

City of Darien

Minutes of the Administrative Finance Committee

August 5, 2013

The Meeting was called to order by Alderman Ted Schauer at 6:34 pm. Committee members Alderman Tina Beilke, Alderman Joe Kenny, and Treasurer Michael Coren were also present. Staff members included City Administrator Bryon Vana and Assistant City Administrator Scott Coren. Others present included Aaron Valley and Chrystine Bejnarowicz with FMHC, Matt Goodwin with the Darien VFW, and Jolita Dygiliene and Jurate Kriauciuniene with Café Smilga.

Rental Agreement with the Darien VFW for 7515 Cass Avenue, Unit J

The committee reviewed a lease with the VFW to provide them space in the Heritage Center at no cost. The lease provided either side could terminate the agreement with a thirty days written notice by either party. Matt Goodwin provided an overview of the uses the VFW would like to conduct, consisting mainly of meeting space, storage and operational purposes. Alderman Kenny suggested the VFW should pay a certain amount of rent to contribute to a property run by the City of Darien. The committee discussed money that will be paid by the VFW, such as utilities, that the City of Darien will no longer need to pay.

Alderman Beilke made a motion, Alderman Schauer seconded. The motion passed 2-1, with Alderman Kenny voting no.

Discussion – Future Agreement to construct a 300 foot tower on the property to provide rental revenues and capital projects for the City of Darien

Assistant Administrator Coren discussed an agreement proposed to the City of Darien by World Class Wireless to construct a tower at 1041 S. Frontage Road. This is related to an agreement that was authorized by the City Council in May, but cannot be completed because the original tower is at capacity. World Class Wireless will construct a 300 foot tower and deed it to the City of Darien, as well as pay for providing City water to the site and reconfigure parking. This will be on the September 3rd City Council meeting for formal review.

The committee voted 3-0 to recommend moving forward with the agreement.

Liquor License Request from Café Smilga

Café Smilga requested a Class K liquor license. A competing Lithuanian restaurant, Old Vilnius, requested and was granted a liquor license during their opening approximately one year ago.

The committee voted 3-0 to recommend approval.

Ordinance Extending the Hours of Service for Class D Liquor License

Chuck's Southern Comfort Café recently opened on Cass Avenue, and was granted a Class D liquor license. At their grand opening they asked staff about extending hours on Saturdays and Sundays to allow for service prior to football games. This requires a code change for the Class D liquor license.

The committee voted 3-0 to recommend approval.

Delta Dental Agreement

Assistant Administrator Coren said employees for the City of Darien have the opportunity to elect dental coverage through Delta Dental of Illinois. The City runs this program and deducts premiums from employee paychecks, but does not contribute monetarily to the program. All costs associated with the program are the responsibility of the employees, so there is no cost to Darien. Employees seem to be satisfied with the existing program, as they are able to select their own dentist or go out of network, and very few complaints have been received.

Employees have the option to select an HMO or PPO option. The HMO significantly restricts your options for dentists, so it is low cost but not a popular option. The PPO is much more popular and rates are based on claims experience. Delta Dental is a non-profit and therefore we are able to examine costs and rates each renewal period. During the last year, City of Darien employees have made more claims than were paid out in premium. Delta Dental needs to recover the amount paid in claims as well as administrative costs to run the organization and the program. Because of this, they offered an 11.6% increase to the PPO and a 3% increase to the HMO for one year. Staff went back and negotiated a second year using these same rates, which essentially amounts to no increase in the second year of the arrangement. This provides some stability to the increasing rates.

If the City of Darien were to go to other companies, because we know the claim data we know the pricing would not change significantly. Other companies or organizations may also have different networks of dentists, requiring employees to change dentists. Because there is no cost to the City, there is not a great potential for savings, and changing could be a hassle to employees that choose to participate, Staff believes the best option at this time is to renew for two years at the proposed rate increases.

The committee voted 3-0 to recommend approval of the Delta Dental agreement for two years.

Adjournment

There being no further business Alderman Schauer made a motion to adjourn, with a second by Alderman Beilke. The motion carried 3-0 at 6:42 pm.

Approved:

Ted Schauer, Chairman _____

Joseph Kenny, Member _____

Tina Beilke, Member _____