



Village of Lake in the Hills

600 Harvest Gate, Lake in the Hills, Illinois 60156

Committee of the Whole Meeting

July 23, 2019

Call To Order

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

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 Engineer Chad Pieper, Airport Manager Mike Peranich, 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 Transitional Living Services d/b/a TLS Veterans-Presented by Village Administrator Jennifer Clough-The TLS Veterans is requesting a Raffle License for August 9, 2019. The raffle will consist of various bottles of wine. Section 31.02 of the Village Code regulates organizations that conduct raffles in the Village. 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. TLS Veterans 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 Transitional Living Services d/b/a TLS Veterans. Motion was made to place this item on the Agenda.

Request for Waiver of Sign Regulations and Enforcement from Lake in the Hills Property Owners Association- Presented by Village Administrator Jennifer Clough- Attached please find a letter from Lake in the Hills Property Owners Association 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 August 3, 2019 until August 18, 2019 to advertise an Adult Kickball Tournament being held on August 17, 2019 at Ryder Park.

Intersections:

- Pyott & Algonquin
- Randall & Algonquin
- Lakewood & Algonquin
- Randall & Miller

Staff recommends a motion to suspend enforcement activities from August 3, 2019 until August 18, 2019 to allow the installation of temporary signage at the intersections referenced above for the Lake in the Hills Property Owners Association Adult Kickball Tournament.

President Ruzanski stated he did not issue the liquor license that was part of this request. He informed the P.O.A president, Paul Mulcahy, of his decision. The decision was based on the alcohol beverage being held during the game. He did not feel that this was ideal for the baseball field, which is also adjacent to a playground. He believed the concept could put a poor image onto the Village. He recommended the attendees have a drink inside the POA building instead.

Trustee Huckins asked for clarification for the ordinance to be voted is only for the sign placement and not the liquor license. President Ruzanski stated yes.

Trustee Harlfinger asked if the denial of the liquor license would come in front of the Board. Attorney Stewart stated no.

Trustee Dustin asked if the original intent of the event was to hold a beer while playing kick ball. President Ruzanski stated yes but they are not going to be allowed to hold a beverage while playing and can only drink inside the building.

Trustee Dustin and Harlfinger agreed not having a liquor license defeats purpose of the event.

Motion was made to place this item on the Agenda.

Issuance of a Pyrotechnic Fireworks License to Five Alarm Fireworks for the Summer Sunset Festival- Presented by Village Administrator Jennifer Clough- The Summer Sunset Fest Committee is requesting the Village Board issue a pyrotechnic fireworks license to Five Alarm Fireworks for the Summer Sunset Festival on Sunday, September 1, 2019. Staff contacted Mad Bomber, Five Alarm Fireworks, and Melrose Pyrotechnic requesting quotes in addition to posting the RFP on the Village website. Mad Bomber, Five Alarm Fireworks, American Fireworks, and ARC Pyrotechnics all responded with quotes totaling \$15,000.00. The Summer Sunset Festival Committee selected Five Alarm Fireworks based upon the proposed design components, special effects, types of shells, and references.

Financial Impact: The FY19 funds available for the fireworks display at Summer Sunset Festival is \$15,000.00. Proposed expenditure total is \$15,000.00.

Staff recommends a motion to issue a pyrotechnic fireworks license to Five Alarm Fireworks for the Summer Sunset Festival on Sunday, September 1, 2019 and waive the application fee. Motion was made to place this item on the Agenda.

Waive the Competitive Bidding Process and Award an Agreement with Granicus for the Redesign, Development, and Hosting of the Village Website- Presented by Assistant Village Administrator/Finance Director Shane Johnson - The Village website, lith.org, was last redesigned in 2013. A Content Management System was introduced at the time, along with a dedicated mobile website and select new features. These features, along with the site's overall navigational architecture and design, have since become outdated and no longer follow best practices. Additionally, website performance for lith.org is a Key Performance Indicator as a part of the Village's Operational Excellence portion of the strategic plan. This KPI is measured by pageviews with a goal to increase by 2% annually. However, this KPI has underperformed in recent years.

In the FY 2019 Budget, a new Village website was approved in the Capital Improvement Fund for \$60,000. Village staff authored a Request for Proposal (RFP) and in April received proposals from 11 different vendors. Proposals ranged from \$16,000 to \$89,990 for the first year investment and from \$39,705.69 to \$176,180 over the course of 5 years. Staff conducted proposal evaluations and representatives from each operating department participated in demonstrations with vendor finalists. The proposal by Granicus was identified as best fit to meet the requirements of the RFP.

The RFP required proposals to include qualifications and experience, references, portfolios, and details of hosting, development, and system functionality and administration capabilities. Due to varied capabilities amongst vendors and opportunities for custom solutions, the RFP included minimum requirements and also optional features of interest to the Village. A waiver of the bidding process is requested, which would have required hardcopies to be submitted rather than digital proposals and portfolios.

The proposal received by Granicus offers a base price of \$16,000, which includes 12 of the 15 optional features requested at no added cost. An employee extranet would have a one-time development fee of \$3,700. Remote training was included in the base price, but staff has recommended the inclusion of a two day, on-site training for a cost of \$4,540. The total cost of the proposal for approval by the Village is \$24,240. Pricing received from all vendors for their base packages over five years (not including optional features) are as follows:

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
Granicus	\$16,000.00	\$5,500.00	\$5,775.00	\$6,063.75	\$6,366.94	\$39,705.69
Astute Web Group	\$42,700.00	\$1,200.00	\$1,200.00	\$1,200.00	\$1,200.00	\$47,500.00
eGov Strategies	\$28,850.00	\$6,100.00	\$6,100.00	\$6,100.00	\$6,100.00	\$53,250.00
CivicPlus	\$33,981.00	\$5,773.00	\$5,773.00	\$5,773.00	\$5,773.00	\$57,073.00
GovOffice	\$32,500.00	\$11,000.00	\$11,000.00	\$11,000.00	\$11,000.00	\$76,500.00
JJ Creative	\$68,600.00	\$4,800.00	\$4,800.00	\$4,500.00	\$4,500.00	\$87,200.00
Sasso Marketing	\$79,000.00	\$7,000.00	\$8,000.00	\$8,000.00	\$8,000.00	\$110,000.00
CivicLive	\$51,488.00	\$15,738.00	\$15,738.00	\$15,738.00	\$15,738.00	\$114,440.00
CMS Website Services	\$75,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$135,000.00
Analytical Intel	\$89,990.00	\$14,840.00	\$14,840.00	\$14,840.00	\$14,840.00	\$149,350.00
BNX Networks	\$57,600.00	\$46,800.00	\$31,200.00	\$21,860.00	\$18,720.00	\$176,180.00

Granicus was founded in 1999 and currently boasts over 4,200 government clients with offices in Denver, Washington D.C., St. Paul, and in the UK. They have over 250 award winning websites. The Village has not worked with Granicus before, however references have been very favorable. Local clients include McHenry County, Crystal Lake (recently refreshed website), Hoffman Estates, Evanston, Mount Prospect, Elk Grove Village, Bartlett, and Carol Stream. Mundelein and Schaumburg have also recently signed with Granicus.

The Granicus proposal introduces a variety of new features. Examples include a mobile-friendly, fully responsive website capable of scaling to any device, translation tools, accessibility software, a citizen request tracker, web forms with conditional logic, an emergency home page, a service directory, and more. Internally, examples of new features include drag-and-drop page construction capabilities, custom dashboards, a template library, digital asset management, and a mobile-compatible Content Management System for staff to make changes to site content on the go. Additionally, a complimentary website refresh is included at 4 years to keep up with website trends and best practices.

If approved, the new website will be created in four phases: research, design site development, and launch. During the research phase, Granicus will analyze the current site's analytical history, utilize heat maps, and conduct surveys with Village stakeholders and the community that include opportunities for input in order to inform their research-based design approach. The site would be expected to launch in January 2020.

Financial Impact: The Village's 2019 budget includes \$60,000 for a new website in the Capital Improvement Fund. Granicus' solution, including an employee extranet and on-site training, is priced at \$24,240, for an amount under budget of \$35,760.

Staff recommends a motion waive the competitive bidding process and approve the service agreement with Granicus for the redesign, development, and hosting of the Village website.

Trustee Huckins voiced concern that the bid is very low compared to others and they may not provide the same level of service. Assistant Village Administrator/Finance Director Shane Johnson explained the lower cost is due to the company using a template instead of customizing every client's website. Trustee Huckins asked if the templates is sufficient for the Village's website. Director Johnson stated yes and was reassured by the referrals they have received.

Trustee Bojarski voiced concern the timeline was very aggressive. She asked if there would be time for testing dates and feedback before the site would go live. Administrator Clough stated the project lead Trish O'Donnell is a website developer and is confident she will have the project done on per the deadline with significant time to reevaluate and make changes as needed.

Trustee Huckins asked if the customer service is based out of the country. Director Johnson stated he will inquire and let the Board know of his findings. However, when speaking to other municipalities there were no complaints concerning costumer service.

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

Finance:

Village of Lake in the Hills Police Pension Fund Municipal Compliance Report for the Fiscal Year Ended December 31, 2018-Presented by Assistant Village Administrator/Finance Director Shane Johnson- Attached is the Lake in the Hills Police Pension Fund Municipal Compliance Report (MCR) for the Fiscal Year Ended December 31, 2018. This report is on the condition of the fund at the end of the most recently completed fiscal year and is required to be presented prior to the Village board levying taxes for the year on behalf of the police pension fund.

The MCR reports on nine items; **1.** total cash and investments, **2.** estimated receipts during the next fiscal year, **3.** estimated amount required during the next fiscal year to pay all pensions and obligations and to meet the annual requirements of the fund, **4.** total net income received from investment of assets and other investment information, **5.** total number of active employees, **6.** total amount disbursed in benefits during the fiscal year, **7.** the funded ratio of the fund, **8.** the unfunded liability of the fund, **9.** a copy of the investment policy. The Police Pension Board approved the MCR at its meeting on July 15, 2019.

Financial Impact:

- Total cash and investments and net position of the fund decreased -3% or \$(733,000) from the prior year
- Investment earnings of the fund decreased -3% or \$(49,500) from the prior year

- The recommended Village contribution via the property tax levy increased 9.18% or \$125,913 from the prior year
- Actual investment returns of the fund decreased -16% from the prior year to -4.88% from 11.13%
- Funded ratio of the fund decreased -0.19% from the prior year to 75.45% from 75.64%
- The unfunded liability of the fund increased 7.35% or \$676,919 from the prior year to \$9.8 million from \$9.2 million

Staff recommends a motion to accept and place on file the Village of Lake in the Hills Police Pension Fund Municipal Compliance Report for the Fiscal Year Ended December 31, 2018.

President Ruzanski asked if it was possible for the unfunded portion come due at one time. Director Johnson stated that could only happen if everyone retired in one year.

Trustee Huckins asked for clarification when Director Johnson stated the long term plans for the Pension fund. Director Johnson stated the pay down will be completed in 2030.

Trustee Bojarski asked are there any other advantages to being above the state unfunded liability requirement. Director Johnson stated if paid only the state requirement the debt would increase. The Police Board does have a few proposals to the state to consolidate police and fire pensions. This would create one large fund similar to the IMF. These proposals will have a large impact on municipalities' liability if passed by the legislature.

Trustee Bogdanowski asked if the Village did change how the pension is funded last year. Director Johnson stated yes. The Village implemented a layering system.

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

Village of Lake in the Hills Police Pension Fund 2019 Property Tax Levy Request- Presented by Assistant Village Administrator/Finance Director Shane Johnson- The Village of Lake in the Hills Police Pension Fund Board is requesting the Village Board to levy an amount sufficient to produce the sum of \$1,498,027. This represents an increase of \$125,913 or 9.17% from the prior year levy on behalf of the Police Pension Fund. A significant portion of this increase (74,120 or 59%) is due to investments returning less than expected during the 2018 fiscal year.

The Village and Police Pension Fund jointly hire an Actuary, Lauterbach & Amen LLP, to perform an annual valuation of the Police Pension Fund. In accordance with the actuarial valuation results the Actuary has determined the above amount to levy. This can be found on page 4 of the attached report titled Actuarial Valuation as of January 1, 2019.

Since the Police Pension Fund cannot legally levy a property tax, the Village incorporates the funds requirements into its levy in order to support the retirement benefits of the Police Pension Fund and Police Department personnel. The entire property tax levy for the Village will be presented to the Village Board for approval later this year.

Financial Impact: The recommended actuarial contribution of \$1,498,027 from the Village to the Police Pension Fund through levying property taxes increased \$125,913 from the prior year amount of \$1,372,114. Staff recommends a motion to accept the Village of Lake in the Hills Police Pension Fund's request to levy \$1,498,027 for property tax levy year 2019.

Trustee Harlfinger asked we are discussing this so early in the year due to market changes. Director Johnson stated no.

Trustee Dustin asked does this add \$14 per household’s tax bill. Director Johnson stated this depends on the overall levy. It could possibly have no impact on the overall levy.

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

Police:

PowerDMS Service Order & Terms and Conditions- Presented by Chief of Police Brey- The department uses PowerDMS software to manage and track compliance standards for the Illinois Law Enforcement Accreditation Program (ILEAP). The ILEAP module is set to renew for another term starting September 22, 2019, to September 21, 2020. Paragraph 9 in the Terms and Conditions includes an indemnification clause requiring Board approval.

Financial Impact: The total renewal price is \$850 with funds available in the 2019 budget for the purchase.

Staff recommends a motion to approve and authorize the Chief of Police to execute the PowerDMS Service Order. Motion was made to place this item on the Village Board Agenda.

Public Works:

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 Village’s 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 charges by a credit card company, American Express and AvCard. Sales tax remains unchanged from 2018 at 7.25%.

The proposed minimum markup of self-service fuel is provided below. This represents a \$.01 drop in the price of 100LL and a \$.17 drop in the price of JetA, due to a decline in projected tank maintenance costs.

100LL Self Service Expenses per Gallon		Jet-A Self Service Expenses per Gallon	
Credit Card Access Fee	\$.0003	Credit Card Access Fee	\$.0003
Tank operating	\$.0322	Tank operating	\$.0480
Tank maintenance	\$.0083	Tank maintenance	\$.0723
Flowage fee	\$.2850	Flowage fee	\$.2850
Total	\$.3258	Total	\$.4056
Minimum markup: Inventory cost +\$.3258		Minimum markup: Inventory cost +\$.4056	

The proposed minimum markup for full service fuel is provided below. This represents a less than \$.01 drop for 100LL and a \$.16 drop for JetA, due to a decline in projected delivery truck maintenance costs.

100LL Self Service Expenses per Gallon		Jet-A Self Service Expenses per Gallon	
Credit Card Access Fee	\$.0003	Credit Card Access Fee	\$.0003
Tank operating	\$.2191	Tank operating	\$.0676
Tank maintenance	\$.1273	Tank maintenance	\$.2292
Flowage fee	\$.5900	Flowage fee	\$.5900
Total	\$.9367	Total	\$.8871
Minimum markup: Inventory cost +\$.9367		Minimum markup: Inventory cost + \$.8871	

The cash/invoice discount of 3.35% for customers will remain steady.

The fee structure presented would keep the airport’s fuel prices very competitive among other northern Illinois airports. 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 is the largest source of income for the airport with gross sales of \$487,820 in 2018. 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 airport has seen an increase of sales due to the Oshkosh Air Show.

Airport Manager Peranich stated the Village does not have the numbers yet but part of the fest was closed due to rain and it did cause less traffic.

President Ruzanski what is the regular price for fuel. Airport Manager Peranich stated \$4.50 for self-serve and \$5.15 for full service.

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

Community Service:

Survey for Changes to the Sign Ordinance- Presented by Community Service Director Fred Mullard- In order to better support local businesses, the Board of Trustees, at the April 9, 2019 Committee of the Whole meeting, suggested that staff look into necessary changes to the sign portion of the Zoning Ordinance. In June, the Planning and Zoning Commission planned to consider changes; however, no members of the public were present to provide input despite press and social media publication. The Board suggested, as a first step, that there be a public survey to gather input. Attached is the proposed survey that staff will release to the public this month. The survey will be conducted electronically using Survey Monkey. Paper copies of the survey will be available for anyone requesting one.

Following completion of the survey, results will be made available to the Board for further input. The Planning and Zoning Commission, with support from staff and the consultant, will take all inputs provided and develop a proposed text amendment to the Zoning Ordinance. This will include Board and public inputs, as well as changes identified by staff to improve the ability to effectively administer the ordinance.

Trustee Dustin stated we would like the Village to mail or hand deliver the survey to all the local businesses. Director Mullard stated that would take too much man power from the village employees. The Village is working with the Chamber of Commerce to get correct contact information and using emails listed on business licenses. The issue of going to the businesses and dropping off paperwork is that it always does not go into the right hands. It has not shown to lead to better compliance.

Trustee Murphy asked about our corporate owner businesses was the survey sent to the corporate office or to the local establishment. Director Mullard stated with the help the Chamber of Commerce the Village was able to send to local contacts.

Trustee Bojarski asked if the survey will be placed on the Village website. Director Mullard stated yes and anyone who has interest can participate.

Variations to Section 15.3-1D, Front Yards, and Table 13.5, Permitted Accessory

Structures- Presented by Community Service Director Fred Mullard- The applicant, Scott Thoennissen, requests two variations to the Zoning Ordinance.

The first variation is to allow for installation of a six-foot, 30 percent open wooden fence along the front yard (side) and front yard (rear) lot lines of their property. To be permitted under the Zoning Ordinance, the fence would be limited to start at the northeast corner of the structure and proceed to within 10 feet of the property line along Miller Road to 25 feet from the property line along Decatur Avenue. The applicant proposes starting near the middle of the north side of the structure and proceeding to the property line along Miller Road to the property line along Decatur Avenue. Additionally, the fence would be restricted to five feet high.

The parcel is a through corner lot that is enclosed by streets along three of the four lot lines. It is one of 45 lots structured this way in the Village. The structure is also a few feet below the grades of Miller Road and Decatur Avenue. There is approximately 25 feet between the Miller Road lot line and the sidewalk and approximately 20 feet between the pavement edge and lot line along Decatur Avenue. Other structures along Miller Road and Decatur Avenue do not meet the current Zoning Ordinance. In some cases, these exceptions were constructed under a building permit in the sixties, seventies, and eighties. The other cases cannot be confirmed if permits were issued or not.

The applicant requested the fence location to allow for privacy on the backside of the structure, to provide a space for a large dog (owned by the current resident) to roam, and possibly enclose a swimming pool in the future. The additional height is requested for privacy due to the ground level being below the grade of two of the three adjacent roadways.

The second variation is to allow a six by six foot shed in in the front yard (side) of the residence. The shed will be relocated from the existing location to the other side of the structure but would be within the fenced area. This would normally not be permitted because sheds are not allowed in front yards and that side of the structure is defined as a front yard (side). There are sheds located in front yards (rear) along Miller Road nearby. In some cases, these exceptions were constructed under a building permit in the seventies and eighties. The other cases cannot be confirmed if permits were issued or not.

The Planning and Zoning Commission conducted public hearings for each variation on July 15, 2019. There were no public comments and Commissioners voted 6-0 to recommend approval of the variations as requested by the applicant.

Staff recommends a motion to approve an ordinance accepting variations to Section 15.3-1D, Front Yards, allowing a wooden fence along the lot lines on Miller Road and Decatur Avenue and to Table 13.5, Permitted Accessory Structures, allowing a shed in the front yard (side) within the fenced area at 1221 Crystal Lake Road on parcel 19-20-307-001.

President Ruzanski asked if the placement of the fence causes any security issues for the Village. Chief Brey stated no more than any other fence in the Village.

Trustee Harlfinger thanked the owner for all the landscaping work he has done on this property. He believes it has beautified the Village. He asked Director Mullard if any other home owners will now be asking for variances as well. Director Mullard stated there are only 2 homes on Decatur and they have already had their variances approved.

Trustee Dustin stated at the Planning and Zoning Meeting he asked if the fence would cause any visual obstructions for cars on Miller Road and Director Mullard stated no due to the fence being set back.

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

Board of Trustees:

Trustee Murphy-None at this time

Trustee Bogdanowski-None at this time

Trustee Bojarski-None at this time

Trustee Huckins- None at this time

Trustee Dustin – None at this time.

Trustee Harlfinger stated he had spoken many residents and they were pleased with the new layout of the Rib Fest.

President Ruzanski stated he had some Dog Park patrons mentioned they enjoyed listening to the music while taking their dogs out.

Audience Participation: None

Adjournment: There being no further business to discuss, the Committee of the Whole meeting was adjourned at 8:26pm

Submitted by,

Cecilia Carman
Village Clerk