



ST. CHARLES  
SINCE 1834

## AGENDA ITEM EXECUTIVE SUMMARY

Title: Update Regarding St. Charles Sustainability Initiative – Information Only.

Presenter: Brian Townsend

*Please check appropriate box:*

X	Government Operations (6/18/12)	<input type="checkbox"/>	Government Services
<input type="checkbox"/>	Planning & Development	<input type="checkbox"/>	City Council
<input type="checkbox"/>	Public Hearing	<input type="checkbox"/>	

Estimated Cost: N/A      Budgeted:    YES        NO   

If NO, please explain how item will be funded:

**Executive Summary:**

In March, 2010, in response to on-going fiscal challenges, the City Council expressed a need for an analysis of the City’s “core competencies.” The St. Charles Sustainability Initiative (SSI) was initiated in May, 2010 with the purpose of identifying ideas and suggestions from all city stakeholders to achieve the vision of the City’s strategic plan - a City organization that maintains an optimal service delivery framework that balances resources with needs.

The process began with presentations to employees and the City Council. The City also requested support and assistance from the community. Ideas were gathered through late June, 2010 and over 130 separate suggestions were received. A report was prepared that included ideas and recommendations for the consideration of the Mayor & City Council. Those recommendations were divided into 5 main categories: Capital Projects & Assets, City Services & Programs, Employee Compensation/Benefits, Support for External Agencies/Groups, and Taxes & Fees.

Formal presentations were made at the Government Operations Committee in February and April, 2011. Based on feedback received, the City Administrator and Department Directors formulated plans for implementation. An update will be provided on implementing the ideas that were approved by the City Council. In total, the ideas have resulted in over \$3 million in cost savings or revenue generation.

**Attachments:** *(please list)*

Presentation Materials  
Reports – Expenditure & Revenue

**Recommendation / Suggested Action** *(briefly explain):*

Information only.

*For office use only:*      Agenda Item Number: 5b


## St. Charles Sustainability Initiative (SSI)

"MAKING SENSE WITH DOLLARS"



## What was the purpose?

- Achieve the vision of the City's 2014 strategic plan
  - City organization that maintains an optimal service delivery framework that *balances resources with needs*.
- To put it simply.... a balanced budget



## What was the city seeking?

- Identification of opportunities for increased efficiencies
  - New process/technology
  - Collaboration with other entities
  - Out-sourcing/in-sourcing
  - Use of volunteers to provide services
- Identification of underutilized resources
  - Equipment
  - Facilities
  - Positions
- Identification of services to be discontinued
- Identification of new revenues



## What were the results?

- Over 130 ideas/suggestions were submitted by
  - Employees
  - Residents
  - Business owners
  - Other interested parties
- Departments evaluated ideas/suggestions
- City-wide team of employees reviewed department evaluations
- Recommendations formulated for City Council consideration
  - Capital Projects & Assets
  - City Services & Programs
  - Employee Compensation/Benefits
  - Support for External Agencies/Groups
  - Taxes & Fees




### Top 4 ideas

- Offer voluntary separation incentive program for city employees
  - \$900,000
- Changes to employee health insurance program
  - \$400,000
- Reduce front-line engine companies in response to termination of relationship with fire protection district
  - \$750,000
- Review vehicle fleet; eliminate low-use vehicles or extend replacement schedule, as warranted
  - \$800,000


### Capital Projects & Assets

- ✓ Replace annual plants/plantings with more perennials
- ✓ Change street lights to LED lamps (over period of time)
- ✓ Review vehicle fleet; eliminate low-use vehicles or extend replacement schedule, as warranted



### City Services & Programs

- ✓ Use community restitution program for additional buildings/grounds maintenance
- ✓ Reduce front-line engine companies in response to termination of relationship with fire protection district
- ✓ Cancel mailing of city newsletter; use electronic methods and other City publications to distribute information
- ✓ Eliminate Monday evening office hours at City Hall



### City Services & Programs

- ✓ Consolidate GIS/CAD staff in Information Systems Department
- ✓ Eliminate the Tactical Emergency Medical Services (TEMS) unit in the Fire Department
- ✓ Implement cost-saving measures for snow & ice control program
- ✓ Sell surplus vehicles and equipment via on-line methods



### Employee Compensation & Benefits

- ✓ Offer voluntary separation incentive program for city employees
- ✓ Charge employees more for health insurance
- ✓ Allow employees to take unpaid time off/leave of absence
- ✓ Reduce the scope of SMILE (supervisory) training program
- ✓ Eliminate the tuition reimbursement program for city employees
- ✓ Suspend monetary awards for "Way To Be" employee recognition program



### Support for External Agencies/Groups

- ✓ Limit the number of parades held in the downtown area
- ✓ Suspend funding for the Corridor Improvement (landscaping) grant program
- ✓ Review/reduce city memberships in regional or national associations



### Taxes & Fees

- ✓ Charge a booking fee for processing those housed in the city's jail
- ✓ Review/increase the fee that parties are charged to rent water meters to fill pools, etc.
- ✓ Implement a disconnection notice fee for utility customers that disregard the notice on their utility bills
- ✓ Cite/fine those engaged in physical altercations, regardless of whether or not charges are filed



### Items still being pursued

- Use surplus funds from Red Gate Bridge tax levy to support General Fund activities
- Require developers to install survey monuments in new developments
- Utilize reverse auction for purchase of goods and services
- Consolidate management of cross-connection control program under single vendor
- Include 3<sup>rd</sup> party notices or advertisements in postal and electronic correspondence from city



### Items still being pursued

- Review/reduce amount of automobile allowance benefit
- Review/reduce target percentile for employee compensation
- Consider using civilian, rather than sworn employees, where feasible
- Extend the term of hiring and promotional lists in the police and fire departments
- Repeal the ordinance that exempts local government bodies from the payment of application, permit, and inspection fees
- Improve tracking for special events that involve retail sales to ensure that sales tax is collected on purchases
- Implement an additional permit fee to support the GIS system and GIS-related activities



### Items no longer being pursued

- Sell surplus property
  - Dunham-Hunt House, 7<sup>th</sup>-9<sup>th</sup> Avenue lots, 3<sup>rd</sup> Street well site, Langum Park site
- Offer credit for employees to opt out of city health insurance coverage
- Implement a franchise fee on water and sewer service
- Implement a fee for equipment/personnel costs related to motor vehicle collisions
- Implement a permit fee for commercial fire alarms.



### Summary

- Collaborative, open approach
- Over 130 ideas and suggestions submitted
- Implementation demonstrates success
- Financial benefit in excess of \$3 million to date
- Future financial benefit expected to grow.



### Questions?



# Implementation Report - Revenue - 2012 Status

## Capital Projects & Assets

Original Idea	Idea to be executed	2012 Status	2012 Value
<p>Sell the City property on 3rd St. where the old well house was to possibly the park district or some developer. It is just sitting there with no purpose.</p>	<p>Sell the City property on 3rd St. where the old well house was located. Consider St. Charles Park District as potential purchaser.</p>	<p>This proposal was not implemented pursuant to direction of City Council.</p>	
<p>Allocate 25% of Red Gate Bridge tax levy to General Fund</p>	<p>After determining the exact cost of the project, and the structure of the financing for the project, the City will consider allocating any funds that are not required to supplement the General Fund.</p>	<p>The final financing plan for the Red Gate Road Bridge is pending. At present, we estimate that approximately \$400,000 will be available annually to allocate for other uses or to remove from the revenue stream. Once that financing plan is finalized, it is anticipated that the City Council will make a decision regarding how to allocate the remaining proceeds from the tax levy.</p>	
<p>Sell unused property that the City owns for development (Langum Park and S. 7th Avenue lots)</p>	<p>City to consider sale of surplus property that the City owns (Langum Park and S. 7th/9th Avenue lots). Preference is to sell Langum Park to St. Charles Park District.</p>	<p>This proposal was not implemented pursuant to direction of City Council.</p>	

## City Services & Programs

Original Idea	Idea to be executed	2012 Status	2012 Value
<p>Consider selling surplus trucks, cars and equipment online in place of the city auction.</p>	<p>City has implemented the suggestion of selling surplus vehicles and equipment via online methods.</p>	<p>This suggestion has been implemented. All surplus equipment, vehicles, unclaimed lost/stolen property, etc. is sold via online auctions to the highest bidder. To date we estimate that we have sold approximately 124 lots via an online auction process.</p>	<p>\$304,154</p>
<p>Implement a no fighting in city limits ordinance</p>	<p>Implement a "no fighting" ordinance where anyone fighting in city limits would be cited under a local ordinance violation and fined regardless of whether charges are filed by an individual involved.</p>	<p>This ordinance was approved by City Council. Through the end of 2011, a total of 20 citations had been issued.</p>	<p>\$12,000</p>
<p>Create an ordinance for underage drinking parties/nuisance parties. Homeowner gets \$500 fine attached to water bill if there is a nuisance party at their residents and they refuse to come to door.</p>	<p>Create an ordinance for underage drinking parties/nuisance parties whereby a \$500 fine will be levied, if there is a nuisance party at the residence.</p>	<p>This ordinance was approved by City Council. Since passage, there have been no calls for service for underage drinking parties.</p>	
<p>Create loud music from cars ordinance.</p>	<p>St. Charles already has an ordinance to address loud music from vehicles.</p>	<p>The Police Department did not impound any cars for loud music in 2011 in part because of a focus on motorcycle noise enforcement. The state legislature made a change in the impound law effective January 1, 2012. The new law removed the ability to impound vehicles for loud music.</p>	



My company, Municipal Media Solutions helps governments earn new revenue by including advertising in postal and electronic mail. We are already working with the City of Northlake and Cook County.

Include 3rd party notices and/or advertising in postal and electronic mail from the City.

City staff members are in the process of evaluating the policies and procedures that would be involved in such a program. Initially the thought was that the Economic Development Department would spearhead this initiative via an outside service. However, the costs for such an arrangement proved to be uneconomical. City staff will devise policies and procedures for pricing, logistical arrangements for notices, and reviewing/approving content of ads. This will be undertaken in Fall, 2012.

---

**Support for External Agencies/Groups**

Original Idea	Idea to be executed	2012 Status	2012 Value
Review City Ordinance 15.101.150 Permit and Inspection Fees 7) i) Exempting local governmental bodies from submittal fees and permit fees.	Repeal the City ordinance exempting local governmental bodies from submittal fees and permit fees.	This proposal is currently being evaluated for implementation.	

## Taxes and Fees

Original Idea  
Idea to be executed  
2012 Status  
2012 Value

Assess a City permit fee for commercial fire alarms.

This proposal was not implemented pursuant to direction of City Council.

There are a number of events that occur in the city, both on public space and private space each involving various vendors in the business of retail sales. While they should be collecting sales tax and reporting it, there is no mandate to make that happen. They should be required to register and display a certificate from the Illinois Department of Revenue to ensure the proper tax is collected and distributed.

City to improve tracking by providing information to facilities managers and events sponsors regarding their obligations and responsibilities to collect and remit tax on purchases. Also, City will place notice on special event permits, where applicable.

This initiative is pending. The plan to address this comment is to amend the City's Special Events Policy and application to educate the sponsor of the event as to their vendors' responsibility to collect and remit sales tax. Additionally, we will ask the sponsor to certify via the application that they will ask their vendors to certify that they are complying with the rules of the Illinois Department of Revenue. This will be undertaken in Fall, 2012.

Review the fee that the customer is charged for water meters.

Review the fee that the customer is charged for water meters.

The City Council approved an ordinance implementing this change on May 7, 2012.

Charge a booking processing fee (Police Department jail)

Charge a booking processing fee for those incarcerated at the Police Department jail.

This ordinance was approved by City Council and the fee was instituted November 1, 2011. From that time until the end of 2011, \$3,080 was received. For calendar year 2012 through February, a total of \$5,670 was billed, \$3,750 paid in cash and \$1,970 billed.

\$26,250

Initiate an additional permit processing fee for GIS related activities. Since the inception of GIS at the City we have assumed responsibility of maintaining a large volume of information used by the organization in a variety of ways on a daily basis to allow them to make better decisions on the public's behalf.

Changes in information, such as, addressing, buildings, roadways, utility connections, etc, are driven by permits authorizing development in the City and can be directly tied to specific activities performed by GIS division staff.

Initiate an additional permit processing fee for GIS related activities.

This is scheduled for presentation to the City Council for approval in 2013 as part of a planned update to building and engineering permit fees. Community Development and Information Systems staff have worked together to define the scope and outline the details of this initiative. Building permits that directly affect GIS activities are identified and an appropriate fee schedule determined for each permit type.

Implement 3% franchise fee for Sewer Fund (similar to Electric franchise fee)

Consider the implementation of a franchise fee as part of the comprehensive utility rate study that is currently underway, provided City's rates remain lower than those of surrounding communities.

This suggestion was considered during the utility rate study which was completed in April of 2011. At the direction of the City Council, implementation is not being pursued at this time. It is an idea that staff will continue to evaluate in the future.

Implement 3% franchise fee for Water Fund (similar to Electric franchise fee)

Consider the implementation of a franchise fee as part of the comprehensive utility rate study that is currently underway, provided City's rates remain lower than those of surrounding communities.

This suggestion was considered during the utility rate study which was completed in April of 2011. At the direction of the City Council, implementation is not being pursued at this time. It is an idea that staff will continue to evaluate in the future.

Charge a disconnect notice fee for utility customers that disregard the notice on their bills. This could be an increasing amount based on the number of disconnect notices sent to a customer in a 12 month period. Also, can remove one charge for the customer who receives a disconnect notice for the first time. We already charge a \$20 return check fee for customers that give us a bad check.

Charge a disconnect notice fee for utility customers that disregard the notice on their bills.

This suggestion has been implemented. The city has instituted a disconnect notice fee in an effort to reduce the number of disconnect notices posted/sent. This fee does provide some revenue but the overall intent was to reduce the number of disconnection notices prepared and sent. The fee is graduated based on the number of notices sent in a 12 month period and each customer may have one fee removed each year.

\$22,000

The fee is fairly new (implemented in November, 2011) and therefore the impact is difficult to quantify with certainty at this point. However, it does appear to be having an effect. In the 3 months immediately preceding the implementation, approximately 225 disconnect notices were prepared each month. With the exception of December, 2011 (which is the month immediately following implementation), the city has issued fewer than 190 disconnect notices. As time goes along, and the fee amounts increase for those issued multiple disconnect notices, it is likely that the number of disconnect notices issued will continue to decrease.

Implement a motor vehicle collision response fee.

Implement a motor vehicle collision response fee that would be recovered via insurance of at-fault parties. The individual, and not the taxpayer, will be responsible for covering the cost of the services.

This proposal was not implemented pursuant to direction of City Council.

Charge for false alarms (may be doing this already).

This is currently in place and in use under Title 9.04.010. This ordinance was passed in 1980 and alarm holders have been billed at a rate of \$25. The current annual revenue for this averages \$15,000.

In 2011, there were 110 burglary (Police) false alarm billings, with 560 warning letters generated from false alarms. From May 1, 2011 year to date, \$6,125 has been received for false alarms. For FY 10-11, a total of \$8,825 was received.

\$12,000

The Fire Department began assessing false alarm charges on January 1, 2011. Billings did not go out until after May 1, 2011. As a result, for FY 2012, 31 false fire alarm incidents were billed, \$4,000.50 in fines were assessed, and \$3,552.50 was collected.

# Implementation Report - Expenditure - 2012 Status

**Capital Projects & Assets**

Original Idea  
 Idea to be executed  
 2012 Status  
 2012 Value

Expand Title 16 - Subdivisions and Land Improvement to require developers to include the installation of monumentation as specified by Title 16.24.030 as part of the bond they take out when they develop in the City. This part of the City Code is presently unenforced and could have saved the City from spending additional money to re-establish a survey control network. This is also state requirement (765 ILCS 205/) Plat Act.

The City will require that real estate developers include the installation of monumentation as specified by Title 16.24.030.

This will be incorporated into rewrite of Title 16 with presentation to P&D Committee in May, 2012. City Council approval anticipated by August, 2012.

Revise Fire Dept. apparatus replacement schedule to increase basis years on major apparatus.

Revisions to the Fire Dept. apparatus replacement schedule will be made to increase the number of years on major apparatus.

This proposal was implemented as part of FY12-13 budget effective 5/1/2012.

\$830,388

Eliminate various low-use vehicles from the City Fleet (reserve apparatus or duplicative equipment)

The City reviews vehicle use on an annual basis and eliminates unnecessary vehicles, if warranted. As vehicles are scheduled for replacement, the size/type/use is also reviewed to determine if modifications are warranted.

Over the last several years, this has been an emphasis for City Staff in all Department works with individual departments to evaluate the necessity for vehicle purchases as well as assuring that the vehicle proposed is appropriate to the tasks it will support. This has led to the elimination of many vehicles whose use was low; criteria have been established to help determine the appropriate level of use for vehicles indicated. Additionally, "creep" vehicles have been essentially eliminated from the fleet. "Pool" vehicles have also been eliminated due to low use. As time goes along, continued adherence to the policies and procedures will help us to assure responsible fleet management and vehicle expenses.



Slowly change over all city street lights from what I understand to be high pressure sodium lamps to LED lamps.

Change all city street lights to LED lamps, where it is feasible to do so. This implementation will be done via a phased approach over a period of time.

Illinois Street Bridge, Prairie Street Bridge, 2nd Avenue Bridge and 3rd Avenue Bridge are completed 2011/2012 (with IMEA grant funds). The performance of these lights will be evaluated for continued implementation of this initiative throughout the city.

\$1,416

To replace annual plant/plantings with perennials. Or, have businesses be responsible for selected area plantings. Or, ask landscaping businesses to use the opportunity to showcase their business by using their products on the downtown planting areas.

City will review current plantings and consider replacement of some annual plant/plantings with perennials.

The Pottawatomie Garden Club met with staff in 2011 to recommend a plan for implementation. Based on that feedback, staff has implemented the plan that progressively moves towards more perennials. The projected annual savings is \$10,000 after full implementation in FY13-14.

\$10,000

**City Services & Programs**

Original Idea	Idea to be executed	2012 Status	2012 Value
Eliminate Monday evening hours for Utility Billing and Building and Code Enforcement.	Due to low customer volume, and improved means of communicating with customers, Monday evening business hours for Utility Billing and Building and Code Enforcement will be discontinued.	This proposal was implemented as of June, 2011.	\$43,505
Use ebay rather than having a public auction.	The City utilizes on-line sales methods, if appropriate for the type of item being sold.	This suggestion has been implemented. All surplus equipment, vehicles, unclaimed lost/stolen property, etc. is sold via online auctions to the highest bidder. To date we estimate that we have sold approximately 124 lots via an online auction process. We have been happy with the results and the bids received and will continue with this process.	\$304,154
Cancel mailing/delivery of City newsletter; provide on-line and at City facilities only.	In response to changes in technology and how people receive information regarding city programs, door-to-door delivery of the newsletter will be discontinued. Newsletter will be available on-line. City will also use other means to convey information to residents, such as utility bill insert, Neighbors publication, and community e-news.	This proposal was implemented as of July, 2011. It has been very well-received by residents and provides for more timely and broader delivery of information. The conversion to an electronic format is more efficient for the City to produce and distribute. It provides greater flexibility because the City is no longer limited to a set number of printed pages each month, allowing City officials and staff to provide even more information than in the past. Finally, it allows anyone to sign up and receive the newsletter, including businesses, non-profit/community organizations, retirees, and residents who have relocated to another community.	\$20,000

Reduce front-line Fire Department engine companies from 4 to 3

Due to the anticipated termination of the service agreement with the Fire Protection District, and the resulting reduction in the number of calls for service, the City will reduce front-line Fire Department engine companies from 4 to 3.

One front-line fire company was eliminated as of 5/1/2011 with the expiration of the service agreement with the Fire Protection District.

\$745,347

Develop a course of action to gain tighter control over office supply spending by giving the Purchasing Department a lead role and raising staff awareness of the use of those supplies.

**PURCHASING :**

The City's Purchasing Department would centralize, coordinate and negotiate the pricing of regularly purchased office supplies (paper clips, copy paper, pens, notepads, markers, etc.). They would actively negotiate pricing rather than passively accepting standard, set "book" prices. Purchasing can research new sources with proven value.\* They can comparison shop to develop only one or two "approved" sources. Those sources could be required to submit competitive bids on an annual or bi-annual basis to retain their "approved" status. The sizable volume of city-wide business can be used as an incentive when negotiating pricing with potential suppliers.

Individual departments would assist Purchasing by analyzing their supply usage trends and placing orders in a manner which would assure that their department's stock of office supplies is kept at appropriate levels.

**USERS:**

Each staff member of all City departments would be held accountable for responsible depletion of supplies by tying it directly to each department's budget.

While no one should be expected to turn in their old pen to prove it's out of ink

The City monitors office supply use and requires the most-utilized items to be ordered through Inventory Control or the City's designated office-supply vendor. The vendor is selected annually via a competitive process to ensure best pricing for all city departments.

The suggestion has been implemented. The suggestion pre-supposed that supplies were not priced competitively and that catalog pricing was simply accepted as supplies were ordered and consumed by various departments. Each year, the Purchasing Division undertakes a competitive bidding process for the procurement of office supplies. A representative listing of the most commonly used supplies is bid on an annual basis with the lowest priced vendor selected based on the supplies requested and prices quoted. Typically, these prices (except for copy paper) are locked in for one year.

before getting a new one, there would be limited accessibility to office supplies by staff.

Supply requests could be set-up through Purchasing and/or Inventory Control on the City's intranet.

EXAMPLE: Copy paper is a commodity item with a volume that warrants a negotiated city-wide price. It is purchased by the various City departments through many different sources. I recently paid over \$32 per case for paper through our usual supplier, Source One. However, Sam's Club carries 5000 sheets (10 reams, 500 sheets each) for \$26.48 per case. Costco is \$37.48 for the same amount. (Even though Costco is a local business, they are rarely the best value.)

EXAMPLE: Consider pallet prices for commodity items similar to copy paper.

EXAMPLE: Buy our own commercial grade coffee makers and buy coffee supplies by the case. Forego the coffee service expense.

---

Consolidate all mapping related staff and activities to the GIS Division.

City will consolidate all mapping related staff and activities to the GIS Division of IS Department.

\$5,883

All positions identified with mapping related activities were evaluated and consolidated, where appropriate, in January 2011. Since the consolidation, redundant efforts have been eliminated and competing goals neutralized. The implementation of this initiative allows staff to work in a collaborative environment providing access to additional resources, knowledge base, and training opportunities. It also allows the application of skills to multiple areas of the City. The result of this process is an improved working relationship among GIS staff and with other departments. Use of CAD software for mapping purposes was eliminated. Electric engineers have met outstanding utility design needs by converting from Microstation to AutoCAD software. This not only empowers the engineers to do their own design, but includes a higher level of integration with the GIS system providing native access to the mapping data and aerial photography.

Have people doing community service mow grass and weed beds at city buildings. Have firefighters mow and clean beds at fire stations.

City to consider new ways that community restitution program can take over routine maintenance work at city facilities to reduce costs associated with staff or contractor maintenance.

\$40,000

Although the community restitution program is dependent on availability of program participants, City staff has utilized participants for a variety of maintenance work throughout the City. During 2011, participants were able to provide interior and exterior painting of City buildings. In addition, participants have provided mowing and weed removal at various locations around the City. Staff will continue to utilize restitution participants in areas that fill the most desirable needs while matching the skills of those that participate in the program.

Many of our residents possess computers in their homes and use them for paying bills, etc. Encourage those with the ability to receive City utility billings online as do many credit card companies.

Encourage those with the ability to receive City utility bill online to do so.

This suggestion has been implemented. In response to this comment, a formalized policy was devised to advertise and highlight the City's Electronic Billing Option. In January, May, and September of each year, we include a notice on the utility bill that the City offers this option and we encourage residents to avail themselves of this convenience. In May of even numbered years, we will provide a billing insert that advertises this option. Additionally, the insert is provided with every application for new service. The typical number of customers using the on-line option is 1,050-1,100 and is trending upward. In addition, the city has approximately 1050 - 1100 customers who pay online, we also have approximately 3,500 customers who pay directly via their bank account.

Cut back tree branches with leaves that keep street lights on and/or check for street lights that stay on during daylight.

The City has a regular program to remove tree branches that interfere with the proper operation of street lights.

Electric Line tree trimming contract includes streetlight trimming in the scope of services, consistent with previous years.

Review specialty teams in Fire Dept. such as search and rescue or hazmat to determine their need, given the number of incidents and the requirements for training, staffing, and other resources. (FD analyzed Tactical Emergency Medical Services Team only - this teams operates in conjunction with the Kane County SWAT Team to provide EMS during incidents).

Due to a low volume of calls, liability concerns, and extraordinary training expenses, the Technical Emergency Medical Services specialty team in the Fire Department will be discontinued.

Tactical Emergency Medical Support (TEMS) unit was disbanded as of 5/1/2011.

\$5,820

Since we began managing your cross connection control program, we noticed that unlike most communities, St Charles uses a different contractor to test, repair, and install each department's backflow preventers.

Consolidate management of cross-connection control program with a single vendor.

City staff in Public Works are compiling an RFP for services. The program will begin in April of 2012.

The City needs to decide which department is going to pay for this, but a bid should be put out to test ALL City backflow preventers. That quote should also include a repair rate and material mark-up percentage. We should then also change all of the annual "test due" dates to the same date, so they are no longer scattered throughout the year.

Have the plow crews in the winter drop less salt on the side streets, make fewer trips to clean the side streets, and possibly not even plow the side streets when the total snowfall is less than 2".

We are all big boys and girls, understand that it snows in Illinois in the winter, and that we may need to drive in the white stuff from time to time. Current City policy seems bent on having our car tires never touch any snowflakes when inside STC city limits

Public Works to implement certain cost-savings measures on a trial basis in an attempt to be more judicious with use of snow and ice program resources.

The Winter of 2010-11 was a success. Public Works continued using brine as a tool to reduce salt consumption. In addition, plow drivers were called to address storms later than usual and sent home sooner in an effort to save overtime expense. The 2011-12 program has also been a success. Snow totals were very low this year. The city has continued to utilize brine, successfully reducing the salt usage on our streets.



I am proposing that the City of St. Charles take a closer look at utilizing the procurement product offerings of the company that I represent, eBridge (formerly BidBridge). The company has a proven track record in assisting the public sector in widening its sourcing for items put out for bid and lowering the ultimate cost by orchestrating a dynamic electronic reverse auction . I have had a number of good visits with Ross Wiegert in the past 2 years regarding this product and we have been looking for a good application . We have found that sometimes it helps to find that application by widening the audience within the municipality which is one of the reasons I am responding .

The City is examining the eBridge system to identify products or commodities that can be purchased effectively.

The Purchasing Division worked in conjunction with the Public Works Department for many months to find a purchasing opportunity that would lend itself to this type of a purchasing/bidding procedure. EBridge has an internal policy wherein a contract has to have a minimum threshold value of \$125,000 to be considered in its program. The commodities purchasing that the City undertakes does not approach that value and an opportunity could not be found to evaluate eBridge for commodities.

Once the commodities were eliminated, staff evaluated anticipated improvements and projects that might lend themselves to this type of an arrangement. We tried to utilize the process when seeking bids for sanitary sewer lining services. However many qualified lining bidders refused to participate in this process. Additionally, contractual terms with eBridge changed many times during the process, with eBridge instituting a fee in the event of non-award of the bid.

Therefore, to date we have not utilized eBridge for a City purchase. After passage of the 12-13 budget, we can again evaluate (in conjunction with Public Works Staff) if a viable opportunity is present to try the eBridge service (or one similar.

**Employee Compensation/Benefits**

Original Idea	Idea to be executed	2012 Status	2012 Value
Eliminate tuition reimbursement program for employees	City will suspend funding for this program. No new enrollees will be permitted, but those currently enrolled will be permitted to finish their current program of study.	This proposal was implemented as of 5/1/10.	\$9,000
Change compensation policy to 50% of comparable communities from 75%	The City will consider a reduction to the 65th or 70th percentile in an effort to reduce wage/salary scales for all City employees.	This idea is still being evaluated for potential implementation.	
Eliminate automobile allowances for department directors.	City will review the amount paid to St. Charles employees with that paid by our comparable communities. The amount will be adjusted, based on the results of this analysis, if warranted.	This idea is still being evaluated for potential implementation.	
Increase rates for health insurance coverage	City reviews health insurance rates on an annual basis and makes adjustments, when warranted. City also evaluates insurance plans and will change plan design, if necessary, based on market comparisons.	The city implemented various changes to its health insurance program to reduce costs. These included a tobacco surcharge, a spousal surcharge, a modification to deductible/co-pays, and a change in Rx provider. This is an on-going process of evaluation and change to ensure competitiveness and cost-effectiveness.	\$412,000
Voluntary Retirement Incentive Program - Round #2	City will consider a "departure incentive" that would apply to any City employee, even if he/she is not eligible to retire. The purpose of the program is to allow employees to leave the City, providing opportunities to hire a new employee at lower salary or restructure.	City implemented a Voluntary Separation Incentive Program during FY11-12. A total of 17 employees left City employment or retired through the VSIP – 16 full-time employees and one part-time employee.	\$888,734

<p>Offer credit for employees to opt out of city health plan if they obtain medical coverage through spouse (yearly monetary check)</p>	<p>Offer payment/incentive for employees to opt out of city health plan if they obtain medical coverage through alternative means.</p>	<p>The city currently offers employees the ability to opt out of health insurance coverage; however, the city does not provide a financial incentive to do so. Such an option was evaluated and deemed economically infeasible.</p>
<p>Eliminating SMILE training program</p>	<p>City is currently evaluating the potential to reduce the scope of the program and is gathering data via a survey of participants in all 3 communities.</p>	<p>The SMILE (now LEAD) program has been reduced in scope. The program was made voluntary for all employees and the number of events has been reduced to 2 annually.</p>
<p>Drop or re-evaluate the "Way to Be" program. Monetary is not the only way to motivate people to go "above and beyond."</p>	<p>The current "Way to Be" program will be modified to eliminate the monetary awards; however, the program will remain in place to recognize the exemplary efforts of city employees.</p>	<p>The monetary awards for the Way To Be program were eliminated as of 5/1/11.</p>
<p>Alter Fire Dept. collective bargaining agreement to allow for additional acting out of rank positions.</p>	<p>Negotiate a revision to the Fire Dept. collective bargaining agreement to allow for additional acting out of rank positions. This will create flexibility in filling short-term vacancies and allow the City to save money.</p>	<p>This is subject to union approval as a change in the firefighters' labor agreement. It was proposed to the union previously and was rejected.</p>
<p>The City could allow employees to take a 12 or 18-month leave of absence. There are employees who would take advantage of an unpaid sabbatical if their job, seniority, time in grade, and pension were protected.</p>	<p>City is currently offering an unpaid time off program on a trial basis to determine its potential effectiveness. Long term leave could be approved on a case-by-case basis, provided it has no detrimental operational or economic impact on the City.</p>	<p>An unpaid time off (UTO) program has been implemented at the city. Approximately \$39,000 has been saved during the past 2 years by allowing employees to take time off without pay.</p>

Civilianize and reassign the sworn personnel to other responsibilities.

Existing sworn/union positions will be evaluated for transition to front-line public safety responsibilities; will consider utilizing civilian employees or contractors to provide services at a reduced cost.

This requires a change in the firefighters' labor agreement. A decision was made to address during contract bargaining in 2013.

Discussions with the union regarding appointment of an Assistant Chief/Fire Marshall, reclassification of current Fire Inspector as Training Lieutenant, and approval of 7G overtime rate for fire inspectors (on an as needed basis) took place during 2012, but were unsuccessful.

Reduce pension benefits and require some or higher medical benefit co pays by city (and county and school personnel). At minimum apply to new hires. Realistically, should apply to all employees

Pension benefits are determined by the State of Illinois and the City must provide/fund what is mandated. The City reviews our health insurance program regularly and makes pricing adjustments, if warranted.

The State of Illinois approved a two-tier pension program that will provide a lesser level of benefits to employees hired after 1/1/11. Additionally, the city implemented various changes to its health insurance program to reduce costs. These included a tobacco surcharge, a spousal surcharge, a modification to deductible/co-pays, and a change in Rx provider. This is an on-going process of evaluation and change to ensure competitiveness and cost-effectiveness.

Extend the term of hiring and promotional lists in Police/Fire Depts. to 3 years (from 2).

Implement revisions to allow the term of hiring and promotional lists to be extended to 3 years (from 2). This will reduce the costs of assessments/testing by extending the schedule for conducting the process.

This requires a change in the firefighters' labor agreement. A decision was made to address this during contract bargaining in 2013. We will evaluate the feasibility of combining Captain and Battalion Chief testing when list expires in 2012.

Revisit insurance costs, and compare with other insurance companies. This should be done every 2 or 3 years.

I am not a St. Charles resident, just trying to be helpful.

The City reviews its insurance costs on a quarterly basis and makes adjustments annually, as needed.

The city implemented various changes to its health insurance program to reduce costs. These included a tobacco surcharge, a spousal surcharge, a modification to deductible/co-pays, and a change in Rx provider. This is an on-going process of evaluation and change to ensure competitiveness and cost-effectiveness.

\$412,000

**Support for External Agencies/Groups**

Original Idea	Idea to be executed	2012 Status	2012 Value
Limit parades.	The City will review its support services for parades and identify ways to limit costs.	This proposal has not been implemented as a result of decisions made by the City Council; however, the city has taken steps to reduce the cost and traffic impacts of downtown parades. This includes moving the high school homecoming parades to Illinois Street/Avenue and closing IL 31/2nd Street only during the parade crossing.	\$2,400
Review memberships in regional or national associations.	City will discontinue its membership in the National League of Cities and the DuPage Mayors and Managers Conference.	The city discontinued its memberships in the National League of Cities and the Metropolitan Mayors Caucus. In addition, the city negotiated a lower dues amount for the DuPage Mayors and Managers Conference.	\$4,000
Eliminate Corridor Improvement grant program	Suspend funding for Corridor Improvement grant program for immediate future. Revisit again in future, depending on financial situation and interest in program.	This proposal was implemented as of 5/1/12.	\$21,120