



Village of Lake in the Hills

600 Harvest Gate, Lake in the Hills, Illinois 60156

COMMITTEE OF THE WHOLE MEETING

DECEMBER 7, 2021

Call to Order

The meeting was called to order at 7:30 pm.

Roll call was answered by Trustees Huckins, Harlfinger, Dustin, Murphy, Anderson, and President Bogdanowski.

Motion to allow Trustee Bojarski to attend telephonically was made by Trustee Harlfinger and seconded by Trustee Huckins. On roll call vote, Trustees Anderson, Murphy, Dustin, Harlfinger, and Huckins voted Aye. No Nays. Motion carried.

Also present were Village Administrator Fred Mullard, Assistant Village Administrator Shannon Andrews, Chief of Police Mary Frake, Finance Director Pete Stefan, Public Works Director Tom Migatz, Community and Economic Development Director Josh Langen, Village Attorney Brandy Quance, and Village Clerk Shannon DuBeau.

Pledge of Allegiance was led by President Bogdanowski.

President Bogdanowski asked the Board to observe a moment of silence in memory of Joe DeMay.

Audience Participation

None.

Administration

Request to Approve the 2022 Fiscal Year Budget Ordinance

Presented by Village Administrator Fred Mullard

The proposed Budget Ordinance for the 2022 Fiscal Year as discussed at the budget workshop held on November 23, 2021, is attached to the agenda. The proposed budget was made available to the public on November 12, 2021, via the Village's website at www.lith.org and at Village Hall.

Financial Impact

The total fund balance across all 25 funds of the Village is expected to increase \$311,071, which is addressed in detail on pages 31 – 33 of the FY 2022 Annual Budget document. A summary of the most pertinent changes in fund balances are summarized below:

General Fund – \$0

- Expenditures match revenues resulting in no net change to the fund balance, putting fund balancereserves at 92%.

Motor Fuel Tax Fund – (\$700,635)

- This fund accounts for capital improvements to the Village's streets and bridges. The fund balance is projected to decrease by \$700,635 during FY22 because in addition to the annual street resurfacing program, there will be two additional street resurfacing projects for Pingree Road and Reed Road that will be funded through the Surface Transportation Program plus the reconstruction of Industrial Drive that will



Village of Lake in the Hills

600 Harvest Gate, Lake in the Hills, Illinois 60156

COMMITTEE OF THE WHOLE MEETING

DECEMBER 7, 2021

be funded by the Rebuild Illinois Bond Program. The projected fund balance at the end of FY22 is expected to be \$1,789,957 which will be allocated to future street capital improvement projects.

ARPA Fund – \$1,537,026

- The American Rescue Plan Act (ARPA) Fund was established in FY21 to account for the federal funds allocated to the Village by the State of Illinois on a pass-through basis from the federal government. The funds are restricted for use as outlined in the establishing legislation and must be obligated by December 2024 and fully spent by December 2026. 50% of the funds were received in FY21 and the other 50% will be received in FY22. The fund balance is expected to increase by \$1,537,026 during FY22 to a projected ending balance of \$3,484,106. These funds will be spent upon Village Board approval of specific projects that fall under the ARPA restrictions on the utilization of the funds.

Special Service Area #2 Fund – (\$66,200)

- This fund was established to account for costs related specifically to the Meadowbrook subdivision. The fund balance is projected to decrease by \$66,200 in FY22 due in large part to improvements to the Sunset Park bike path as well as replacement of the Sunset Park swing set. The projected fund balance at the end of FY22 is \$219,914 and is earmarked for providing maintenance services and future capital improvements to this specific area.

Special Service Area #4A Fund – \$24,090

- This fund was established to account for costs related specifically to the Hidden Valley/ Stoneybrook subdivision. The fund balance is projected to increase by \$24,090 for future planned projects such as prescribed burns in 2024, tree trimming in 2025, and a playground replacement in 2027. The projected fund balance at the end of FY22 is \$179,483. These funds are earmarked for providing maintenance services and future capital improvements to this specific area.

Special Service Area #5 Fund – \$19,910

- This fund was established to account for costs related specifically to the Spring Lake Farm South subdivision. The fund balance is projected to increase by \$19,910 for future planned projects such as tree trimming in 2024 and a prescribed burn in 2027. The projected fund balance at the end of FY22 is \$247,852. These funds are earmarked for providing maintenance services and future capital improvements to this specific area.

Special Service Area #6 Fund – (\$33,290)

- This fund was established to account for costs related specifically to the Hampton West subdivision. The fund balance is projected to decrease by \$33,290 in FY22 due to Reed Road bike path improvements as well as replacement of the Normandy Park swing set and barrier curb. The projected fund balance at the end of FY22 is \$58,550 and is earmarked for providing maintenance services and future capital improvements to this specific area.



Village of Lake in the Hills

600 Harvest Gate, Lake in the Hills, Illinois 60156

COMMITTEE OF THE WHOLE MEETING

DECEMBER 7, 2021

Special Service Area #15 Fund – \$11,910

- This fund was established to account for costs related specifically to the Cheswick Place subdivision. The fund balance is projected to increase by \$11,910 for future planned projects such as tree trimming in 2026, a prescribed burn in 2028, and a playground replacement in 2028. The projected fund balance at the end of FY22 is \$93,013. These funds are earmarked for providing maintenance services and future capital improvements to this specific area.

Special Service Area #51 Fund – \$55,770

- This fund is newly established in FY22 to account for the debt service for the bonds that were issued in 2019 to fund replacement of the Village's water system infrastructure that is located in an unincorporated subdivision south of the Algonquin Road and Pyott Road intersection. In previous years, the actual construction project and related debt service were accounted for in the Water Operating and Maintenance Fund. The fund balance is expected to increase by \$55,770 which also will be the projected fund balance at the end of FY22. These funds are earmarked specifically for debt service payments toward the 2019 bond issue that funded this water system infrastructure improvement project.

Lakes Restoration Fund – (\$270,730)

- The Lakes Restoration Fund is responsible for the quality of the lakes located in the Village. The fund balance is projected to decrease by \$270,730 due to engineering and construction costs associated with the Reach 11 streambank stabilization project and the compensatory storage project. The projected fund balance at the end of FY22 is \$204,266 which is dedicated to improvement projects to the Village's lakes and waterways.

Police Facility Fund – \$216,260

- This fund is newly established in FY22 to account for the costs of constructing a new Police Facility. The fund balance is expected to increase by \$216,260 which will also be the projected fund balance at the end of FY22 as transfers into the fund from the General Fund plus a new amusement tax on videogaming will exceed the only budgeted cost for the year which is the completion of the schematic design for the new facility.

Capital Improvement Plan Fund – (\$499,501)

- This fund accounts for all the capital asset purchases and projects of the various General Fund operating departments. The fund balance is projected to decrease by -\$499,501 to an ending fund balance of \$134,210 at the end of FY22. The CIP Fund is one of two funds that will end FY22 with a projected fund balance less than 25% of the prior year's expenditures. However, since the CIP Fund is funding only capital purchases or projects, the need for a 25% fund balance reserve is less critical than if it were funding operating expenses. Maintaining a reserve level sufficient to cover any possible change orders to budgeted projects is adequate and the projected fund balance at the end of FY22 of 13.4% of prior year expenditures satisfies that need.



Village of Lake in the Hills

600 Harvest Gate, Lake in the Hills, Illinois 60156

COMMITTEE OF THE WHOLE MEETING

DECEMBER 7, 2021

Water Operating and Maintenance Fund – \$276,093

- The Water Operating and Maintenance Fund is designated for the installation and maintenance of the Village's water system, while also accounting for the construction of water system improvements which expand the capacity of the water system, and the funding of capital equipment purchases and other water system capital improvement projects. The fund balance is expected to increase by \$276,093 to a projected ending fund balance at the end of FY22 of \$7,904,436. The increase is due to a combination of a 1% water rate increase plus the need to accumulate reserve funds for future water system improvement projects such as the planned replacement and upgrade of all water meters in 2026 to an automated meter reading system.

Airport Operating and Maintenance Fund – (\$250,480)

- This fund accounts for the operating and maintenance expenses of airport operations and also the construction of airport improvements including federal and state funded projects. The fund balance is expected to decrease by -\$250,480 due to engineering and construction costs related to a runway expansion project and the corresponding loss of fuel sales revenue and rental/lease income due to temporary runway closures during construction for approximately two months. Other capital purchases and improvement projects affecting the fund balance decrease in FY22 include weather reporting equipment and snow removal equipment. This fund is the second of two funds that will end FY22 with a projected fund balance less than 25% of the prior year's expenses. However, FY22 is the last year of debt service payments on the 2012 bonds which will allow fund balance to accumulate again towards the 25% target in future years. The projected fund balance at the end of FY22 is \$114,075 or 8.4% of prior year expenses.

Staff recommends a motion to approve the ordinance attached to the agenda establishing a Budget for the Village of Lake in the Hills for the 2022 Fiscal Year.

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

Request for Ratification of Approval to Participate in Settlement of the National Opioids Class Action Lawsuit

Presented by Village Administrator Fred Mullard

Staff is requesting ratification of the Village Administrator's agreement to allow the National Opioids Settlement Administrator to settle the class action lawsuit. On Wednesday, July 21, 2021, the National Prescription Opiate Litigation MDL Plaintiffs' Executive Committee, several State Attorneys General, and four major defendants announced agreement on terms of proposed nationwide settlements to resolve all Opioids litigation brought by states and local political subdivisions against the three largest pharmaceutical distributors: McKesson, Cardinal Health and AmerisourceBergen ("Distributors"), and manufacturer Janssen Pharmaceuticals, Inc. and its parent company Johnson & Johnson (collectively, "J&J"). These settlements, if agreed and adopted, will provide substantial funds to states and subdivisions for abatement of the Opioids epidemic across the country and will impose transformative changes in the way the settling defendants conduct their business. The full settlement agreements can be found at <https://nationalopioidsettlement.com/>



Village of Lake in the Hills

600 Harvest Gate, Lake in the Hills, Illinois 60156

COMMITTEE OF THE WHOLE MEETING

DECEMBER 7, 2021

Due to the time sensitive nature of the issue and after consulting with the Village Attorney, the Village Administrator signed the documents electing to participate in the Distributor and Janssen Settlements and releasing all claims against all released entities. Since the Village has no intent to lead any litigation against these companies, this is our most effective course of action.

Financial Impact

Settlement amounts are dependent on the number of entities participating and attorneys' fees. Use of the funds will be restricted to actions to reduce the effects of opioid use.

Staff recommends the approval of the resolution ratifying the Village Administrator's approval of the Settlement Participation Agreement.

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

Request for Temporary Hire for Public Works

Presented by Village Administrator Fred Mullard

Staff is requesting authority to hire a fulltime employee to temporarily replace an employee currently out on extended absence due to an on-duty injury. The injured worker is currently on workers' compensation and unable to work. It is not currently known when he could return to unrestricted, fulltime duty. With upcoming winter storm responses and spring tree planting, it will be important to be as close to fully staffed as possible. This addition to the staff would be above the amount recommended in the FY22 Budget.

The plan is to hire one of this year's seasonal employees to a fulltime laborer position. Depending upon when the injured employee can return to work and under the specific work restrictions imposed, the Village Administrator will decide when to end this temporary position. The position will be removed not later than the date when the injured worker returns to work without restrictions.

This plan was discussed with the injured worker and representatives of Service Employees International Union Local 73. All parties agree that this is a reasonable plan.

Financial Impact

While the injured worker is absent on workers' compensation, his salary is being paid by insurance. When he returns to duty, we will have additional liability for the added position. Not having to pay the injured worker saves about \$3,390 for each two-week pay period. The laborer position, with benefits, will cost the Village about \$1,860 per two-week pay period. While the actual dates are unknown, let's assume the injured work is out for two months and on light duty for two more months. If the laborer is retained until the end of these two periods, the net budget impact is an additional \$1,320.

Staff recommends a motion to approve hiring a temporary fulltime laborer position, above the budgeted staffing level, to mitigate the impacts of an absent, injured worker in Public Works.

Trustee Dustin asked for the length of time needed for the injured worker to recover. Administrator Mullard stated that it could be anywhere from 2 months to 8 months. President Bogdanowski requested the Board receive an update next month.



Village of Lake in the Hills

600 Harvest Gate, Lake in the Hills, Illinois 60156

COMMITTEE OF THE WHOLE MEETING

DECEMBER 7, 2021

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

Request for Renewal of Support Amendment and Pay Request for Financial Software

Presented by Assistant Village Administrator Shannon Andrews

Staff is seeking the Board's approval for the renewal of the support amendment for the Village's Financial Software and authorize payment in the amount of \$51,394.13 to Tyler Technologies.

The Village's financial software, New World, is provided through a master agreement with Tyler Technologies. This software includes a broad spectrum of financial management tools including general ledger, accounts payable, budgeting, personnel and benefits processing, water billing, and analytics. The maintenance and support of this software are critical to the continuity of many Village services.

The existing support amendment with Tyler contained an initial one-year term, which would renew upon the same terms and conditions; however, the rates adjust each year based on Tyler's current market rates. This year, these market rates have increased by 5% over the previous year, bringing the new annual rate to \$51,394.13.

Staff is recommending that the Board approve the support agreement attached to the agenda, which will provide continued coverage through December 31, 2022, at a rate of \$51,394.13.

Financial Impact

The Village's 2022 budget includes \$51,395 for this expenditure in the MIS division of the General Fund.

Staff recommends a motion to approve the renewal of the Support Amendment between the Village of Lake in the Hills and Tyler Technologies, Inc. and authorize payment in the amount of \$51,394.13 for the term ending December 31, 2022.

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

Finance

Request to Accept the Comprehensive Annual Financial Report for the Fiscal Year Ended December 31, 2020

Presented by Finance Director Pete Stefan

The Village's Comprehensive Annual Financial Report for the Fiscal Year Ended December 31, 2020 is the main document reporting on the Village's financial condition and results of operations last fiscal year that is required to be filed with various agencies including McHenry County, the State of Illinois, and the Federal Government, and also posted to the Village's website, and submitted to the Government Finance Officers Association for consideration under their Certificate of Achievement for Excellence in Financial Reporting award program. This document, along with last fiscal year's Single Audit Report and Management Letter, are available for review on the Transparency Page of the Village's website.

Additional documents attached to the Request for Board Action that have been prepared for the fiscal year ended December 31, 2020 include the Illinois Grant Accountability and Transparency Act – Consolidated Year End Financial Report, the Auditor's Communication to the Board of Trustees which includes a deficiency noted in regards to the

Committee of the Whole Meeting

December 7, 2021



Village of Lake in the Hills

600 Harvest Gate, Lake in the Hills, Illinois 60156

COMMITTEE OF THE WHOLE MEETING

DECEMBER 7, 2021

yearend close process, Management's Response to the deficiency, and the Annual Financial Report for the Police Pension Plan that has been incorporated into the Comprehensive Annual Financial Report.

Jim Savio, Partner with Sikich LLP, the Village's auditing firm, gave a brief overview of the Comprehensive Annual Financial Report and Auditor's Communication to the Board of Trustees.

Staff recommends a motion to accept the Comprehensive Annual Financial Report, Single Audit Report, Illinois Grant Accountability and Transparency Act – Consolidated Year End Financial Report, Auditor's Communication to the Board of Trustees, Management Letter, and the Police Pension Annual Financial Report, all for the fiscal year ended December 31, 2020.

Trustee Dustin asked for clarity on the "missing information" addressed on page 2 of the Independent Auditors Report, which states that the Basic Financial statements are not affected by the missing information. Director Stefan suggested the missing information pertains to Police Pension information which is published in the Police Pension Plan Report.

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

Request to Approve Ordinances Abating the 2021 Tax Levy

Presented by Finance Director Pete Stefan

Attached to the agenda is an ordinance providing for the abatement of the **\$70,700** levy which will be extended by the County Clerk pursuant to Ordinance Number 2012-08 adopted on February 23, 2012, in connection with the issuance of the \$1,275,000 General Obligation Refunding Bonds, Series 2012 bond issue for the refunding of the 2003 Debt Certificates issued to finance safety improvements at the airport.

Attached to the agenda is an ordinance providing for the abatement of the **\$107,550** levy which will be extended by the County Clerk pursuant to Ordinance Number 2019-34 adopted on August 22, 2019, in connection with the issuance of the \$1,495,000 General Obligation Bonds, Series 2019 bond issue for the water main replacement project located specifically in Special Service Area #51.

The Village budgeted to pay for the above debt issuances through operating revenues from the Airport Operating & Maintenance Fund and through the Special Service Area #51 property tax levy. Accordingly, abatement ordinances must be filed to prevent the extension of property taxes to all Village parcels in connection with these bond issuances.

Staff recommends a motion to approve ordinances abating the 2021 tax levy for the \$1,275,000 General Obligation Refunding Bonds, Series 2012 and the \$1,495,000 General Obligation Bonds, Series 2019.

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



Village of Lake in the Hills

600 Harvest Gate, Lake in the Hills, Illinois 60156

COMMITTEE OF THE WHOLE MEETING

DECEMBER 7, 2021

Request to Approve the Ordinance for the 2021 Tax Levy

Presented by Finance Director Pete Stefan

For the 12th consecutive year, the Village is pleased to propose on behalf of our residents and businesses a flat property tax levy with no increase to existing property owners taken as a whole. The proposed levy does, however, contemplate capturing property taxes on new construction as a funding source for the increased demand for Village services generated by that new construction. The Village Board and staff are keenly aware of our state's extremely high property tax burden and realize keeping the Village's portion flat for existing property owners the past twelve years has been helpful and appreciated by our community.

The proposed amount to be levied for corporate and special purpose property taxes for 2021 is \$5,514,910 which is comprised of \$5,481,747 for existing property owners or a 0.0% change from the 2020 tax levy amount plus \$33,163 which is attributable to new construction. The 2021 tax levies for debt service for Special Service Area #51 for G.O. Bonds Series 2019 in the amount of \$107,550 and in the Airport Fund for G.O. Bonds Series 2012 in the amount of \$70,700 are proposed to be abated entirely for a total of \$178,250. The estimated tax rate is expected to decrease by -1.7% from 0.719633 to 0.707436 due to the projected 2.3% increase in EAV. The proposed 2021 levy of \$5,514,910 can be summarized as follows:

Levy	Amount
<u>Existing Property</u>	
Corporate	\$ 5,474,747
IMRF	\$ 1,000
Police Protection	\$ 1,000
Police Pension	\$ 1,000
Audit	\$ 1,000
Liability Insurance	\$ 1,000
Social Security	\$ 1,000
Workers Compensation	\$ 1,000
Sub-Total Existing Property	\$ 5,481,747
<u>New Construction</u>	
Corporate	\$ 33,163
Sub-Total New Construction	\$ 33,163
Total 2021 Tax Levy	\$ 5,514,910

Financial Impact

The property tax levy accounts for approximately 28% of total General Fund revenue for FY 2022.

Staff recommends a motion to approve the ordinance attached to the agenda for the Levy of Taxes for the Village of Lake in the Hills for 2021.

Committee of the Whole Meeting
December 7, 2021



Village of Lake in the Hills

600 Harvest Gate, Lake in the Hills, Illinois 60156

COMMITTEE OF THE WHOLE MEETING

DECEMBER 7, 2021

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

Request to Approve Ordinances – 2021 Special Service Area Tax Levies

Presented by Finance Director Pete Stefan

Attached to the agenda are twelve separate ordinances for the 2021 Special Service Area (SSA) Tax Levies. As discussed during the FY 2022 budget presentation, the 2021 levies for each of these twelve Special Service Areas range from \$700 for SSA#8C to \$133,680 for SSA#2.

Seven of the SSA levies are flat with a 0% change from last year – SSA#3, SSA#4A, SSA#4B, SSA#5, SSA#8B, SSA#8C, and SSA#15. One SSA levy is decreasing by a negligible amount of \$80 – SSA#51. The remaining four SSA levies are increasing by 5% - SSA#1, SSA#2, SSA#6, and SSA#7.

The combined levies for all twelve Special Service Areas total \$491,390 which represents an \$8,150 or modest 1.7% increase over the combined 2020 tax levy amounts.

Staff recommends a motion to approve the ordinances attached to the agenda, which establish a 2021 tax levy for twelve Special Service Areas within the Village of Lake in the Hills.

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

Public Works

Request to Award Three Master Contracts for Professional Engineering Services In 2022

Presented by Public Works Director Tom Migatz

Staff seeks Board approval to award three master contracts for professional engineering services in 2022.

In 2019, after conducting an evaluative process consisting of a Request for Statement of Qualifications (RSQ) and direct interviews, the Village chose to enter into contracts for fiscal year 2020 with the following three engineering firms to focus on various needs as outlined below:

- Baxter & Woodman, Inc - Village and Development Services Engineer
 - General services include water treatment plant assistance and general map updates. Special projects in 2021 included: zoning map updates & plan reviews for new developments such as Melody Living and Arden Rose.
- Christopher B. Burke Engineering, LTD. - Stormwater and Lakes Engineer
 - General services include reviewing stormwater management permits and investigating drainage issues. Special projects in 2021 included: engineering design work for the Woods Creek Reach 11 streambank stabilization project and dam inspections.
- Chastain and Associates - Motor Fuel Tax and Transportation Infrastructure Design Engineer
 - General services include assistance with traffic issues and transportation grant assistance. Special projects in 2021 included: engineering design and construction management services for the MFT road resurfacing project and design work for the Industrial Drive roadway reconstruction project.



Village of Lake in the Hills

600 Harvest Gate, Lake in the Hills, Illinois 60156

COMMITTEE OF THE WHOLE MEETING

DECEMBER 7, 2021

All three firms performed satisfactorily during the initial contract period and the Village renewed the contract with each firm for services in 2021. Staff believe that all three firms continued to perform well in 2021 and recommend renewing the contract with each firm once again for engineering services in 2022. The contract renewals for services in 2022 represent the second of three optional one-year renewal periods.

The master agreements that are attached to the agenda will serve as the base documents for all engineering services provided by the three firms and all task orders that meet or exceed \$20,000 will go before the Board for approval.

Financial Impact

Village staff will approve Task Orders below \$20,000 while Task Orders exceeding \$20,000 will come before the Board for approval.

Staff recommends a motion to approve a master contract with Baxter & Woodman, Inc. for professional engineering services from January 1, 2022, through December 31, 2022.

Staff recommends a motion to approve a master contract with Christopher B. Burke Engineering, LTD. for professional engineering services from January 1, 2022, through December 31, 2022.

Staff recommends a motion to approve a master contract with Chastain & Associates, LLC. for professional engineering services from January 1, 2022, through December 31, 2022.

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

Request to Award a Contract for Water Conditioning Bulk Softener Salt

Presented by Public Works Director Tom Migatz

Staff seeks Board approval to award a contract to Compass Minerals of Overland Park, KS, for the purchase and delivery of water conditioning bulk softener salt in 2022, in an amount not to exceed \$137,826.65.

Village staff released a Request for Proposal (RFP) for the purchase and delivery of water conditioning bulk softener salt for calendar year 2022 on November 03, 2021. The Village has three ion exchange water treatment facilities that require salt to remove barium from the water. The RFP invitation was sent to eight vendors, posted on the Village's website, and published in the *Northwest Herald*. Public Works received and opened five sealed responses on November 18, 2021. Compass Minerals of Overland Park, KS, was the lowest responsible bidder at \$124.73/ton. Two of the five vendors, Morton Salt and Univar responded with letters that they declined to participate. Current pricing represents an increase of \$25.29 or 25.43% over last year's price of \$99.44.

Also of note is the fact that two bidders, including Compass Minerals did not acknowledge the supplied addendum. The issuance of an addendum was to correct an error in the day of the week that bids were due. The RFP did identify the correct date and staff received all responses by the appropriate day. Given that the addendum was a minor issue, staff did not feel the lack of acknowledgement on the part of Compass Minerals was reason enough to disqualify their bid.



Village of Lake in the Hills

600 Harvest Gate, Lake in the Hills, Illinois 60156

COMMITTEE OF THE WHOLE MEETING

DECEMBER 7, 2021

The Village has purchased this product from Compass Minerals before and has been satisfied with the product and the company. The RFP results, a recommendation letter, and the bid certification form are attached to the agenda for your review.

Financial Impact

The 2022 Village Budget includes \$121,550.00 for the purchase and delivery of water conditioning bulk softener salt in the Water Fund. Although Village staff anticipate ordering approximately 1,105 tons of salt in 2022 at a cost of \$137,826.65, staff is requesting Board authority to spend \$16,276.65 over the estimated cost in 2022 as the low bid came in \$14.73 per ton higher than anticipated due in part to commodity costs and higher than anticipated transportation costs. After other Water Fund expenses occur in 2022, should a budget amendment be needed, staff will return to the Board for approval.

Staff recommends a motion to award a contract to Compass Minerals, for the purchase and delivery of water conditioning bulk softener salt in 2022, in an amount not to exceed \$137,826.65.

Trustee Anderson asked if the price increases are being seen across the board on purchases. Director Migatz said this is the case.

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

Request to Waive the Competitive Bidding Process for the Purchase of ThermaPoint R Liquid De-icer for Snow and Ice Control

Presented by Public Works Director Tom Migatz

Staff seeks Board approval to waive the competitive bidding process and approve the purchase of up to \$33,600.00 of ThermaPoint R from Industrial Systems of Lakemoor, IL, for fiscal year 2022.

Public Works has used ThermaPoint R liquid de-icer ("ThermaPoint") for the past several years during snow and ice control operations. Used as a pre-wetting product applied to salt at the back of the truck, the solution enhances the performance of rock salt. This allows staff to use less rock salt during weather events thereby reducing the number of chlorides that make their way into local waterways.

ThermaPoint is a proprietary product only manufactured by Industrial Systems of Lakemoor, IL. While Lake in the Hills could use other liquid products for snow and ice control, ThermaPoint has proven very effective and environmentally friendly. Industrial Systems held the 2020 price of \$1.07/gallon paid for their ThermaPoint product through 2021, raising it just five cents for 2022. The current price represents an increase of \$1,500 for the coming year.

As such, staff requests Board approval to waive the competitive bidding process and approve the purchase of up to 30,000 gallons of ThermaPoint R from Industrial Systems of Lakemoor, IL, for fiscal year 2022 for a total cost of \$33,600.

Financial Impact

The Village's 2022 General Fund Budget includes \$33,600.00 for the purchase of Therma Point R liquid. The total expense for 2022 is \$33,600.00.

Committee of the Whole Meeting
December 7, 2021



Village of Lake in the Hills

600 Harvest Gate, Lake in the Hills, Illinois 60156

COMMITTEE OF THE WHOLE MEETING

DECEMBER 7, 2021

Staff recommends a motion to waive the competitive bidding process and approve the purchase up to \$33,600.00 of ThermaPoint R from Industrial Systems of Lakemoor, IL, for fiscal year 2022.

Trustee Huckins asked if the Village has a storage container for the ThermaPoint R Liquid De-icer. Director Migatz stated that there is bulk storage on the Public Works grounds that is capable of holding several thousand gallons of product.

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

Request to Approve the Purchase of a Street Sweeper

Presented by Public Works Director Tom Migatz

Staff seeks Board approval to purchase a street sweeper from Standard Equipment of Elmhurst, IL, through the Sourcewell Purchasing Cooperative in the amount of \$349,358.00.

The Fiscal Year (FY) 2022 Village Budget includes \$400,000.00 for the purchase of a new street sweeper to replace the Village's existing 2007 street sweeper. Village staff reviewed machines from different manufacturers such as Elgin, Tymco and Schwarze and staff believe that the Elgin brand street sweeper best fits the needs of the department. Standard Equipment, the local Elgin brand distributor, provided the Village with a quote for a street sweeper at a cost of \$349,358.00 in accordance with Sourcewell Purchasing Cooperative pricing. Cooperatives, such as the Sourcewell Purchasing Cooperative, are aggregated joint purchasing programs that receive competitive bid prices for vehicles and equipment for governmental purchase. Chapter 17.08 of the Municipal Code recognizes joint purchasing programs as an acceptable to substitute to a formal competitive bid.

Financial Impact

The Village's FY 2022 Budget includes \$400,000.00 for the purchase of the street sweeper in the Capital Improvement Fund. The total cost for the street sweeper is \$349,358.00, which is \$50,642.00 under budget.

Staff recommends a motion to approve the purchase of a street sweeper from Standard Equipment of Elmhurst, IL, through the Sourcewell Purchasing Cooperative in the amount of \$349,358.00.

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

Request to Approve the Purchase of an Aerial Lift Truck

Presented by Public Works Director Tom Migatz

Staff seeks Board approval to purchase an aerial lift truck from Custom Truck of Union Grove, WI, through the Sourcewell Purchasing Cooperative in the amount of \$190,646.00.

The Fiscal Year 2022 (FY22) Village budget includes \$210,000.00 for the purchase of an aerial lift truck. This truck would be a new addition to the Village fleet. Staff submitted this request into the FY22 budget after determining that it would be more cost-effective to purchase a truck rather than continuing to rent a truck every year for tree trimming, sign maintenance, decorations, and other projects. Staff reviewed machines from different manufacturers; High Ranger, Altec, and Terex and staff believe that a Terex brand aerial lift truck best fits the needs of the department. Custom Truck, the sole Terex brand distributor, provided the Village with a quote for a new



Village of Lake in the Hills

600 Harvest Gate, Lake in the Hills, Illinois 60156

COMMITTEE OF THE WHOLE MEETING

DECEMBER 7, 2021

aerial lift truck at a cost of \$190,646.00 in accordance with Sourcewell Purchasing Cooperative pricing. Cooperatives, such as the Sourcewell Purchasing Cooperative, are aggregated joint purchasing programs that receive competitive bid prices for vehicles and equipment for governmental purchase. Chapter 17.08 of the Municipal Code recognizes joint purchasing programs as an acceptable to substitute to a formal competitive bid.

Financial Impact

The Village's FY22 Budget includes \$ 210,000.00 for the purchase of the aerial lift truck in the Capital Improvement Fund. The total cost for the aerial lift truck is \$190,646.00 which is \$19,354.00 under budget.

Staff recommends a motion to approve the purchase an aerial lift truck from Custom Truck of Union Grove, WI, through the Sourcewell Purchasing Cooperative in the amount of \$190,646.00.

President Bogdanowski asked if it is possible for the quoted amount to change. Director Migatz stated that while changes are not anticipated as there is no expiration date on the quotes, it is possible.

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

Request for Approval to Purchase Fuel in 2022

Presented by Public Works Director Tom Migatz

Staff seeks Board approval for the purchase of gasoline and diesel fuel from Avalon Petroleum Company for fiscal year 2022, in an amount not-to-exceed \$201,730.00

On February 8, 2018, the Village Board awarded Avalon Petroleum Company a five-year (2018-2022) contract for the purchase of gasoline and diesel for the Village's fleet ("Fuel Contract"). Avalon provided good service to the Village in 2018, 2019, 2020 and 2021. As such, Village staff recommends approval of a motion allowing the Village to spend \$201,730.00 with Avalon Petroleum in 2022 for the purchase of gasoline and diesel fuel under the previously approved five-year Fuel Contract.

Financial Impact

The FY 2022 Village Budget includes \$201,730.00 for the purchase of gasoline and diesel fuel.

Staff recommends a motion to approve the purchase of gasoline and diesel fuel from Avalon Petroleum Company for fiscal year 2022, in an amount not-to-exceed \$201,730.00.

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

Request to Approve an Ordinance Amending Chapter 45 of the Village Municipal Code, Potable Water

Presented by Public Works Director Tom Migatz

Staff requests Board approval of an Ordinance amending Chapter 45 of the Village Municipal Code to increase the potable water fees by one percent. The Village last increased its rate for potable water in 2017.

The Public Works Department proposes a change to the Municipal Code, Chapter 45, Potable Water. The change is a one percent consumption fee increase. This is necessary to cover increases in costs to produce and maintain the



Village of Lake in the Hills

600 Harvest Gate, Lake in the Hills, Illinois 60156

COMMITTEE OF THE WHOLE MEETING

DECEMBER 7, 2021

water supply system. Public Works performed a comparison rate study with 13 neighboring municipalities. The results of that study are attached to the agenda for your consideration.

The one-percent increase would increase the average quarterly homeowners bill from about \$118.00 to about \$119.00, based on a consumption of 7,000 gallons per month.

Staff recommends a motion to approve an Ordinance amending Chapter 45 of the Village Municipal Code to increase the potable water fees by one percent.

President Bogdanowski noted that the point of the increase is to help fund meter replacements. Director Migatz concurred.

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

Request to Approve an Ordinance Amending the Village's Airport Facility Lease Fees, Land Lease Fees and Private Hanger Electrical Service Fees

Presented by Public Works Director Tom Migatz

Staff requests Board approval of an Ordinance amending the Village's airport facility lease fees, land lease fees and private hanger electrical service fees.

Current facility and land lease fees between the Village and airport tenants state that the Village may increase fees annually based on the following calculation: the current year's rent multiplied by the Consumer Price Index (CPI) for the Chicago metropolitan area up to a maximum 10 percent increase over the current year's rent. The last time the Village raised rental rates was 2018. Staff reviewed the current fees this summer and fall during the FY 2022 budget preparation process. While the CPI increase for August 2020 to August 2021 was 4.8 percent, given the recent troubling financial times, staff recommends a modest 2.00% increase to the current facility and land lease fees. With this change, the Village would be charging \$.23 per square foot for the T-hangars it owns and roughly \$.28 per square foot for the maintenance hangar. Compared to neighboring public-use airports in the area which charge between \$.24 up to \$.38 per square foot for comparable hangar space, the Village's rates appear to be in line. The Village's rate for ground leases is currently \$.1242 per square foot but will be increased to \$.1267 with the recommended change. This separate rate is lower than the T-hangar rate because the vast majority of hangars are not owned by the Village and thus require no maintenance. The fiscal 2022 budget includes rent abatement for a period of two months while the airport is closed for runway reconstruction as a courtesy to airport tenants.

Airport tenants also pay the Village a monthly private hanger electrical service fee. The intent of this fee is to reimburse the Village for electricity used by private hangars. Determination of each fee is based on the size of the circuit breaker in each hangar as well as electricity invoices from the previous year (October to October). Staff separates electrical service costs for public uses such as airfield lighting, navigational aids, fuel tanks, and the airport office from private hangar use as the private hanger electrical service fee does not reimburse these costs. In 2021, electrical delivery costs decreased; therefore, staff recommends decreases to the 2022 private hanger electrical service fees.



Village of Lake in the Hills

600 Harvest Gate, Lake in the Hills, Illinois 60156

COMMITTEE OF THE WHOLE MEETING

DECEMBER 7, 2021

Financial Impact

Staff estimates that the amended fees will generate an additional \$3,548 in revenue for the Airport Fund in 2022.

Staff recommends a motion to approve an ordinance amending the Village's airport facility lease fees, land lease fees and private hanger electrical service fees.

Trustee Huckins asked if the increase will be immediate. Director Migatz stated that the increase is based on calendar year.

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

Request for Approval to Purchase Aviation Fuel in 2022

Presented by Public Works Director Tom Migatz

Staff seeks Board approval for the purchase of aviation fuel from Arrow Energy of Saline, Michigan, from January 1, 2022, until April 7, 2022, in an amount not-to-exceed \$150,000.00.

On March 14, 2019, the Village Board awarded Arrow Energy of Saline, Michigan, a three-year contract, from April 8, 2019, to April 7, 2022, for the purchase of aviation fuel for resale. Arrow Energy has been providing fuel to the airport since 2014 and their service has been acceptable. As such, staff recommends approval of a motion allowing the Village to spend \$150,000.00 with Arrow Energy from January 1, 2022, until April 7, 2022, for the purchase of aviation fuel under the previously approved three-year aviation fuel contract. Staff will return to the Board prior to April 7th with a request to enter into a new contract for the purchase of aviation fuel or a request to extend the existing contract with Arrow.

Financial Impact

The Fiscal Year 2022 Village Budget includes \$322,542.00 in the Airport Fund for the purchase of aviation fuel for resale. Approval to purchase aviation fuel from January 1, 2022, until April 7, 2022, in an amount not-to-exceed \$150,000.00, will ensure that the Airport has sufficient spending authority during this timeframe.

Staff recommends a motion to approve the purchase of aviation fuel from Arrow Energy of Saline, Michigan, from January 1, 2022, until April 7, 2022, in an amount not-to-exceed \$150,000.00.

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

Community Development

Request to Approve the Plat for Lakes of Boulder Ridge Lots 213, 221, and 238

Presented by Community and Economic Development Director Josh Langen

Haeger Engineering has submitted a plat consolidation which recombines existing lots 213, 221, and 238 and proposes an expansion of public utility easements. The recombination allows for portions of golf course property, lot 238, to be included as part of lots 213 and 221 and to "square" the lots for sale and construction. The recombination is considered an exempt plat and does not need a public hearing, Planning and Zoning Commission recommendation, or Village Board approval. However, as part of the recombination, the existing public utility easements on lots 213 and 221 will need to be expanded to include the recombined portions and allow for



Village of Lake in the Hills

600 Harvest Gate, Lake in the Hills, Illinois 60156

COMMITTEE OF THE WHOLE MEETING

DECEMBER 7, 2021

continuous easements along the front of both lots. The Village Board will need to accept the expansions of the public utility easements.

Staff recommends a motion to approve the plat to accept a public utility access easement on lot 213, PIN #18-25-151-043, and to accept a public utility access and golf course easement on lot 221, PIN #18-25-177-039, of the Lakes of Boulder Ridge Subdivision.

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

Board of Trustees

None.

President

President Bogdanowski announced that annual appointments will take place at Thursday's meeting along with a new appointment to the Planning & Zoning Commission.

Adjournment

A motion to adjourn the meeting was made by Trustee Harlfinger and seconded by Trustee Huckins. On roll call vote, Trustees Anderson, Murphy, Bojarski, Dustin, Harlfinger, and Huckins voted Aye. No Nays. Motion carried.

There being no further business to discuss, the Committee of the Whole meeting was adjourned at 8:16 pm.

Submitted by,

A handwritten signature in cursive script that reads "Shannon DuBeau".

Shannon DuBeau
Village Clerk