

Administrative-Finance Committee
December 12, 2011
6:30 P.M. – Conference Room

- 1. Call to Order**
- 2. Establishment of Quorum**
- 3. Public Comment**
- 4. Discussion Items**
 - a. Vehicle Maintenance**
 - b. Executive Session Minutes**
- 5. Other Business**
- 6. Next Meeting – January 9, 2012**
- 7. Adjournment**

AGENDA MEMO
Administrative/Finance Committee
Meeting Date: December 12, 2011

ISSUE STATEMENT

Approval of recommendation releasing executive session minutes that no longer requires confidentiality.

BACKGROUND/HISTORY

Executive session minutes are required to be reviewed in six month cycles. The executive session minutes that no longer require confidentiality are then released as all other public meeting minutes are. Attached is a chart showing the minutes currently classified as confidential. The chart also shows minutes recommended for release. Minute dates noted with * and **bold** are recommended for release. The executive session minutes are kept in the Clerk's office for your review so please contact me if you want to review the minutes.

STAFF/COMMITTEE RECOMMENDATION

Staff recommends release of the minutes as shown in the attached chart.

ALTERNATE CONSIDERATION

Revise list of minutes to be released based on need to keep confidential.

DECISION MODE

This will be placed on the December 19th, 2011, City Council meeting for formal consideration.

CURRENT UNRELEASED EXECUTIVE SESSION MINUTES

	2003		2011
	May 5, 2003 – Litigation- first 3 paragraphs only	*	February 7 th , 2011 – Sale or lease of real estate – collective bargaining
	May 19, 2003 – Litigation – last paragraph only	*	April 18 th , 2011 - personnel
	2004	*	May 9 th , 2011 – personnel
	January 19, 2004 Litigation	*	June 20 th , 2011 – Sale or lease of real estate
	April 5, 2004 – Litigation	*	July 18 th , 2011 - collective bargaining
			August 1st, 2011 - Sale or lease of real estate
	2009		
*	April 20, 2009 – setting price for sale or lease – collective bargaining		
*	June 15 th , 2009 – Litigation page 3		
*	September 8 th , 2009 – Purchase of Real Estate- Collective Bargaining		
*	October 5 th , 2009 – Sale or Lease of Real Estate		
	Dec 7, 2009 – Purchase of Real Estate		
	2010		
	March 15, 2010- Litigation- Sale or Lease of Real Estate		
*	October 4, 2010 - collective bargaining		
	December 6, 2010 – sale or lease of real estate - litigation		
	December 20 th , 2010 – sale or lease of real estate		

***- INDICATES DATE OF MINUTES RECOMMENDED FOR RELEASE.
ONLY THOSE SUBJECTS IN BOLD RECOMMENDED FOR RELEASE**

AGENDA MEMO
Administrative/Finance Committee
December 12, 2011

ISSUE STATEMENT

A resolution authorizing the Mayor to execute an agreement with the Village of Downers Grove to enter into an intergovernmental agreement to provide vehicle maintenance services for the City of Darien.

BACKGROUND/HISTORY

The long term mechanic in the Municipal Service Department retired this summer. Staff investigated several alternatives to provide fleet maintenance services including hiring an employee to fill the position, using automotive repair shops, and sharing services with local agencies including the nearby consortium of fire departments and schools and the Village of Downers Grove.

There are a variety of issues to consider when selecting a vehicle maintenance option for a fleet of Darien's size and composition. The duties of the vehicles necessitate timely repairs, with snow plowing and police services the primary use of many pieces of equipment. There are also a wide range of vehicles that need repairs, including both nine ton plows and pursuit police cars. It is also important that even though Darien does not have a large fleet compared with other communities, cost saving innovations can be implemented for a fleet with an approximate replacement value of \$3.5 million. The fleet needs eliminate private automotive repair shops and the consortium of fire departments and schools as primary options. Private repair shops may be good supplementary options, but cannot be relied upon for immediate repairs during snow storms with specialized equipment, and the consortium may not have the ability to bring forth innovative ideas for reducing costs, as they do not currently purchase or repair vehicles identical to either large plow trucks or police pursuit vehicles.

The two options remaining are hiring a mechanic for the Municipal Services Department or outsourcing the duties performed last year by the mechanic to the Village of Downers Grove. In the interim a General Utility II worker has been given a stipend to perform the mechanic duties. This employee has assisted with vehicle repairs for a number of years and can perform the duties. Keeping him with mechanic duties still requires the hiring of an additional mechanic to back up, especially in cases such as vacations, sick or injury time, or during storms of a long duration. A comparison of the cost of the retired mechanic position is attached, along with a four year comparison of the total costs of personnel if a four year mechanic position was considered. One weakness in this option is implementing innovative ideas. While our current staff is talented in vehicle repair, suggestions on better fleet maintenance ideas and techniques have not been common. Another is evaluating workload. The management staff does not have a background in mechanic work, and the hours worked repairing vehicles has fluctuated. The fiscal year prior to the retirement the mechanic worked 1,541 hours on vehicles; the prior fiscal year he worked 1,180. The final weakness is the small scale of the department. Purchasing in small quantities for a small department does not take advantages of economical quantities of scale that could be used to purchase a large number of items, such as air filters, for a greater discount.

The final option is utilizing the Village of Downers Grove to repair vehicles. The Village of Downers Grove has a large shop that can absorb the City of Darien fleet within their current operations. The positive aspects of their operation include:

- They are well equipped for emergencies, with two mechanics in the shop at all times during snow storms in case of breakdowns
- They have a service vehicle that can drive to the site of a broken vehicle and repair it on the street
- They have a fleet services manager who monitors workload and productivity to ensure proper utilization of human resources
- The fleet services manager is charged with implementing innovative ideas and programs, putting together bid specs to ensure intelligent decisions are made on major vehicle purchases.
- Innovative cost saving ideas include using nitrogen to double the life of tires, using old oil to heat buildings instead of paying to dispose, and investigating natural gas vehicles.

The biggest weakness in this proposal is the location, with their garage approximately 15 minutes away. Downers Grove does have the ability to come to the City of Darien shop in the service vehicle to complete repairs, which can eliminate some of this issue.

The Village of Downers Grove has provided an offer of \$87 for the first 1100 hours of mechanic services, with a rate of \$45 for each hour after. In this scenario, the City of Darien would utilize the current General Utility II worker for small repairs in the same way it has done for a number of years. If the Village of Downers Grove provides the identical number of hours as the retired mechanic, at the 1,541 hours for FYE 2011 it would cost the City of Darien \$115,545; if it was the 1,180 hours of FYE 2010 it would cost the City of Darien \$99,300. Additionally, the City of Darien has purchased a brand new police fleet that should need minimal maintenance. If the 1,180 hours are needed to repair a four year old fleet, an estimated 1,000 are needed for a new fleet, providing additional savings. There are also savings due to economies of scale for purchases and innovative programs that will reduce the costs of tires and oil disposal. The cost of employees, especially when viewed through a four year window, is significantly higher.

As this is a new program, both the City of Darien and the Village of Downers Grove prefer to enter into the agreement as a trial period rather than a permanent arrangement. With a new program of this scale both sides certainly want any arrangement to be beneficial to both sides. If for any reason the agreement does not seem to work out, the City of Darien could easily then hire an employee. The opposite may not be true; Downers Grove has looked at expanding the entities they are serving, and another could fill in this space. This intergovernmental agreement could be a unique opportunity to work with another governmental entity to share services and reduce the long term costs of vehicle maintenance and save money. The agreement is still contingent on review and approval by the Village of Downers Grove.

STAFF/COMMITTEE RECOMMENDATION

Staff recommends approving the intergovernmental agreement.

ALTERNATE CONSIDERATION

Hiring additional staff would be an alternate consideration.

Cost Comparison - Top Scale Mechanic vs. Downers Grove

Mechanic Costs - Final Step

Salary	77,419	
IMRF	9205.12	
Medicare	1122.58	
FICA	4799.98	
Medical Insurance	17190	
Life Insurance	184	Total S&B 109,921
Overtime	8,241.34	
OTIMRF	979.90	
OTFICA	510.96	
OTMedicare	119.50	Total OT 9,851.70
Vacation	2,978	
VacIMRF	354.08	
VacFICA	184.64	
VacMedicare	43.18	Total Vacation 3,560
Uniform	475	
Boots	200	
Tools	1100	
Parts & Equipment Projected	33500	Total Equip 35275
		Total Value 158,607

**** Does not include**

- Sick Time Payout - City paid \$19,022.61 last year
- Building Costs - Includes lifts, garage space, office, etc.
- Liability & WC Insurance - Insurance increased last two years due to claims
- Computer & Diagnostic Equipment

Downers Grove - 1541 Hours

Labor Costs	\$115,545
Vehicle Transportation (500 Hours @ \$10/hr)	\$5,000
Projected parts and equipment	\$25,125
TOTAL	\$145,670

Downers Grove - 1180 Hours

Labor Costs	\$99,300
Vehicle Transportation (500 Hours @ \$10/hr)	\$5,000
Projected parts and equipment	\$25,125
TOTAL	\$129,425

Downers Grove - 1000 Hours

Labor Costs	\$87,000
Vehicle Transportation (500 Hours @ \$10/hr)	\$5,000
Projected parts and equipment	\$25,125
TOTAL	\$117,125

Cost Analysis - Total Cost of Hiring Mechanic Step Below Midlevel

Mechanic Costs - Midlevel Start 2012		Mechanic Costs - Fourth Year	
Salary	66,138	Salary	83,800
IMRF	7863.81	IMRF	9963.82
Medicare	959.00	Medicare	1215.10
FICA	4100.56	FICA	5195.60
Medical Insurance	17190	Medical Insurance	25,168
Life Insurance	184	Life Insurance	184
Overtime	7,058.00	Total S&B	125,527
OTIMRF	839.20	Overtime	8,944.00
OTFICA	437.60	OTIMRF	1063.44
OTMedicare	102.34	OTFICA	554.53
Vacation	2,544	OTMedicare	129.69
VacIMRF	302.48	Total OT	10,691.66
VacFICA	157.73	Vacation	3,223
VacMedicare	36.89	VacIMRF	383.21
Uniform	475	VacFICA	199.83
Boots	200	VacMedicare	46.73
Tools	1100	Uniform	475
Parts & Equipment Projected	33500	Boots	200
Total Cost	143,189	Tools	1100
		Parts & Equipment Projected	33500
		Total Equip	35275
		Total Value	175,346

** Assumes 2% increases out to the fourth year and 10% increases in health insurance each year, no increase in boots, tools, or parts and equipment

**INTERGOVERNMENTAL AGREEMENT BETWEEN THE
VILLAGE OF DOWNERS GROVE AND THE CITY OF DARIEN, ILLINOIS
REGARDING THE MAINTENANCE
AND REPAIR OF DARIEN VEHICLES**

THIS INTERGOVERNMENTAL AGREEMENT entered into this _____ day of _____, 2011, by and between the VILLAGE OF DOWNERS GROVE, ILLINOIS, an Illinois municipal corporation, with offices at 801 Burlington Avenue, Downers Grove, Illinois (hereinafter referred to as "Village"), and the CITY OF DARIEN, ILLINOIS, with offices at _____, Darien, Illinois (hereinafter referred to as "Darien"),

WITNESSETH

WHEREAS, Article VII, Section 10 of the 1970 Constitution of the State of Illinois and the Intergovernmental Cooperation Act (5 ILCS 220/1 et seq.) provide that units of local government may contract with one another to perform any activity authorized by law; and

WHEREAS, the Village has in-house fleet services (hereinafter referred to as "Village Fleet Services") to maintain and repair its own vehicles;

WHEREAS, Darien owns vehicles, but does not have in-house personnel to maintain and repair said vehicles, and wishes to contract with the Village for said fleet services;

NOW, THEREFORE, in consideration of the mutual covenants, conditions, and agreements herein set forth, the parties hereto agree as follows:

1. The provisions set forth in the preamble are incorporated into and made a part of this Agreement.
2. The Village agrees to perform periodic repair and maintenance work on the vehicles owned by Darien. (See Service Level Expectations attached hereto and incorporated as though fully set forth herein as Exhibit "A".) The services will be performed at the Village's maintenance garage and it shall be the responsibility of Darien, at its sole expense, to bring the

vehicles to the garage for service work. Darien shall provide the Village a list of employees authorized to initiate repair work to be performed by Village Fleet Services.

3. Prior to performing any fleet services or ordering parts or materials for any vehicle, the Village shall provide Darien with an estimate of the total cost of work. Darien shall pay to the Village \$87.00 an hour for the first 1,100 hours of service and \$45.00 an hour in excess of 1,100 hours for services performed by Village Fleet Services personnel. Darien shall pay to the Village the actual costs for parts, materials or outside services. Darien will be informed in writing of any rate changes at least sixty (60) days in advance of the effective date of the rate changes.

4. The Village will invoice Darien on a monthly basis. Darien agrees to pay the Village invoices for repairs and maintenance pursuant to the terms of the Local Government Prompt Payment Act (50 ILCS 505/1 et seq.).

In the event that Darien defaults in any of its obligations to the Village, Darien shall pay the Village reasonable attorneys' fees, costs and expenses expended by the Village to collect the amount owed.

5. Warranties on parts and materials, if any, shall only be as long as the warranties provided by the manufacturers. All other warranties, express or implied, or any other representations, promises or statements are hereby disclaimed and disavowed by the Village.

6. Except in cases of sole negligence, the Village of Downers Grove shall not be liable for any damages in an amount exceeding the monies paid by Darien to the Village for labor, parts, and materials expended. Darien hereby waives, and in no event shall the Village be liable for, any and all claims for special, incidental, consequential or punitive damages from the Village, its officers, employees and agents except in cases of sole negligence.

7. Each Party to this Agreement shall continue to procure and maintain, at its sole and exclusive expense, insurance coverage including comprehensive liability, contractual liability,

personal injury, and property damage with such limits of coverage and deductibles as are prudent and reasonable for the protection of its own vehicles, apparatus, equipment or facilities. Darien agrees that its insurance coverage on its vehicles shall be considered to be the primary coverage for those vehicles for all purposes.

8. In the event that Darien cancels a request for service for maintenance or repairs after parts and/or materials are ordered, Darien is responsible to pay the Village the applicable restocking fee, if one exists, for returnable parts and materials and one hundred percent (100%) of the cost of parts and materials that cannot be returned.

9. Subject to Paragraph 6 above, each Party agrees to defend, indemnify and hold harmless the elected and appointed officials and all other agents, representatives and employees of the other Party, against any claim, suit or cause of action arising out of the Party's own negligence, willful, wanton, or intentional acts and/or omissions under this Agreement. Each Party agrees to raise as defenses before any court any respective governmental tort immunities provided by law.

10. The term of this Agreement shall be one (1) year from the effective date hereof. This Agreement will automatically renew for one (1) year terms unless either Party provides thirty (30) days' written notice of termination. Either Party may terminate this Agreement for any reason at any time upon delivery of a written notice to the other Party at least thirty (30) days before the intended termination date. Such notice shall be either personally delivered or sent by certified mail, return receipt requested.

11. Darien and Downers Grove shall, as parties to a public contract:

- (a) Refrain from unlawful discrimination in employment and undertake affirmative action to assure equality of employment opportunity and eliminate the effects of past discrimination;
- (b) Darien and Downers Grove certify that they are an "equal opportunity employer" as defined by Section 2000(e) of Chapter 21, Title 42, U.S. Code Annotated and Executive Orders #11246 and #11375, which are incorporated herein by reference. The Equal Opportunity clause, Section 6.1 of the Rules and Regulations of the Department of Human Rights of the State of Illinois, is a material part of this

Agreement.

- (c) Darien and Downers Grove shall comply with standards set forth in Title VII of the Civil Rights Act of 1964, 42 U.S.C. Sec. 2000 et seq., The Human Rights Act of the State of Illinois, 775 ILCS 5/1-101 et. seq., and The Americans With Disabilities Act, 42 U.S.C. Secs. 12101 et. seq.

12. In the event of Darien or Downers Grove's non-compliance with the provisions of this Equal Employment Opportunity Clause, the Illinois Human Rights Act or the Rules and Regulations of the Illinois Department of Human Rights ("Department"), this Agreement may be canceled or voided in whole or in part, and such other sanctions or penalties may be imposed or remedies invoked as provided by statute or regulation. During the performance of this Agreement, Darien and Downers Grove agree as follows:

- a. That it will not discriminate against any employee or applicant for employment because of race, color, religion, sex, marital status, national origin or ancestry, age, physical or mental handicap unrelated to ability, sexual orientation, sexual identity or an unfavorable discharge from military service; and further that it will examine all job classifications to determine if minority persons or women are underutilized and will take appropriate affirmative action to rectify any such underutilization.
- b. That, in all solicitations or advertisements for employees placed by it or on its behalf, it will state that all applicants will be afforded equal opportunity without discrimination because of race, color, religion, sex, marital status, national origin or ancestry, age, physical or mental handicap unrelated to ability, or an unfavorable discharge from military services.

13. Darien and Downers Grove, as parties to a public contract, shall have a written sexual harassment policy that:

- a. Notes the illegality of sexual harassment;
- b. Sets forth the State law definition of sexual harassment;
- c. Describes sexual harassment utilizing examples;
- d. Describes Darien or Downers Grove's internal complaint process including penalties;
- e. Describes the legal recourse, investigative and complaint process available through the Illinois Department of Human Rights and the Human Rights Commission and how to contact these entities; and
- f. Describes the protection against retaliation afforded under the Illinois Human Rights Act.

14. Darien and Downers Grove, as parties to a public contract, certify and agree that they will

provide a drug free workplace by:

- a. Publishing a statement: (1) Notifying employees that the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance, including cannabis, is prohibited in the Village's or Darien's workplace. (2) Specifying the actions that will be taken against employees for violations of such prohibition. (3) Notifying the employee that, as a condition of employment on such contract or grant, the employee will: (A) abide by the terms of the statement; and (B) notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction.
- b. Establishing a drug free awareness program to inform employees about: (1) the dangers of drug abuse in the workplace; (2) the Village's or Darien's policy of maintaining a drug free workplace; (3) any available drug counseling, rehabilitation and employee assistance programs; (4) the penalties that may be imposed upon employees for drug violations.
- c. Providing a copy of the statement required above to each employee engaged in the performance of the contract or grant and to post the statement in a prominent place in the workplace.
- d. Notifying the contracting or granting agency within ten (10) days after receiving notice of any criminal drug statute conviction for a violation occurring in the workplace from an employee or otherwise receiving actual notice of such conviction.
- e. Imposing a sanction on, or requiring the satisfactory participation in a drug abuse assistance or rehabilitation program by, any employee who is so convicted as required by section 5 of the Drug Free Workplace Act.
- f. Assisting employees in selecting a course of action in the event drug counseling, treatment and rehabilitation is required and indicating that a trained referral team is in place.
- g. Making a good faith effort to continue to maintain a drug free workplace through implementation of the Drug Free Workplace Act.

15. This Agreement represents the entire agreement between the parties. This Agreement shall only be amended by a written instrument approved and signed by all parties hereto. Such amendment shall take effect immediately upon its execution. This Agreement shall be binding upon any successors or assigns to either Party to this Agreement.

16. This Agreement shall be governed, interpreted and construed in accordance with the laws of the State of Illinois. The forum for any legal disputes between the Village and Darien shall be DuPage County, Illinois.

17. Any statement or writing to be presented to a Party hereunder shall be so presented by personal delivery or by deposit in the United States mail, with postage properly prepaid, and properly addressed to the offices of the other Party, as listed above, and shall be deemed presented on date of postmark.

18. If any section, paragraph, clause or provision of this Agreement shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Agreement.

IN WITNESS WHEREOF, the Parties, pursuant to proper and necessary authorization have executed this Agreement on the date first written above.

CITY OF DARIEN, ILLINOIS

VILLAGE OF DOWNERS GROVE

Mayor

Mayor

ATTEST:

ATTEST:

City Clerk

Village Clerk

Service Level Expectations

In order to provide the most efficient and effective vehicle maintenance services to its intergovernmental partner agency ("Customer"), The Village of Downers Grove Fleet Services Division ("Fleet Services") will perform in the following manner:

- Establish a routine and predictable procedure for contacting the Customer to indicate when vehicles are due for planned maintenance services
- Contact the Customer for authorization prior to proceeding with any additional repairs not previously reported or agreed upon
- Make the following services available to the Customer for the fee established in the agreement:

Maintenance Repair & Safety

Planned maintenance services based on miles, hours or time
Unscheduled repairs
On-demand safety inspections
Contract repair services managed by Fleet Services
Contracted towing services
Contract collision & suspension repair
Statutory Inspections
Equipment & technology upgrades and changes
Road-call service
Contracted tire repair/replacement services

Financial & Information Services

Monthly billing report
Annual utilization report
Additional reports upon request

Other Services

Additional labor for services upon request
Specialized equipment installation
Fire extinguisher testing and replacement
Completion of emission testing requirements
Provide operator training recommendations

- Provide recommendations and input for the replacement and acquisition of new vehicles and equipment
- Update fees for service on an annual basis and provide notice to Customer of any proposed rate changes at least sixty days prior to the effective date of the rate change
- Establish the Fleet Services Manager or his or her designee as the primary Fleet Services contact
- Document any instances of vehicle abuse and report to Customer liaison

In order to assist Fleet Services in providing the most efficient and effective vehicle maintenance services, the Customer is expected to perform in the following manner:

- Bring vehicles in for planned maintenance services based on established routines and procedures
- Notify Fleet Services of occurrences of vehicle damage or maintenance problems in a timely manner based on established routines and procedures
- Assign a liaison as a contact person for fleet services matters. The liaison will serve as the primary point of contact for Fleet Services staff and be able to make decisions to authorize all necessary repairs.
- Assume responsibility for exterior washing and interior cleaning of all vehicles.
- Make all necessary arrangements for transporting scheduled and non-scheduled vehicles and equipment to and from Fleet Services for service, maintenance and repairs
- Provide copies of any documentation, such as police reports or detailed invoices for repair or warranty work performed by an entity other than Fleet Services, to Fleet Services prior to a maintenance or repair
- Provide Fleet Services with information related to planned replacement of vehicles, including established replacement policies and expected life cycle of current vehicles