



# Village of Lake in the Hills

600 Harvest Gate, Lake in the Hills, Illinois 60156

COMMITTEE OF THE WHOLE MEETING

DECEMBER 6, 2022

## Call to Order

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

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

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

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, Airport Manager Mike Peranich, Village Attorney Brad Stewart, and Deputy Village Clerk Nancy Sujet.

Pledge of Allegiance was led by President Bogdanowski.

## Audience Participation

None.

## Administration

### **Request to Approve the 2023 Fiscal Year Budget Ordinance**

Presented by Village Administrator Shannon Andrews

The proposed Budget Ordinance for the 2023 Fiscal Year as discussed at the budget workshop held on November 15, 2022, is attached to the agenda. The proposed budget was made available to the public on November 15, 2022, via the Village's website at [www.lith.org](http://www.lith.org) and at Village Hall.

Staff recommends a motion to approve the ordinance establishing a Budget for the Village of Lake in the Hills for the 2023 Fiscal Year.

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 Ashley Eccles

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 \$53,963.84 to Tyler Technologies, Inc.

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 is 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 \$53,963.84.



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## **Financial Impact**

The Village's 2023 budget includes \$53,963.84 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 \$53,963.84 for the term ending December 31, 2023.

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

## Police

### **Request to Approve a Change Order for PD Uniform Purchases**

Presented by Chief of Police Mary Frake

The Police Department has previously utilized Today's Uniforms for the fulfillment of various uniform needs. The cost for these services has traditionally fallen within the department's spending authority, remaining under the \$20,000 threshold. As such, the Department has made purchases to date totaling \$14,233.43 out of a PO amount of \$18,500. Under normal circumstances, the amount remaining on the PO would be sufficient to carry the Department through the end of the fiscal year. In FY22, however, the Department hired several new Officers requiring initial issues of uniforms that will require a change order to be processed in order to proceed.

Attached to the agenda is a change order that increases the current PO by \$7,500 from \$18,500 to \$26,000 to cover these additional costs. Since this expenditure would exceed \$20,000, the Department is requesting that the Village Board waive competitive bidding as well as approve the change order as presented.

## **Financial Impact**

The original PO was entered as a blanket PO for \$18,500. Of this amount, the Police Department has \$14,233.43 encumbered. A change order will be necessary to increase the PO amount by \$7,500, bringing it to \$26,000.00.

Staff recommends a motion to waive competitive bidding and authorize the Village Administrator to approve a change order with Today's Uniforms, bringing the total not to exceed to \$26,000.00.

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

## Finance

### **Request to Approve an Ordinance approving a Budget Amendment to the Operating Budget for the Fiscal Year Ending December 31, 2022**

Presented by Finance Director Pete Stefan

At its November 10, 2022 meeting, the Village Board approved a revised Police Facility Funding Plan calling for an additional transfer of \$2,084,597 from the General Fund to the Police Facility Fund to be completed in FY 2022. The Ordinance reflects the additional transfer for FY 2022.



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## **Financial Impact**

With this additional transfer in FY 2022 and a subsequent transfer budgeted for \$1,135,403 in FY 2023, the General Fund is still projected to have a fund balance of 52% of expenditures which is well in excess of the 25% required by the Municipal Code.

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

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

## **Request to Approve an Ordinance Abating the 2022 Tax Levy**

Presented by Finance Director Pete Stefan

Attached to the agenda is an ordinance providing for the abatement of the \$106,500 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 this debt issue through a Special Service Area #51 property tax levy based on a flat amount per parcel levied against improved lots only. Accordingly, an abatement ordinance must be filed to prevent the extension of property taxes to all parcels in Special Service Area #51 on an ad valorem basis

Staff recommends a motion to approve an ordinance abating the 2022 tax levy the \$1,495,000 General Obligation Bonds, Series 2019.

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

## **Request to Approve the Ordinance for the 2022 Tax Levy**

Presented by Finance Director Pete Stefan

For the 13th consecutive year, the Village is pleased to propose 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 for the second consecutive year 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 thirteen years has been helpful and appreciated by our community.

The proposed amount to be levied for corporate and special purpose property taxes for 2022 is \$5,531,639 which is a 0.3% increase from the 2021 tax extension of \$5,514,929 and is comprised of \$5,481,703 for the base tax levy plus \$49,936 for cumulative new construction growth in 2021 and 2022. The 2022 tax levy for debt service for Special Service Area #51 for G.O. Bonds Series 2019 in the amount of \$106,500 is proposed to be abated in its entirety. The estimated tax rate is projected to decrease by -6.5% from 0.698675 to 0.653297 due to the projected 7.3% increase in EAV. The proposed 2022 levy of \$4,531,639 can be summarized as follows:



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Levy	Amount
<b><u>Existing Property</u></b>	
Corporate	\$ 5,474,703
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
<b>Sub-Total Existing Property</b>	<b>\$ 5,481,703</b>
<b><u>New Construction</u></b>	
<b><u>Prior Years</u></b>	
Corporate	\$ 33,226
<b><u>Current Year</u></b>	
Corporate	\$ 16,710
<b>Sub-Total New Construction</b>	<b>\$ 49,936</b>
<b>Total 2022 Tax Levy</b>	<b>\$ 5,531,639</b>

### Financial Impact

The property tax levy accounts for approximately 24.5% of total General Fund revenue for FY 2023.

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 2022.

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

### Request to Approve Ordinances – 2022 Special Service Area Tax Levies

Presented by Finance Director Pete Stefan

Attached to the agenda are twelve separate ordinances for the 2022 Special Service Area (SSA) Tax Levies. As discussed during the FY 2023 budget presentation, the 2022 levies for each of these twelve Special Service Areas range from \$700 for SSA#8C to \$140,360 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 increasing by a negligible amount of \$68 – 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 \$500,098 which represents an \$8,708 or modest 1.8% increase over the combined 2021 tax levy amounts.



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Staff recommends a motion to approve the ordinances attached to the agenda, which establish a 2022 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 2023**

Presented by Public Works Director Ryan McDillon

Staff seeks Board approval to award three master contracts for professional engineering services in 2023.

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 have 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 have 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 have included: engineering design and construction management services for the annual MFT road resurfacing project and the Industrial Drive roadway reconstruction project.

All three firms performed satisfactorily during the initial contract period and the Village renewed the contract with each firm for services in 2021 & 2022. Staff believes that all three firms continued to perform well over the past three years and recommend renewing the contract with each firm once again for engineering services in 2023. The contract renewals for services in 2023 represent the third and final 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, 2023, through December 31, 2023.

Staff recommends a motion to approve a master contract with Christopher B. Burke Engineering, LTD. for professional engineering services from January 1, 2023, through December 31, 2023.



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Staff recommends a motion to approve a master contract with Chastain & Associates, LLC. for professional engineering services from January 1, 2023, 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 Ryan McDillon

Staff seeks Board approval to award a contract to Compass Minerals for the purchase and delivery of water conditioning bulk softener salt in 2023, in an amount not to exceed \$146,666.65.

Village staff released a Request for Proposal (RFP) for the purchase and delivery of water conditioning bulk softener salt for calendar year 2023 on October 25, 2022. 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 three sealed responses on November 18, 2022. Compass Minerals was the lowest responsible bidder at \$146,666.65 (or \$132.73/ton), Midwest Salt was the second lowest bid at \$155,805.00 (or \$141.00/ton) and Morton Salt's sealed envelope contained a letter stating they declined to participate.

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 2023 Village Budget contains \$146,688.75 for the purchase and delivery of water conditioning bulk softener salt in the Water Fund. The \$146,666.65 bid from Compass Minerals is \$22.10 under the budget.

Staff recommends a motion to award a contract to Compass Minerals, for the purchase and delivery of water conditioning bulk softener salt in 2023, in an amount not to exceed \$146,666.65.

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

## **Request to accept the Bid and award a contract for Gas Chlorine in 2023**

Presented by Public Works Director Ryan McDillon

Staff seeks Board approval to award a contract to Hawkins Inc. for the purchase and delivery of gas chlorine in 2023 in an amount not to exceed \$78,144.00.

The Village has eight water treatment facilities that require gas chlorine to remove iron and manganese from the water and supply mandated disinfection within the distribution system. In previous years, the Village has paid between \$45.00 and \$50.00 per cylinder for gas chlorine. However, chlorine costs began increasing nationwide after a surge of residential pool installations during the COVID-19 pandemic increased demand and a fire at one of the nation's primary chemical plants in August of 2020 decreased supply. Currently, the Village is locked into a price of \$171.00 per cylinder through the end of this year and with costs continuing to increase, staff budgeted \$250.00 per cylinder in the 2023 Village budget.



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On October 26th, staff issued a Request for Proposal (RFP) for the purchase and delivery of gas chlorine in 2023. The RFP was posted to the Village's website, six chemical vendors were directly notified of this RFP opportunity and a public notice was published in the Northwest Herald. On November 17, 2022, Public Works received and opened one proposal from Hawkins Inc. at \$222.00 per cylinder or \$78,144.00 for the year. Staff believe that the Village only received one bid because of the volatility of the current chlorine market. The Village has purchased this product from Hawkins Inc. before and has been satisfied with the product and the company.

## Financial Impact

The 2023 Village Budget includes \$88,000.00 for the purchase and delivery of gas chlorine in the Water Fund. The \$78,144.00 bid from Hawkins Inc. is \$9,856.00 under the budgeted amount of \$88,000.00.

Staff recommends a motion to award a contract to Hawkins, Inc. for the purchase and delivery of gas chlorine in 2023 in an amount not to exceed \$78,144.00.

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

## Request to award a contract for the Purchase of Bulk Rock Salt for Village Roadway Snow and Ice Control

Presented by Public Works Director Ryan McDillon

Staff requests authority to purchase up to 1,800 tons of rock salt in 2023 through the Central Management Services contract, for a total cost not to exceed \$150,534.00.

The Village purchases rock salt for snow and ice operations each year through the State of Illinois joint purchasing program, a competitively bid road salt program coordinated by the Illinois Department of Central Management Services (CMS). The Village's participation in this program is exempt from the normal bidding process as stated in Section 9.13 of the Village Municipal Code.

Part of the process allows the requesting agency to purchase as little as eighty percent (80%) up to one-hundred twenty percent (120%) of the initial request. For Lake in the Hills, that corresponds to a range of one thousand four hundred forty (1,440) tons to two thousand one hundred sixty (2,160) tons on a base request of one thousand eight hundred (1,800) tons.

CMS rebid its road salt joint bid this year and the Village's price for the upcoming 2022/2023 season is \$83.63/ton. Road salt, like fuel and other commodities this past year, is currently much higher in price than in years past; the Village's current price of \$83.63/ton is about ~32% higher than the former price of \$63.27/ton.

## Financial Impact

The proposed FY23 Village Budget includes \$153,000.00 for the purchase of road salt in the General Fund. The total expense for 2023 is \$1450,534.00 at a base quantity of 1,800 tons.

Staff recommends a motion to approve the purchase of up to 1,800 tons of rock salt in 2023 through the Central Management Services contract for a total cost not to exceed \$150,534.00.

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



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## **Request to approve to Purchase Fuel in 2023**

Presented by Public Works Director Ryan McDillon

Staff seeks Board approval for the purchase of gasoline and diesel fuel from Avalon Petroleum from January 1, 2023 until April 11, 2023, in an amount not-to-exceed \$95,000.00.

On February 8, 2018, the Village Board awarded Avalon Petroleum a five-year contract, from April 8, 2018 to April 11, 2023, for the purchase of gasoline and diesel fuel for the Village's fleet. Avalon Petroleum has been providing fuel to the Village since 2018 and their service has been acceptable. As such, staff recommends approval of a motion allowing the Village to spend \$95,000.00 with Avalon Petroleum from January 1, 2023 until April 11, 2023, for the purchase of gasoline and diesel fuel under the previously approved five-year fuel contract. Staff will return to the Board prior to April 11th with a request to enter into a new contract for the purchase of gasoline and diesel fuel.

### **Financial Impact**

The Fiscal Year 2023 Village Budget includes \$336,727.16 in the General Fund for the purchase of gasoline and diesel fuel for the Village's fleet. Approval to purchase gasoline and diesel fuel from January 1, 2023 until April 11, 2023, in an amount not-to-exceed \$95,000.00, will ensure that the Village's fleet has sufficient spending authority during this timeframe.

Staff recommends a motion to approve the purchase of gasoline and diesel fuel from Avalon Petroleum from January 1, 2023 until April 11, 2023 in an amount not to exceed \$95,000.00.

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 Ryan McDillon

Staff seeks Board approval to waive the competitive bidding process and approve the purchase of up to \$33,900.00 of ThermaPoint R from Industrial Systems of Lakemoor, IL, for fiscal year 2023.

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 2022 price of \$1.12/gallon paid for their ThermaPoint product but had to raise it just one cent for 2023. The current price represents an increase of \$300 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 2023 for a total cost of \$33,900.





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## **Financial Impact**

The Village's 2023 General Fund Budget includes \$36,000.00 for the purchase of ThermaPoint R liquid. The total expense for 2023 is \$33,900.00.

Staff recommends a motion to waive the competitive bidding process and approve the purchase up to \$33,900.00 of ThermaPoint R from Industrial Systems of Lakemoor, IL, for fiscal year 2023.

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

## **Request to Approve an Ordinance amending Chapter 45 of the Municipal Code, Potable Water**

Presented by Public Works Director Ryan McDillon

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 2021.

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 water supply system. Public Works performed a comparison rate study with 13 neighboring municipalities. The results of that study are attached 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 Municipal Code to increase the potable water fees by one-percent.

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

## **Request for Approval to Purchase Aviation Fuel in 2023**

Presented by Airport Manager Mike Peranich

Staff seeks Board approval for the purchase of aviation fuel from Arrow Energy from January 1, 2023 until April 7, 2023 in an amount not to exceed \$175,000.00.

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. In March of 2022, the Board approved the first of two one-year contract extensions, extending the current contract until April 7, 2023. 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 \$175,000.00 with Arrow Energy from January 1, 2023 until April 7, 2023, for the purchase of aviation fuel under the previously approved contract extension. Staff will return to the Board prior to April 7th with a request to either enter into a new contract for the purchase of aviation fuel or a request approval of the second and final one-year contract extension with Arrow Energy.



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## **Financial Impact**

The Fiscal Year 2023 Village Budget includes \$500,534.49 in the Airport Fund for the purchase of aviation fuel for resale. Approval to purchase aviation fuel from January 1, 2023 until April 7, 2023, in an amount not-to-exceed \$175,000.00, 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 from January 1, 2023 until April 7, 2023 in an amount not to exceed \$175,000.00.

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

## **Request to Approve an Ordinance Amending Chapter 53 of the Village Municipal Code, Airport Minimum Standards**

Presented by Airport Manager Mike Peranich

Staff recommends Board approval of an ordinance amending Chapter 53 Lake in the Hills Airport Minimum Standards of the Municipal Code.

Changes to the Lake in the Hills Airport Minimum Standards document are proposed for the 2023 fiscal year. A 2% increase, is contemplated. This increase would apply to the monthly and yearly fees for businesses to operate on the airfield. The last change to the Minimum Standards was in 2017 when the Village expanded the capacity of a business to provide flight instruction and increased the fees.

The minimum standards document applies only to established businesses on the airfield. They dictate an operating standard that the Village expects the business to abide by and provide the airport with a small revenue stream.

## **Financial Impact**

A 2% increase would result in an additional \$590.76 of revenue per year to the Airport Fund.

Staff recommends a motion to approve an Ordinance amending Chapter 53, Lake in the Hills Airport Minimum Standards of the Municipal Code.

Trustee Dustin stated that it has been five years since the last increase and we are now increasing it by 2%, why so low? Costs are going up more than we are increasing the fees.

Airport Manager Peranich stated that the Minimum Standards in particular is unique because there is not a lot of Revenue behind it, only look at between \$30,000 & \$40,000 with all of the businesses combined at the airport. The purpose is not necessarily to draw revenue but to capture our costs. Most of the revenue comes from sales of fuel. In 2022 Blue Skies had 20,000 gallons of fuel sold. It's not the fees on the business but the services and customers they bring in.

Trustee Dustin stated that the Airport Budget will be short approximately \$100,000. How do we make this up?

Airport Manager Peranich stated that the biggest revenue is fuel and then leases.

President Bogdanowski asked how often do they Airport Minimum standards change.



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Airport Manager Peranich stated that a rate change was made in 2017 and then 2014 or 2015 was the last true revision. We make changes as businesses come forward.

President Bogdanowski stated that the Airport Minimum Standards need to be reviewed.

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 Airport Manager Mike Peranich

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 agreements between the Village and airport tenants state that the Village may increase fees on an annual basis based on the following; the current year's rent multiplied by the Consumer Price Index (CPI) percent increase for the Chicago metropolitan area from August of the prior year to August of the current year, up to a 10-percent maximum increase. The last time the Village raised rental rates was 2021 and the rate increase was 2% percent.

The CPI annual increase for August 2022 was 8.8 percent, but staff recommends holding the increase to approximately five-percent, as doing so would keep the Village in line with fees charged by neighboring public-use airports, as shown on Attachment 2 – Airport Fee Comparison Tables. Airport owned T-hangers will increase from \$0.28/ft to \$0.30/ft. The Village's rate for ground leases is currently \$0.1267 per square foot, but will be increased to \$0.1330 with the recommended change. This rate is lower than the T-hanger rate because the vast majority of hangars are not owned by the Village and thus require no maintenance.

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 (September to September). Staff separates electrical service costs for public uses such as airfield lighting, navigational aides, the fuel tanks, and the airport office from private hangar use as the private hanger electrical service fee does not reimburse these costs. In 2022, electrical delivery costs increased slightly from the previous year. As such, staff recommends increases to the 2023 private hanger electrical service fees.

Lastly, in the absence of adequate parking space for larger transient aircraft, staff recommends adding a daily ramp fee for large aircraft. In 2016, when the airport completed its parallel taxiway project, the existing transient ramp was in the way of the new taxiway and had to be substantially removed. Since then, there has been no adequate ramp space for large twin-engine aircraft. With space at a premium, the recommended daily ramp fee for this category of larger aircraft would help to offset staff time spent finding parking positions and guiding aircraft. The fee would be set at \$50/day and would be charged for larger aircraft that aren't capable of fitting into the airport's existing transient parking spots during business hours.

### **Financial Impact**

Staff estimates that the amended fees will generate an additional \$383,145 in revenue for the Airport Fund in 2023, an increase of \$26,235.45 from the 2022 rates.

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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 Dustin stated that the fees being charged for hangars, etc. Certain fee structures need to be looked at moving forward. Airport Manager Peranich agreed.

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

## **Request to Approve the Commercial Activity Agreement with CST & Sons, LLC**

Presented by Airport Manager Mike Peranich

Staff seeks Board approval to enter into a commercial activity agreement with CST & Sons, LLC. The Lake in the Hills Airport Rules and Regulations require commercial activities which operate from the airport to enter into an agreement with the Village. The agreement gives them access to the airport while establishing service standards, insurance requirements, and a commitment to observe the airport rules, regulations and minimum standards.

A new tenant at the airport would like to lease out space inside his large box hangar for additional aircraft storage. According to the Chapter 53 Minimum Standards, hangar owners may keep aircraft they own in their hangar but if they wish to store aircraft they do not own, they must request a commercial activity agreement.

CST & Sons, LLC is an active LLC registered with the Secretary of State's Office. The agreement with CST & Sons, LLC will be in effect from December 9, 2022 through December 8, 2025.

### **Financial Impact**

The Airport Fund will receive monthly payments of \$18.36 for each aircraft stored in the hangar that is not owned by CST & Sons, LLC.

Staff recommends a motion to approve a Commercial Activity Agreement with CST & Sons, LLC from December 3, 2022 through December 8, 2025.

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

## **Request to Approve the Solar Project Lease Agreement**

Presented by Airport Manager Mike Peranich

Staff request Board approval of a solar project lease agreement with LITH CS, LLC, an affiliate of BAP Power Corporation d/b/a Cenergy Power of Carlsbad, California.

The Village of Lake in the Hills and Cenergy Power, a solar energy company based in Carlsbad, California entered into a lease option agreement in December 2017. In January of this year, the Village Board approved another lease option extension with the developer, LITH CS, LLC, an affiliate of BAP Power Corporation d/b/a Cenergy Power. Recently, the Village was notified that the developer is ready to begin work on the solar farm now that the Illinois Adjustable Block Program finally approved the project. Village staff and the developer are currently in the process of obtaining the required State and Federal permits to proceed. As part of the lease agreement, the developer will begin paying the Village half of the of annual lease amount during its construction phase. When the solar farm



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becomes operational, the lease includes language that the developer will pay the airport \$2,040 per acre per year for the land that the solar farm resides on with an escalator every 4 years starting in 2025.

The lease provides a decommissioning bond that ensures that the Village would not be solely responsible from a monetary standpoint for any cleanup should the developer decide not to pursue the entire lease term. Although this provision is not anticipated to be used during the life of the solar farm, it provides a degree of financial protection for the Village.

The term of the lease is 35 years which includes two 5-year renewal options at the discretion of the developer. This is done to ensure the company is able to recover their upfront cost to develop the farm. The land where the solar farm is slated to go was not shown on the Airport Layout Plan (ALP) to hold any long-term aeronautical developments and as such would not hinder future growth of the airport with the exception of a single surface parking lot that was contemplated for the midfield terminal building. A revised ALP was submitted to the FAA showing this modification and was accepted.

## **Financial Impact**

The Village's Airport Fund will receive \$1,083.34 per month during the initial construction period. When the solar farm becomes operational, the Airport Fund will be paid \$2,040 per acre per year for the solar farm. At eight (8) acres, this would equate to \$16,320 per year after the initial construction period.

Staff recommends a motion to approve a solar project lease agreement with LITH CS, LLC, an affiliate of BAP Power Corporation d/b/a Cenergy Power of Carlsbad, California.

Trustee Dustin asked if they will provide free electric to the Airport. Airport Manager Peranich stated that we will be able to purchase electricity at a discounted rate of approximately two percent.

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

## **Request to award concurrence for the Runway 8/26 Rehabilitation& Reprofiling Project**

Presented by Airport Manager Mike Peranich

Staff seeks concurrence from the Village Board of Trustees to allow the State of Illinois to award the Rehabilitation of Runway 8-26 Electrical project to William Charles Construction Co, LLC, d/b/a William Charles Electric.

On August 5, 2022, the Illinois Department of Transportation (IDOT) opened bids from companies to rehabilitate the runway electrical at Lake in the Hills Airport. Two bids were received and William Charles Construction Co, LLC is the apparent low bidder with a price of \$1,163,001.76.

Attached to the agenda is a document that indicates unit prices for the electrical project included in William Charles' bid. Before IDOT can officially award the project, William Charles will need to meet all post-letting requirements including bonding and Disadvantaged Business Enterprise (DBE) certification; however, IDOT is seeking concurrence from the Village before they move forward with the award process. The work is anticipated to start on May 1, 2023.

## **Financial Impact**



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The Village will be responsible for 5% of the total for the entire runway 8/26 electrical project which is expected to be \$1,163,001.76. The Village's portion will be \$67,650. These amounts were included in the Airport's 2023 budget.

Staff recommends a motion of concurrence from the Village Board of Trustees to allow the State of Illinois to award the runway 8/26 rehabilitation and reprofiling project to William Charles Construction Co., LLC, d/b/a William Charles Electric.

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

## Parks and Recreation

### **Request to Approve an Agreement for the Lynn Dillow Park Playground Replacement**

Presented by Parks & Recreation Director Trevor Bosack

The Village plans to replace the existing playground equipment at Lynn Dillow Park in FY23. Originally anticipated for a 2022 replacement, the project was delayed until the Spring of 2023 due to staff onboarding, project discussion, lead times, and favorable weather. Throughout 2022 multiple meetings occurred and steps were taken to solicit and incorporate resident feedback, resulting in a Parks and Recreation (P&R) Board recommendation.

In 2021, as staff was preparing the FY2022 budget, feedback from the Parks and Recreation Board to allow for flexibility to incorporate inclusive features in the playground design at Lynn Dillow Park was presented to the Village Board, resulting in an approved budget line item in the amount of \$223,000. After conducting multiple surveys and hosting focus group discussions about the playground, the Village released an RFP on April 21, 2022. Unfortunately, staff had concerns with each of the submittals. The complications consisted of incomplete or missing documents and also documents that were (improperly) submitted by email, instead of being submitted within a sealed bid.

Staff provided an overview of the RFP process and the complications to the Village Board at the May 24 Committee of the Whole Meeting. Two days later, at the May 26 Village Board Meeting, the Village Board voted to reject all bids and waive the competitive bidding requirements for this project, allowing staff to work directly with each company.

On June 10, staff released two surveys. Both surveys asked participants to rank each final design concept in order of preference; one survey was designed for Village residents and the other was designed for the Lynn Dillow Focus Group that was established earlier in 2022. Concept #3 was the preferred design concept from the resident survey results. Concept #4 was the preferred design for the Lynn Dillow Focus Group. In both surveys, Concept #2 came in second place. The results from both surveys are included as Attachment 1 and Attachment 2, respectively.

During the August 4, 2022 Parks and Recreation Board meeting, staff presented the survey results along with the four concept plans. While both of the surveys had indicated favorable results for Concept #3 and Concept #4, both of these playground designs were provided by the same company who was unresponsive throughout the process and who had not initially provided Pour-In-Place (PIP) surfacing which is often included in inclusive play areas. Once alerted to this oversight, the vendor modified their concept drawing to include PIP areas; however, this put their project costs over budget by over \$25,000. As a result, staff made the recommendation to pursue Concept #2 as presented by Play Illinois, including BCI Burke playground equipment as presented in their proposal (Attachment 3).



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The Parks and Recreation Board meetings in September and October finalized the playground elements and color scheme to be included in the final design (Attachment 4). It should be noted that the final design is presented to the Village Board with a majority, but not unanimous, Parks and Recreation Board recommendation. This is due to the preferences of the playground color scheme.

## Financial Impact

Play Illinois provided various elements for consideration. These optional designs, and corresponding costs, are outlined in the table below.

CONCEPT #2			
Additional Features	2022 Budget Amount	Price	Over/Under Budget
Tri-Rider	\$223,000	\$222,788	\$212

Staff recommends a motion to authorize the Village Administrator to enter into an agreement with Play Illinois LLC for the replacement of the Lynn Dillow Playground in the amount of \$222,788.00.

Trustee Dustin asked if any of the dates within the contract need to be adjusted. He saw a date of September 2022. Director Bosack stated that was a draft agreement. The correct date is May 12, 2023.

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.

President Bogdanowski stated that he has been doing this for over 21 years. The Budget Hearing is the most important meeting and there are never residents at the meetings. He has challenged staff to get better attendance at the budget hearing. Trustee Dustin agrees. Tremendous amount of work into this budget and we thank staff for this. President Bogdanowski stated that the village has a major project this year with building a \$27,000,000 police facility and no one has asked questions about it. He would like staff to think outside the box, maybe we are doing everything we can, but we need to make sure that we are.

Trustee Huckins stated that he has had conversations with residents about the new police facility and they were not concerned about the cost, but felt that it is about time the PD is getting a new facility.

Discussion took place regarding if the village is tapping into all of the social media for notifying resident about the budget. President Bogdanowski stated that we just need to make sure that we doing everything possible to notify the residents of the budget process and hearings.



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## Adjournment

A motion to adjourn the meeting was made by Trustee Harlfinger and seconded by Trustee Anderson. All in favor by voice vote.

There being no further business to discuss, the Committee of the Whole meeting was adjourned at 8:30 pm.

Submitted by,

A handwritten signature in black ink that reads "Nancy Sujet".

Nancy Sujet  
Deputy Village Clerk