

**PUBLIC SERVICES COMMITTEE**

*Minutes of Public Meeting*

*May 7, 2002*

Village of Downers Grove  
Committee Room  
801 Burlington Avenue, Downers Grove

**ROLL CALL:**

PRESENT: Commissioner Marilyn Schnell, Chair Public Services Committee  
Commissioner Martin Tully and  
Mr. Jack Bajor, Director of Public Works

STAFF: Bob Schiller, Director of Operations  
Dorin Fera, Traffic Manager  
Megan Dugard, Recording Secretary

ABSENT: None

*Visitors: None*

**Commissioner Schnell** called the Publics Works Services Committee Meeting to order at 5:30 p.m.

The minutes for the April 1, 2002 meeting will be reviewed and submitted for approval at the next Public Service meeting.

**Mr. Bajor** explained the process for current and past policies regarding contracts and contract extensions as requested by Mayor Krajewski. Staff compiled copies of recent contracts for review, which were included in the packet for this meeting. Per policy contracts can be extended as long as they are not more than 5% of the original contract, and not more than two years of the inception. Corrugated Metal Pipe (CMP) contract was reviewed. A listing of contracts used in Public Works was included in the packet. Bob Schiller brought a binder containing various contracts to explain and answer questions.

**Mr. Schiller** explained numerous hours are spent in compiling contract agreements. The Traffic Signal contract for example is put out for bid as a multiple year contract. Services for traffic signal prices are locked in the first year and second year. An optional third year there is no more than a 2% increase in price. One reason for the contract extensions is typically these vendors are a group that continues to bid on many municipal projects. The vendors understand the municipal government. They know if they are high they are out. Therefore we are relatively comfortable that we are getting a good quality product for a good price.

**Commissioner Schnell** asked what percentages of contracts are extended.

**Mr. Schiller** replied 50 to 60 percent of contracts are extendible contracts. The listing supplied is not complete. The contractual sweeping is not listed. A contractual pavement marking is also not listed. Snow removal for the cul de sacs in the townhouse areas is not listed.

**Commissioner Schnell** stated some of the contracts have available a one year extension. Does this mean none of the contracts are more than two years?

**Mr. Schiller** explained the purchasing policy reads a single contract with a contractor cannot extend more than three total years. A one-year contract allows us two single year extensions and a two-year contract allows us one-year extension.

**Commissioner Schnell** inquired on the time frame of compiling a bid.

**Mr. Schiller** replied to compile a bid from start to finish requires one-third the time than compiling a proposal. One of the largest contracts we presently have is for the Water Department.

**Commissioner Tully** stated he understands that the issue of extensions was the main focus of our charge, but it was slightly broader. First, is there one purchasing policy that covers all bidding or are there multiple policies.

**Mr. Schiller** responded that there is one purchasing policy, which covers all bidding. Everyone follows the same policy.

**Commissioner Tully** asked if the policy was accessible on the web site or if a copy of the policy could be provided.

**Mr. Schiller** said a purchasing policy copy could be provided.

**Mr. Bajor** stated he would provide a copy of the purchasing policy.

**Commissioner Tully** stated the main focus for the purchasing extension issue is to understand why are they extended, why are the extensions for no more than two years, why are they at a 5% increase opposed to another percentage. It is understood there is a substantial savings on time and resources as well as personnel hours. After we review the policy, and we are familiar with the rationale of the policy, it would be helpful to know how we arrived at the figures being used. Another question is, if sufficient bids are not returned, what is the policy for follow up. There was a recent incident that occurred where only one bid was received.

**Mr. Schiller** stated he was aware of the incident. This happened recently on a concrete bid. These matters are evaluated on a case-by-case basis depending on the product and the availability. We evaluate the bidder responding and the reason behind the situation. The recent contract was concrete to be delivered. Five contracts were sent to suppliers for bid. Two vendors were interested. One contractor was out of town when bids were due. His bid was not turned in for the bid opening. Understanding that we encourage more than one price, and more than one vendor available, we had to re-bid the contract. The vendor who bid originally, the first time, wrote the wrong due date for the second bid opening. Therefore on the second bid opening, we received a bid from the second supplier, but no bid from the first vendor. We explained the situation to the Finance Director who agreed to allow us to contact the vendors and make them

aware of our intent to utilize both of them. Both vendors approved of this agreement. Obviously, other companies realize they can not compete with pricing and are not interested in bidding. He explained how a phone call to the vendor requesting prices for various items gives us an idea on the increase percentage before contract extensions are activated.

**Commissioner Tully** stated staff is gathering the needed information by making informal phone contact with vendors, regarding the price base and price increase. Perhaps all that need be done is for staff to share that informal information with the Council.

**Mr. Schiller** added there is a good relationship with the vendors. If there is an emergency, the vendors are here at a moments notice.

**Commissioner Schnell** asked if after a three-year extension, it is necessary to go out to bid again, what percentage is the same vendor awarded the contract.

**Mr. Schiller** responded more often than not. He agreed the current vendor remains competitive during the bidding process.

**Commissioner Tully** asked in what situations has the village bought something that was without competitive bid.

**Mr. Schiller** replied he would soon be asking for permission from Council regarding the traffic signal for Main & Franklin. We would like to match the existing poles and obviously this will require approaching the specific vendor who actually manufactures these poles.

**Commissioner Schnell** interjected, asking if we will make the August 15<sup>th</sup> deadline.

**Mr. Schiller** stated he could make the deadline at the end of August before school starts if the Finance Director frees up available funds and Council approval is received. Material bids consist of going directly to the manufacturer supplier. One vendor makes specific materials and only that vendor supplies the material. For example, the Village uses Slumber J Water Meters. Badger cannot supply Slumber J Meters.

**Commissioner Tully** asked if this was addressed in the Purchasing Policy, that is, situations where no competitive bid is required.

**Mr. Schiller** stated he assumes it is stated in the purchasing policy.

**Mr. Bajor** added he would get a copy of the purchasing policy.

**Commissioner Schnell** stated Commissioner McConnell requested the next item. A resident asked about a tree donation program within the village. The park district presently has a program.

**Mr. Bajor** stated the Park District faxed the information to Megan Dugard. This is the current program. Sue McConnell asked some time ago about looking into planting trees in the parkway and place a monument at the base of the tree for the purpose in memory of a lost family member. A brass plaque would be put in the Administrative office as a scribe. Bob Schiller oversees the Forestry Division as Director of Operations. He is aware of the program within the Park District.

**Mr. Schiller** added the cost of the tree is minor. To institute such a program would include administrative cost, monument cost, which we would hesitate to put in the parkway. We did some research as suggested, and a small plaque in the administrative office, would cost approximately \$9000. It seems this would be a costly investment on the part of the Village to start a program when the Park District already has a program in place. Trees in a park, in a green setting, makes more sense rather than one sitting along 55<sup>th</sup> Street as a donation.

**Commissioner Schnell** agrees the program belongs with the Park District. We are gathering information at this time. There are residents who prefer to work through the village rather than the Park District. We could use our web site to offer residents alternative options suggesting the Park District or Morton Arboretum for tree donations in memory of a loved one.

**Mr. Bajor** agreed. He offered the possibility of allowing residents to make the tree donation adding to our inventory and present a certificate to the donor stating the location of the tree. The condition should be up front that all trees are subject to damage and loss.

**Commissioner Schnell** stated she felt uncertain about the answer to this matter. One response is to make available alternative options.

**Commissioner Tully** agreed. The tree is not the issue. Tree donations are welcome. The plaque and administrative cost are a concern. Presenting a certificate is acceptable stating the tree is planted within the Village limits. A program involving plaques is presently in place through the Park District.

**Commissioner Schnell** agrees with presenting a Certificate to the donor in appreciation. This will be presented to Council this evening.

**Commissioner Tully** stated no plaques; a tree donation program is available, place the information on the web site for tree donation to be planted within a certain quadrant of town, and present a certificate to the donor.

**Mr. Bajor** added with some of the administrative changes within Public Works, he asked Dorin Fera to stop in and meet the Council members this evening. Jonathan Hall joins the public works staff on May 13<sup>th</sup> with the Storm Water Division. Jane Gerdes will be leaving, which is a major loss. The affect felt by staff with the sudden death of Dave Pelenis was tremendous.

**Commissioner Schnell** asked Mr. Schiller to advise on any further developments via e-mail regarding the light at Main & Franklin.

Adjourned 6:20 p.m.