



Village of Lake in the Hills

600 Harvest Gate, Lake in the Hills, Illinois 60156

Committee of the Whole Meeting

March 26, 2019

Call To Order

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

Also present were Village Administrator Jennifer Clough, Assistant Village Administrator/Finance Director Shane Johnson, Chief of Police Dave Brey, Public Works Director Dan Kaup, Community Service Director Fred Mullard, Village Attorney Brad Stewart and Village Clerk Cecilia Carman.

Pledge of Allegiance was led by President Ruzanski

Audience Participation: None at this time

Administration: Raffle License request for Lincoln Prairie Elementary Parent Teacher Organization- Presented by Village Administrator Jennifer Clough- Lincoln Prairie Elementary Parent Teacher Organization (PTO) is requesting a Raffle License for an event on April 5, 2019 between the hours of 5pm and 8pm. The raffle consists of seven baskets. Organizations desiring to conduct a raffle must apply to the Village for a raffle license. All provisions of Section 31.02 of the Village Code have been met. Lincoln Prairie Elementary PTO unanimously voted to request a waiver of the fidelity bond requirement associated with the Raffle Application form.

Staff recommends a motion to approve the raffle license request and waive the fidelity bond requirement for Lincoln Prairie Elementary PTO. Motion was made to place this item on the Agenda.

Finance:

Execution of a Lease Agreement between the Village of Lake in the Hills and Cole and Mary Sandberg- Presented by Administrator/Finance Director Shane Johnson- Attached please find the lease agreement with Cole and Mary Sandberg for the rental of 9017 Haligus Road, Lake in the Hills, Illinois. Mr. and Mrs. Sandberg have been the existing renters of the property since January, 2009. The lease includes the home, attached garage and 1.7 acres of property, which the renters agree to maintain. The lease is for a 17 month term ending August 30, 2020, with termination by the Lessee requiring 14 days written notice. At the tenant's request, Section 10, "Septic," has been added to the lease agreement identifying that the home is on a septic system and is the responsibility of the Village, aside from any damage or act of negligence on the tenants' part. There will be no increase to the rental rate, which is currently \$1,364.00 per month. 9017 Haligus is the Village's last residential lease. This is intended to be the final renewal of the lease in order for the Village to pursue a public use for the property's future.

In 2004, the Village purchased the residential home located at 9017 Haligus as a part of the 16.7 acre Susong Property for \$880,000 by issuing debt. One of the Village's original intents for purchasing the property was to develop a recreation center and pursuing its acquisition was approved in the November 7, 2000 General Election (93% Yes, 7% No). A new site for the recreation center was selected after the Susong Property was acquired and the development and funding of that proposed center was later defeated in the April 1, 2003 consolidated election. A second reason for the purchase of the property was to reconfigure the Haligus Road curve in order to eliminate the 3-way stop. Since purchasing the property, the Village has converted the majority of the acreage to the Bark Park and has leased the residential portion of the property since 2004.

As property owners, the Village is responsible for regular inspection and maintenance of the home, a commitment requiring both time and resources. The property is now in need of new windows and siding within the next four years

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and has ongoing foundation leaks that are repaired as needed. An estimated accounting of the revenues and expenditures associated with the property based on available records and the Village's financial software is attached.

The estimated costs to make the necessary replacements to the windows and siding (est. \$27,000), though these would be offset in their majority by rental revenue, are near the cost to demolish the home (est. \$30,000) and create green space. Additionally, the septic system is original to the home (1977) and recently underwent a major repair in November of 2018, which cost \$3,756, including contractor costs and staff overtime. In the event of the aging system's failure, which can be difficult to predict, a drainage field replacement is estimated to cost an additional \$12,000.

No formalized plans for the property's future are in place at this time, however, staff intends to pursue an analysis of viable options. Preliminary concepts include greenspace, the realignment of Haligus Road, and expanded parking for the Bark Park, which the existing lot currently accommodates 15 parking spaces for 800 Bark Park members, and would also increase accessibility to the west side of Sunset Park.

The 2017 Strategic Plan's guiding policy indicates that all decisions will be predicated on strengthening the Villages financial health, analyses will drive revenue and expense decision making, and that the Village will commit to the delivery of quality core services through operational excellence. Due to recent expenses and estimated upcoming costs, Village staff spoke with the current tenant to discuss a mutually appropriate timeline for the Village to pursue the property's public use. The tenant indicated a preference to lease through the summer of 2020 in order to ensure their youngest could complete middle school within the current district, or to lease through the summer of 2024, to complete high school at the home.

In light of the upcoming need to make long term capital improvements that will defray revenue for a period of time, along with viable preliminary concepts, past direction from the Village Board about the inappropriateness and lack of value of the Village being in the business of renting residential properties, and following the Strategic Plan's guiding policy, staff has identified the summer of 2020 as the appropriate time to cease leasing the residential property in order to pursue its future public use.

Staff recommends a motion to authorize the Village President to execute the Agreement.

Trustee Harlfinger stated he is in agreement. He would like the Parks and Recreation Committee to develop ideas for the property.

Trustee Huckins asked the cost to tear down the house.

Assistant Village Administrator/Finance Director Shane Johnson stated \$30,000.

Motion was made to place this item on the Agenda.

Public Works: Increase the 2019 spending authority for the purchase of rock salt for Village street snow and ice control- Presented by Public Works Director Dan Kaup- This winter's inordinate ice and snow conditions have depleted the Village's salt supply. The Public Works Department has already responded to 36 snow and ice control events this winter. On January 24, 2019, the Village Board approved a motion allowing the Village to purchase up to 2,000 tons of rock salt, from Cargill Inc., at a cost of \$137,100.00, through a State of Illinois Central Management Services contract. However, the current Central Management Services contract allows the Village to purchase up to 120 percent of the contract quantities, or 2,400 tons of rock salt.

To ensure there is an adequate supply available to maintain public safety, Public Works is requesting to purchase an additional 400 tons of rock salt at a cost of \$27,420.00. This is the maximum additional purchase the Village can make under the contract specifications.

Financial Impact: Village's 2019 General Fund Budget includes \$140,000.00 for the purchase of road salt. Purchasing an additional 400 tons of rock salt would increase the 2019 expenditure to \$164,520.00, or \$24,520.00 over budget.

Staff recommends a motion to approve the attached resolution to increase the 2019 spending authority for rock salt, with Cargill Inc., through the State of Illinois Central Management Services contract, from \$137,100.00 to \$164,520.00.

Trustee Dustin asked where the Village will extract the extra \$24,000 needed.

Director Kaup stated from the general fund. It will be from the same budget line for the other purchases of rock salt and this additional cost will be added.

Trustee Bogdanowski asked for more clarification.

Director Kaup stated the Village does not know how money will be spent in other areas of the budget and there is a reserve fund that can be used.

Trustee Bogdanowski commented the Board approved a balance budget and asked will this extra expense be automatically taken from the reserve.

Finance Director Johnson stated there are changes in the fund balance through the year and there are saving in the budget from other departments.

Trustee Dustin commented that this is adding spending and not adding income. For our budget to stay balanced there needs to be a cut somewhere else.

President Ruzanski stated staff has been under budget in many other areas.

Trustee Bogdanowski stated he would like the presentation to contain where the savings would be found in the budget.

President Ruzanski agreed with Trustee Bogdanowski that staff presentation's need to include cost savings with over budget items.

Finance Director Johnson and Trustee Bogdanowski discussed the amount of the reserve in the budget, how revenues are budgeted more conservatively, and how governments manage fund balances. Finance Director Johnson stated he will present the 2018 audit in upcoming meetings.

Trustee Harlfinger stated he would like more information on budget changes in the future. He believes the Village staff does an excellent job in handling finances.

Trustee Bojarski asked the advantage of buying the salt now.

Director Kaup stated our budget is determined by aggregated averages of previous seasons. By entering the agreement now will allow the Village to purchase salt next year at this year's prices and have a full silo at the beginning of the season.

Attorney Stewart commented most municipalities are paying \$100/ton and our Village is being charged 70/ton.

Motion was made to place this item on the Village Board Agenda.

Request to increase the 2019 spending authority with Industrial Systems, LTD., from \$18,900.00 to \$23,310.00- Presented by Public Works Director Dan Kaup- The Public Works Department has already responded to 36 snow and ice control events this winter. This winter's snow and ice conditions have depleted the Village's supply of ThermaPoint R, which is a liquid de-icer product that is purchased sole source from Industrial Systems, LTD., of Lakemoor, IL. The current purchase order for ThermaPoint R liquid is for 18,000 gallons at \$1.05 per gallon, which totals \$18,900.00.

To ensure there is an adequate supply available to maintain public safety, Public Works has ordered an additional 4,200 gallons of ThermaPoint R at a cost of \$4,410.00, which requires Village Board authority to increase the existing purchase order from \$18,900.00 to \$23,310.00.

Financial Impact: The Village's 2019 General Fund Budget includes \$24,300.00 for the purchase of ThermaPoint R liquid. The total expense for 2019 is \$23,310.00, or \$990.00 under budget.

Staff recommends a motion to increase the 2019 spending authority with Industrial Systems, LTD., from \$18,900.00 to \$23,310.00 for the purchase of ThermaPoint R liquid snow and ice control product.

Trustee Dustin asked where the additional funding will be from.

Director Kaup stated when the Village purchases large commodities the Village budgets at a best estimate. Normally by the end of year there is below budget spending on the operational side. This is where the monies can be allocated from.

Trustee Dustin stated the Board needs to see where this savings and spending changes are made.

Director Kaup stated normally it is difficult to give an accurate number of savings due to the fact not all contracts have been written this early in the year.

Trustee Bogdanowski stated how our revenues are higher than projections. He understands where the money will come from. The concern is the first two items brought to the Board are over budget.

President Ruzanski commented on a letter from Superintendent Guy Fehrman states the overall budget is under budget.

Director Kaup stated yes that is correct and the reason this is brought toward the Board because it is over the \$20,000 spending limit.

Finance Director Kaup discussed how revenues fluctuate throughout the year.

Trustee Bogdanowski stated presentation should include how things will be balanced at the end of the year.

Trustee Huckins asked the ratio of salt and liquid used.

Director Kaup discussed how salt and liquid is dropped and used.

Motion was made to place this item on the Village Board Agenda.

Approve participation in the State of Illinois rock salt joint purchasing program for the 2019-2020 snow season- Presented by Public Works Director Dan Kaup- Rock salt can be purchased under the State's master contract, which is established by the State of Illinois Department of Central Management Services. As part of this cooperative purchasing plan, the purchase is exempt from the normal bidding process, as stated in Section 9.13 of the Municipal Code.

The Illinois Department of Central Management Services released their joint purchasing requisition for rock salt requirements for the winter of 2019-2020. Participating municipalities have until April 1, 2019 to fill out and submit the attached requisition form to the State. The requisition form requires each municipality to provide its desired quantities, and the State will solicit bids or renew an existing contract on behalf of each municipality. Once a municipality submits the attached requisition form to the State, the municipality is required to procure a certain amount of rock salt from the low bid vendor for the winter of 2019-2020 (“2019-2020 Contract”), depending on the participation category that it selects. As such, Village staff are requesting Village Board authority to participate in the State of Illinois rock salt joint purchasing program for the 2019-2020 snow season.

Village staff estimate it will require 2,400 tons of rock salt for the winter of 2019-2020. Calculations justifying this amount are attached for your review. The attached requisition offers the Village two procurement options for the winter of 2019-2020. Village staff will be selecting the option that allows for renewal of its 2018-2019 contract and listing 2,400 tons as its 100 percent quantity, which will allow the Village to purchase as little as 80 percent (1,920 tons) and as much as 120 percent (2,880 tons).

Financial Impact: Although the joint purchasing opportunity for the winter of 2019-2020 (“2019-2020 Contract”) will allow participants to begin taking possession of rock salt at the end of 2019, Village staff do not anticipate taking possession of any rock salt that is procured under this contract until 2020. As such, Village staff anticipate returning to the Village Board at a later date to request spending authority for 2020.

Staff recommends a motion to approve participation in the State of Illinois rock salt joint purchasing program for the 2019-2020 snow season. Motion was made to place this item on the Village Board Agenda.

Community Service: Approval of the Official Zoning Map- Presented by Community Service Director Fred Mullard- State statute requires municipalities to approve and publish their Official Zoning Map by the end of March of each year. Changes to the map include:

Zoning Changes

- Ebbington Assisted Living B-2 to R-4

Conditional Uses for Planned Developments

- U-Haul
- Ebbington Assisted Living

Conditional Use Approval

- JD Auto Specialists
- SMJ Autoworks
- Fox Valley Motor Works
- Lemon Grove Trucks
- Konrad’s Bakery
- New Life Baptist
- Parkland Preparatory Academy

Use

- Automotive Service
- Automotive Service
- Outdoor Sales/Open Sales Lot Accessory to Principle Use
- Outdoor Sales/Open Sales Lot Accessory to Principle Use
- Outdoor Use Accessory to Principle Use
- Church Religious Use
- School for Mentally and Physically Challenged Students

Staff recommends a motion to approve the ordinance adopting the official zoning map. Motion was made to place this item on the Village Board Agenda.

Board of Trustees:

Trustee Harlfinger stated he received concerns from residents about the cancellation of the Run for the Hills Race. He did not know of the cancellation until he received the press release. In the past if events were cancelled it was brought up to the Board. He asked Administrator Clough to comment on this.

Administrator Clough stated the Park and Recreation Committee did a comprehensive analysis on all their events. The staff discussed changing to later date but it would have conflicted with another chartable event. The department has not completely abandoned the race but looking at trends in the area. The Department wants to focus on events that are well attended. The Parks Department will look to see how the race can be modified to increase participation.

Trustee Harlfinger agrees to look at trends and how to improve the race and other events. He believes the Board needs to give direction to the staff on improving the flow of information.

Trustee Dustin – None at this time.

Trustee Huckins- None at this time

Trustee Bojarski stated she also received emails concerning the race. She read through the Parks and Receptions minutes and was able to give direction to the residents. She had no complaints about the cancelation. She stated the Board and liaisons need to communicate to the other trustees what is happening at other meetings more effectively.

Trustee Bogdanowski believes it is not acceptable for the Board to be notified about the race cancelation by a press release email. He believes if the Board was notified earlier it would be easier to support the staff on this decision. Also as the Chairman of the Sunset Fest it was upsetting to read in the press release that the 5K race will be returned. This is not how communication should be conducted.

Trustee Harlfinger agrees with Trustee Bogdanowski statement.

Trustee Bogdanowski understands the staff is busy but should not be too busy to inform the Board. He mentioned the Board approved the final stages of the Sunset Park restoration project but nothing was mentioned to the Board that this could cause the grass unusable for some summer events.

President Ruzanski stated the path of communication needs to start here.

Trustee Bogdanowski states the staff should not be concerned if they are sending large packets of information. It's up to the trustees to read through it. He would like all presentation be included in the packet. He was alarmed to be informed staff worked on the Tobacco 21 ordinance for two months without the Boards knowledge. He would like monthly reports from staff as well.

Trustee Dustin stated nothing is wrong with being well informed. He stated he did not receive an email about the grounds not being available for the festivals and asked where would you move them?

Director Kaup stated the plan was never to move the festivals.

Trustee Bogdanowski stated the Sunset Fest was planning moving carnival to concrete. He did not received any information concerning the changes in moving the parking or tents for the event.

Chief of Police Brey stated the email was to inform them of the possibilities of parts of the park may not accessible and to develop a contingency plan. He explained why emails went out in certain order.

Trustee Huskins asked where the Chief Brey received this information from.

Chief of Police Brey stated through conversations with Director Kaup.

Trustee Bogdanowski sated these conversations and decisions need to be brought to board's attention.

Trustee Dustin stated after conversation with Director Kaup he understand it was not feasible to give the clear direction what parts of Sunset park will be available for our summer events.

Trustee Bogdanowski and Trustee Harlfinger discussed communication from staff is an issue.

Trustee Harlfinger commented the chairman's of the festivals are also Board members and if they were not this lack in communication would have a worse outcome. He reiterated the Board needs to give better direction to the staff on expectations of communication.

President Ruzanski stated he is planning to visit all business that are affected by the Tobacco 21 ordinance. He hopes to visit the rest of the business this week. He has heard from 2 businesses and both are in agreement. He is the one who directed staff to research the tobacco 21 ordinance because he saw no other municipalities locally have passed it. He has also heard the Village of Algonquin has reached out to find out more information. He also stated on Thursday he will be reading a statement concerning Construction Safety Week. Lastly he reminded everyone CPR certification is renewed every 2 years and we have staff present at the meeting to renew anyone certification.

Audience Participation: None

Adjournment: There being no further business to discuss, the Committee of the Whole meeting was adjourned at 8:25pm.

Submitted by,

Cecilia Carman
Village Clerk