



Village of Lake in the Hills

600 Harvest Gate, Lake in the Hills, Illinois 60156

COMMITTEE OF THE WHOLE MEETING

SEPTEMBER 6, 2022

Call to Order

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

Also present were Village Administrator Shannon Andrews, Assistant Village Administrator Ashley Eccles, Chief of Police Mary Frake, Finance Director Pete Stefan, Public Works Director Ryan McDillon, Parks & Recreation Director Trevor Bosack, Village Attorney Brad Stewart, and Village Clerk Shannon DuBeau.

Pledge of Allegiance was led by President Bogdanowski.

Audience Participation

None.

Administration

Informational Item Concerning the 3910 Wisteria Ct. Driveway

Presented by Village Administrator Shannon Andrews

At the June 9, 2022, Committee of the Whole meeting, Trustee Harlfinger requested that staff assess two manholes that are located in the driveway of 3910 Wisteria Ct. The presence of the infrastructure appears to be compromising the condition of the adjacent pavement as shown in the picture below:





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While the manhole on the left is a Village storm sewer, the one on the right is a sanitary sewer. As such, Village staff engaged the Lake in the Hills Sanitary District to assist in the assessment. The first step was to perform a leak dye test, which revealed no leakage and structurally sound manholes. The storm sewer line was televised and showed no defects and was clean. The sanitary sewer line was also televised and showed no defects.

The Sanitary District received a verbal estimate from their engineer of \$25,000–\$30,000 and felt that moving the structures would be a mistake. The Village engaged our engineer to provide a more detailed estimate of the cost associated with moving the structures from the driveway into the roadway. Their analysis has been attached to the agenda for review. The total estimated cost for the project would be \$25,960 to move both structures.

As an alternative, staff asked the engineer to provide a cost estimate to repave the driveway. The engineer responded with an estimate of \$10,600, which includes only the portion of the driveway up to the right of way. No other solutions were able to be identified by the engineer to assist in resolving the resident's concerns.

The issue for discussion is what level of involvement the Village should have in this type of situation where infrastructure has been previously approved to be located within a resident's driveway. Options include the following:

- 1) \$25,960 - Relocate both manholes to the street. Not recommended due to cost and the infrastructure being in sound working condition. In addition, the Sanitary District is not supportive of relocation.
- 2) \$10,600 - Repave the failing portion of the homeowner's driveway up to the right of way. This remains a very costly option for the Village to consider.
- 3) \$2,500 – Cost sharing agreement with the homeowner where the Village would cover the cost of the manhole replacements up to this amount, while the resident covers the cost to repave the full length of the driveway as they would under normal circumstances.
- 4) \$0 - Do nothing. Homeowners are generally required to repave the full length of their driveways without financial support from the Village; however, driveways do not often include Village infrastructure. The cost to the homeowner would likely be less than the engineer's estimate, as they would not be required to pay prevailing wages.

Perhaps the developer should have designed the infrastructure in the street at the time the development plan was established; however, the Village should have considered this at the time of approval. Further, the homeowner made the purchase with the knowledge the infrastructure was in the driveway.

At the August 9, 2022, staff was asked to provide more information regarding the quantity of driveways this decision could impact. Staff proceeded to count the number of driveways similarly impacted in Spring Lake North and Spring Lake South subdivisions and found a total of seven (7) additional homes with manholes in the driveways. The



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pavement in two of these driveways was identified as being in poor condition. Any solution implemented at 3910 Wisteria Ct. may need to be similarly offered to others if the concern were raised.

Financial Impact

Varies as outlined above.

Staff is seeking direction from the Board on how to proceed.

Trustee Murphy asked if this request was initiated by the resident. Administrator Andrews stated that this was brought forward by Trustee Harlfinger—a request of this nature has not been issued by any of the affected homeowners.

Trustee Huckins mentioned that the cost listed is much higher than usual. Administrator Andrews explained that the cost includes \$2,500 for the replacement of two manholes—storm and sewer, which would have to be resized and re-lidded. In addition, as this work would be completed by a contractor, prevailing wage rates would apply.

Trustee Huckins asked if the homeowner will need to get approval from Sanitary District if they choose to repave. Director McDillon stated that if the contractor sees infrastructure issues after removing the pavement, they will likely recommend the homeowner contact the Sanitary District for repairs.

Trustee Murphy questioned the Sanitary District's position on cost sharing. Administrator Andrews stated that they are not supportive of relocating the infrastructure. Trustee Harlfinger stated that the infrastructure should not have been allowed to be built in this way.

Trustee Huckins asked what the manhole replacement will involve if the homeowner elects to repave. Director McDillon explained that if the concrete risers need to be replaced, repairs will be done on the upper portion of the structure allowing the asphalt to be paved flush to the covers.

The Board decided that repaving will be the responsibility of the homeowner. The Village and/or Sanitary District will be responsible for the infrastructure. Administrator Andrews will take this decision back to the Sanitary District and ask them to contribute to the cost.

Request to Approve Budget Amendment Ordinance for Fiscal Year Ending December 31, 2022

Presented by Village Administrator Shannon Andrews

Attached to the agenda is a draft Ordinance approving budget amendments to the general fund budget for Fiscal Year ending December 31, 2022. These items are the result of a mid-year budget review for the current fiscal year, which is discussed in greater detail below.

Revenues: In April 2022, the Village opted to take the standard deduction for American Rescue Plan Act (ARPA) grant funds and deposited \$3,896,640 in grant revenue and \$3,320 in related interest income into the general fund to be used to cover government services. This change moved the budgeted revenues from \$19,389,190 to



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\$23,289,150. The current end of year projection is projected to grow another \$2,355,850 to reach as much as \$25,645,000 before the end of the fiscal year. This increase is mainly due to sizeable increases in Sales Tax, Cannabis Home Rule Tax, Home Rule Sales Tax, and Income Tax, which are currently trending as follows:

	FY22 Budget	FY22 YTD	FY22 Estimate	Difference
ST Sales Tax	\$3,128,000	\$2,359,570	\$4,134,000	\$1,006,000
ST Cannabis HR Tax	\$300,000	\$344,223	\$555,000	\$255,000
ST Home Rule Sales Tax	\$2,000,000	\$1,635,737	\$2,815,000	\$815,000
IG Income Tax	\$3,720,000	\$3,203,045	\$4,028,000	\$308,000

Each of these had been budgeted conservatively due to uncertainty in the long-term impacts of the pandemic. While the revenue estimates are considerably higher than anticipated, the revenue amendment being requested is only that which would be necessary to cover anticipated expenditures.

Expenditures: Total General Fund expenditures are currently projected to increase by \$250,695, which will be fully offset by the growth in revenues. A majority of the divisions have been able to offset their budgetary increases directly through reductions in other areas of their budgets. The exception to this is Police Patrol, Public Works Administration and Recreation for the reasons described below:

- **Police Patrol** – The Division requires budget amendments in the amount of \$107,665 to cover the costs associated with maintaining minimum staffing requirements. The division has lost three officers due to retirements and has another two officers out due to medical. The Board has approved upstaffing in order to get new officers through the training program and ready to provide coverage as soon as possible.
- **Public Works Administration** – The Division requires budget amendments in the amount of \$18,160 to cover the costs associated with final benefit payouts for the prior Director of Public Works, as well as staff transition costs.
- **Recreation** – The Division requires budget amendments in the amount of \$124,870 to cover the costs of the new Parks & Recreation Director and an accounting error in the number of part-time hours necessary to run the Preschool. The Director of Parks & Recreation position was filled midyear. The costs associated with the position were anticipated and planned for through the elimination of a full-time position in Administration; however, much of that savings was depleted by final benefit payouts for the prior Village Administrator. In addition, the Recreation Division identified an accounting error that projected the quantity of part-time hours for preschool staff at levels that would cripple the program.

The reasons for each specific line-item amendment are listed in the last column of Exhibit A on the agenda.



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Finally, in accordance with the police facility funding plan approved at the July 14 Board of Trustees meeting, staff is also recommending the transfer of \$4,613,070 from the General Fund fund balance to pay off the 2020 unfunded liability of the Police Pension Fund as follows:

51.12 Taxes & Benefits Police Pension.

	FY22 Budget	FY22 YTD	FY22 Estimate	Difference
Police Administration (20.10)	\$150,510	\$75,258	\$634,200	\$483,690
Police Patrol (20.20)	\$1,055,300	\$527,668	\$4,447,000	\$3,391,700
Police Support Services (20.22)	\$229,520	\$114,764	\$967,200	\$737,680
Total	\$1,435,330	\$717,689	\$6,048,400	\$4,613,070

Fund Balance: As proposed, the amendments will reduce the General Fund budgetary fund balance by \$4,613,070, which is the amount necessary to cover the 2020 unfunded liability of the Police Pension Fund. The net available fund balance for the General Fund as of December 31, 2022, is estimated to be \$14,508,289, which remains above the minimum 25% of total budgeted expenditures.

Financial Impact

As described above.

Staff recommends a motion to approve an Ordinance Approving Budget Amendments to the Operating Budget for the Fiscal Year Ending December 31, 2022.

Discussion

Trustee Huckins asked how this contribution to Police Pension will affect future contributions. Director Stefan explained that pension contributions consist of two parts, normal cost and amortization of the unfunded liability. The contribution would cause the amortization of the unfunded liability to be eliminated—freeing up about \$925k.

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

Public Works

Request to Approve Award of contract for the Plote Baseball Field LED Lighting Upgrade Project

Presented by Public Works Director Ryan McDillon

Staff seeks a motion to award a contract to Dominion Lighting & Solar, Inc. of Oak Brook, IL for the Plote Baseball Field LED Lighting Upgrade Project in the amount of \$256,272.

The lighting at Plote Field currently consists of obsolete high-pressure sodium (HSP) bulbs, which require annual replacements of many of the lights to ensure proper field illumination. The Village was made aware of incentives being offered by ComEd and participating lighting distributors to convert HSP bulbs to energy-saving LED lighting.



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The incentive itself varies based on the scope of the project, but ranges from 30-75% of the project cost. In addition, after installation, ComEd estimates the annual energy savings to be approximately \$0.0896 per kWh.

The project was included in the Capital Improvement Fund for completion in FY22 at a cost of \$85,000, with offsetting revenues in the amount of \$60,000 from the ComEd incentives, bringing the budgeted total net cost of the project to \$25,000.

A request for proposal was posted on the Village's website and published in the local paper. On August 12, a single responsive bid was opened from Dominion Lighting at a cost of \$256,272. While the project cost is considerably higher than initially budgeted, the ComEd incentive increased to \$149,105, which is approximately 58% of the total project cost. The net cost of the project is \$107,167, exceeding the Village's budget by \$87,167.

In an effort to better align the project with the budget, staff reviewed the specifications for possible savings. It was identified that the replacement of the cross-arms could be removed without critically impacting the project. The elimination of the cross-arms would reduce the project cost by \$35,000, bringing it to \$221,272. It is also expected that the incentive would be equally reduced. Assuming the Village would continue to receive an incentive amounting to approximately 58% of the project cost, this would equal approximately \$128,741, bringing the net cost to an estimated \$92,531, which exceeds the budget by \$67,531.

Procedurally, in order to reduce the scope of the project, the Board would first need to award the contract in full, then immediately approve a change order to remove the cross-arms from the project for a savings of \$35,000. This is the staff recommendation for this project. While the cost remains significantly over budget, the annual kWh savings from converting to LED would offset the Village's expenses. In addition to being more cost effective, this solution would also improve operational efficiency as the useful life of the bulbs would be as much as 30,000 to 50,000 hours or longer. Finally, the funds from ComEd are currently available on a first come, first serve basis. The Village may not be able to access the incentives in the future, which would place the full burden of the cost on the Village.

Dominion Lighting is an Energy Efficiency Service Provider and meets ComEd's certification requirements for incentive eligibility. While the Village has not previously worked with Dominion Lighting, their references have all provided positive responses. The Elk Grove Park District, who has contracted Dominion for multiple field lighting upgrades similar to this project, was complimentary of their professionalism.

Financial Impact

This project was included in the Capital Improvement Fund for completion in FY22 at a cost of \$85,000, with offsetting revenues in the amount of \$60,000 from the ComEd incentives, bringing the budgeted total net cost of the project to \$25,000.

If the Village awarded the full scope of the project to Dominion Lighting, the cost would be \$256,272, offset by \$149,105 in ComEd incentives, bringing the total net cost of the project to \$107,167. This exceeds the Village's budget by \$87,167.



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By reducing the scope of the project to eliminate the cross-arms, the Village would save an additional \$35,000, bringing the cost to \$221,272, offset by an estimated \$128,741 in ComEd incentives. The net cost would be estimated at \$92,531, which exceeds the budget by \$7,531. There are sufficient funds available in the Capital Improvement Fund to cover these costs.

Projects of this nature would normally have further cost savings due to the reduction in energy consumption. While the energy savings still exists, the Village receives no financial benefit, as Plote Field is included on the Village's list of municipal accounts that do not get charged for usage.

Staff recommends a motion to award a contract to Dominion Lighting in the amount of \$256,272 for the Plote Baseball Field LED Lighting Upgrade Project and to approve a Resolution and change order to the contract with Dominion Lighting & Solar, Inc. for the Plote Baseball Field LED Lighting Upgrade Project to remove the cross-arms and reduce the amount of the award by \$35,000.

Trustee Huckins questioned the incentive. Director McDillon explained that it is based on a percentage of the total cost of the project. Trustee Huckins asked if postponing to wait for better bids is an option. Director McDillon stated that waiting may forfeit a chance at incentives.

Trustee Huckins asked who uses the field. Administrator Andrews stated that it is used by an affiliate group and has limited general public use. She added that the proposed lighting will allow for directional use and takes bulbs that last much longer, which is a significant improvement.

Trustee Bojarski asked why there was only one responsive bidder. Administrator Andrews explained that ComEd requires that eligible, qualified contractors meet certain criteria, narrowing the options.

President Bogdanowski asked what will happen if the field does not have the lights. Administrator Andrews stated that while removing the lighting is an option, Staff would prefer to maintain the existing environment at Plote Baseball Field and hopes to use the ComEd incentive to maintain it.

Trustee Anderson noted that Huntley's field LEDs are very blue and asked if we can expect the same quality. Director McDillon stated that they will give off a blue tinted light. However, the bid is for directional lights, which will allow them to only light the field.

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

Board of Trustees

Trustee Murphy announced that the Summer Sunset Festival was successful and thanked those who volunteered.



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President

President Bogdanowski asked Administrator Andrews for the status of contributions to the Veterans Memorial. Administrator Andrews stated that inquiries to purchase commemorative bricks are currently being handled by Customer Service and Nancy Sujet. President Bogdanowski requested a public awareness campaign on social media to help promote the memorial ahead of Veterans Day.

Trustee Huckins mentioned paraphernalia celebrating the Village's 70th anniversary and asked if any events are planned. Director Bosack announced that an Open House in honor of the Village's 70th anniversary will be hosted at Village Hall on November 29th, coinciding with Giving Tuesday.

Adjournment

There being no further business to discuss, the Committee of the Whole meeting was adjourned at 8:09 pm.

Submitted by,

A handwritten signature in black ink that reads "Shannon DuBeau".

Shannon DuBeau
Village Clerk