



Village of Lake in the Hills

600 Harvest Gate, Lake in the Hills, Illinois 60156

Committee of the Whole Meeting

July 21, 2020

Call To Order

The meeting was called to order at 7:30 p.m. Present were Trustees Harlfinger, Huckins, Dustin, Bogdanowski, Bojarski, Murphy and President Ruzanski.

Also present were Interim Village Administrator Fred Mullard, Interim Finance Director Wayde Frerichs, Chief of Police Dave Brey, Interim Public Works Director Peter D'Agostino, Interim Director of Community Development Ann Marie Hess, Airport Manager Mike Peranich Village Attorney Jen Gibson and Village Clerk Cecilia Carman.

Pledge of Allegiance was led by President Ruzanski.

Audience Participation: None

Administration:

Request for Waiver of Sign Regulations and Enforcement for Joanna Krzepkowska/Keller Williams Success Realty- Presented by Interim Village Administrator Fred Mullard- Attached please find a letter from Joanna Krzepkowska, resident and realtor for Keller Williams Success Realty, requesting enforcement activities be suspended to allow the erection of temporary signage in the right-of-way at the intersections listed below, within the Village boundaries, from July 24, 2020, until August 10, 2020, to advertise participation in a neighborhood garage sale to take place from August 6 through August 9, 2020, in the Meadowbrook subdivision.

1. Lakewood Road and Miller Road
2. Lakewood Road and Ackman Road
3. Miller Road and Haligus Road

Staff recommends a motion to suspend enforcement activities from July 24, 2020, until August 10, 2020, to allow the installation of temporary signage at the intersections referenced above for the neighborhood garage sale to take place from August 6 to August 9, 2020, in the Meadowbrook subdivision. Motion was made to place this item on the Village Board Agenda.

2019 Parks and Recreation Review- Presented by Interim Village Administrator Fred Mullard- Earlier this year, staff promised the Village Board an update on the Parks and Recreation programs. Staff will present an overview of the results of the 2019 programs for your consideration. Attached for your consideration are three items. First is a summary of the 2019 recreation programming planned. This table gives information about how and when programs were planned plus attendance figure for each. The second item is the series of post-event analyses conducted for 2019 recreation events. The analyses show how well each program met its planned objectives and things to consider at the next offering. The third item is a comparison of our parks and recreation facilities and programs compared to others nationwide.

A discussion ensued concerning the future plans of the Parks and Recreation Department. Expansion of programs, increase staffing and public input was addressed. It concluded with the Trustees asking for a joint

meeting with the Parks and Recreation Board to be scheduled for August to develop short and long term goals. Interim Village Administrator Mullard stated he will direct staff to do so.

Finance:

Resolutions – Designating Various Financial Institutions as Designated Depositories – Authorized Signers/Officials- Interim Finance Director Wayde Frerichs- The Village maintains several bank and investment accounts at multiple financial institutions, which vary in use from daily operating accounts, water billing collection accounts, State of Illinois revenue deposit accounts, and diversified investment accounts. Adequate Federal Deposit Insurance Corporation (FDIC) collateralization of funds is also achieved through the use of various financial institutions, which provides deposit insurance up to \$250,000 for all types of deposits received at an insured bank.

The Village President, Village Clerk, Village Administrator and Village Treasurer are the authorized signers/officials on all Village accounts and any two signatures are required to execute financial transactions (e.g. signing a payroll check or withdrawing funds). The financial institutions listed in the Resolutions are currently authorized as designated depositories; however, the authorized signers need to be updated for each institution due to recent change in Village Treasurer. Wayde Frerichs will be added as the Village Treasurer authorized signer/official. The Village President, Village Clerk and Village Administrator require no change at this time.

Staff recommends a motion to approve the seven Resolutions updating the authorized signers/officials at each financial institution subject to approval of appointment of the Village Treasurer. Motion was made to place this item on the Village Board Agenda.

Public Works:

Athans Through The Fence Agreement Transfer Request- Presented by Airport Manager Mike Peranich - The Athans Company entered into an agreement for access to the airport in August of 2010. The agreement allows Athans Company to utilize the airport from their private property adjacent to airport property. Since then, the structure of ownership within the company has changed and a new company, Athans Holdings, LLC, has taken over most of the assets. Athans Holdings, LLC has requested the Village transfer the access agreement to their name.

Financial Impact: Athans Company pays the Airport a monthly access fee of \$487.10.

Staff recommends a motion to transfer the existing access agreement with Athans Company to Athans Holdings, LLC. Motion was made to place this item on the Village Board Agenda.

Airport Ground Lease for Hangar PAP-50- Presented by Airport Manager Mike Peranich - The Lake in the Hills Airport Rules and Regulations require airport tenants to enter into applicable leases, licenses, or storage agreements for Village owned hangers. Mike Carzoli with Blue Skies Flying Services is requesting a new ground lease on Hangar PAP-50. This lease is for the period of July 24, 2020 to July 23, 2040. The lease includes an option to renew for four additional five-year terms.

Mr. Carzoli has signed the appropriate lease form and already has acceptable proof of insurance on file for other hangars he owns. A background check was previously completed and no issues were found by the Lake in the Hills Police Department.

Financial Impact: The Airport Fund will receive \$2,390.04 annually from the ground lease and another \$312 from electrical fees, subject to annual increases approved by ordinance.

Staff recommends a motion to approve the Ordinance and authorize the Village President and Village Clerk to sign the ground lease for Hangar PAP-50 with Blue Skies Flying Services. Motion was placed on Village Board Agenda.

Ordinance Amending Minimum Aviation Fuel Pricing- Presented by Airport Manager Mike Peranich-Arrow Energy of Saline, Michigan, is currently under contract to furnish and deliver two different types of aviation fuel to the Airport. The price per gallon that the Village pays to Arrow fluctuates based on a regional pricing index. Village staff then resells the aviation fuel it purchases from Arrow to aircraft owners at a markup that ensures that the Village is reimbursed for all costs associated with the resale of fuel and achieves a profit from the resale of fuel at its airport. The Village’s aviation fuel minimum markup is known as “Minimum Aviation Fuel Pricing” and is reviewed by Village staff each year and then brought before the Village Board for approval.

The Village’s costs associated with the sale of fuel at the airport fell slightly over the past year due to less than-anticipated repairs needed and a reduction in overhead. The airport was able to eliminate a phone line in the office dedicated to credit card processing and replace it with a cloud-based system. Credit card fees will continue to be recovered only on transactions that utilize them at a rate of 3.35%. This fee is included in the per-gallon price presented to customers at the time of sale and represents the highest charge levied by a credit card company, American Express and AvCard. Sales tax for aviation fuel changed in late 2019 and is now 8.00%.

The proposed minimum markup of self-service fuel is provided below. This represents a \$.02 decrease in the price of 100LL and a \$.05 increase in the price of JetA, due to increases in tank maintenance costs as they surpass six years in age.

100LL Self Service Expenses per Gallon		Jet-A Self Service Expenses per Gallon	
Credit Card Access Fee	\$.0034	Credit Card Access Fee	\$.0034
Tank operating	\$.0335	Tank operating	\$.0678
Tank maintenance	\$.0116	Tank maintenance	\$.0993
Flowage fee	\$.2850	Flowage fee	\$.2850
Total	\$.3355	Total	\$.4555
Minimum markup: Inventory cost +\$.3355		Minimum markup: Inventory cost + \$.4555	

The proposed minimum markup for full service fuel is provided below. This represents a \$.02 drop for the 100LL truck and a \$.06 increase for the JetA truck. The JetA truck has required more maintenance over the last year than the 100LL truck.

100LL Self Service Expenses per Gallon		Jet-A Self Service Expenses per Gallon	
Credit Card Access Fee	\$.0034	Credit Card Access Fee	\$.0034
Truck operating	\$.2450	Truck operating	\$.1053
Truck maintenance	\$.0781	Truck maintenance	\$.2463
Flowage fee	\$.5900	Flowage fee	\$.5900
Total	\$.9165	Total	\$.9450
Minimum markup: Inventory cost +\$.9165		Minimum markup: Inventory cost + \$.9450	

The cash/invoice discount of 3.35% for customers who pay using either cash or check will remain the same.

The Airport strives to maintain competitive fuel rates among other northern Illinois airports. The fee structure presented would accomplish just that. The Airport Manager monitors the aviation fuel pricing charged by neighboring airports and may increase pricing in order to increase revenues, but cannot charge less than the approved minimum sale price without approval from the Village Board.

Financial Impact: The sale of fuel remains the largest source of income for the airport with gross sales of \$488,709 in 2019. An adjustment to the minimum aviation fuel price ensures that the Airport is not losing money and continues to profit from the resale of fuel.

Staff recommends a motion to approve an Ordinance establishing new minimum aviation fuel pricing.

Trustee Huckins asked if the Village's pricing is competitive with the area. Airport Manager Peranich stated yes, the airport does survey nearby airports to ensure competitive pricing. The only concern is airports in southern Wisconsin. They are able to have lower prices due to different tax structures. Motion was made to place this item on the Village Board Agenda.

Board of Trustees:

Trustee Murphy – None at this time

Trustee Bojarski – None at this time.

Trustee Bogdanowski stated the Sunset Fest Committee with The Public Works Department and Police Department has decided to have a firework display Labor Day weekend. He presented a map for parking and viewing. The carnival vendor will have food trucks present as well. The event will open at 6pm and fireworks will begin at 8:45pm. The only concern is they need to ensure they are adhering to The Restore Illinois Phase 4 regulations. It is uncertain at this time if the Explorers can assist at this event. He asked Trustee Huckins if the Fireworks 5K will be done as well. Trustee Huckins stated only if the Fireworks are done. Trustee Harlfinger asked when the final plans and decision will be made for the fireworks. Trustee Bogdanowski and Chief Brey stated the plan should be finalized by the Village Board meeting on Thursday.

Trustee Harlfinger - None at this time

Trustee Dustin - None at this time

Trustee Huckins - None at this time

President Ruzanski: Will ask for consent and approval of the appointments of Wayde Frerichs as Village Treasurer, Tara Donahue as Parks and Recreation Board Member and Fred Mullard as Village Administrator.

Audience Participation: None

Adjournment: There being no further business to discuss, the Committee of the Whole meeting was adjourned at 8:18pm.

Submitted by,

Cecilia Carman
Village Clerk