 to reflect the increased cost of lifeguard certifications.
 - Water Department.
 - Metered water sales continue to decline slightly, and revenues have been adjusted down accordingly.
 - Capital Outlay includes \$5,000 to pressure wash the exterior of the water tower. This is recommended preventive maintenance for the paint and will improve the appearance of the tower.
 - Postage is decreased from \$8,000 to \$7,000 to reflect experience.
 - Utilities is decreased by \$1,000, but Chemicals is increased by the same amount.
 - Repairs & Maintenance is increased by \$10,000 in order to hire leak detection consultants.
 - Laboratory Testing is increased from \$2,750 to \$4,500 to accommodate new mandates from IEPA.
 - Sewer Department.
 - Revenues are slightly decreased as noted in metered water sales.
 - \$40,000 in Capital Outlay for (3) replacement end bearings on the oxidation ditch (\$25,000). The last set had to be replaced, but not before they damaged the shaft. We hope to avoid that additional cost by replacing the other three before damage occurs. Also, the grinder at the entrance to plant needs to be replaced at a cost of \$15,000.
 - Vehicle Fuel is reduced by \$500, but vehicle Maintenance is increased by the same amount.
 - Motor Fuel Tax Fund. Existing debt service obligations are the only planned expenditures for FY2019. Annual oil & chip maintenance will continue to be funded in General Fund.

- Pavement Maintenance. Hoel reviewed the report from Jim Crane concerning possible pavement maintenance techniques for several existing asphalt streets. The report included micro-seal, cape-seal, and hot-mix asphalt resurfacing techniques. Committee members discussed a proposed maintenance budget of \$400,000 from the Pavement Maintenance Reserve Fund, and Long reviewed a 4-year cash flow projection for that fund and the Motor Fuel Tax Fund. Committee members also discussed the priority of the various street segments. A summary of the report and the committee's recommendation is attached, and the proposed maintenance program will be discussed as part of the budget study session.

Meeting adjourned 6:05 p.m.