



Village of Lake in the Hills

600 Harvest Gate, Lake in the Hills, Illinois 60156

COMMITTEE OF THE WHOLE MEETING

JUNE 6, 2023

Call to Order

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

The Pledge of Allegiance was led by President Bogdanowski.

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

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

Also present were Village Administrator Shannon Andrews, Assistant Village Administrator Ashley Eccles, Deputy Chief of Support Services Matt Mannino, Finance Director Pete Stefan, Public Works Director Ryan McDillon, Parks & Recreation Director Trevor Bosack, Director of Community Development John Svalenka, Village Attorney Brad Stewart, and Village Clerk Shannon DuBeau.

Audience Participation

None.

Administration

Request for an Ordinance Amending Chapters 9 and 17 of the Municipal Code

Presented by Village Administrator Shannon Andrews

Chapter 9, Bidding and Contract Procedures, of the Municipal Code was last updated back in April of 2006. Since that time, there have been statutory changes, which have not yet been incorporated into Village processes. Staff have prepared the Ordinance amending portions of both Chapter 9 and Chapter 17, Purchasing Standards and Procedures to better align the Code to the statute. This Ordinance can be found attached to the agenda. In addition, a number of changes are proposed that will increase the efficiency of Village operations by providing staff with more flexibility in the bidding process. This will result in a reduction of the quantity of Board agenda items moving forward.

Below is a summary of the changes:

- Section 9.01 has been updated to recognize that there are other procedures that could be utilized, in addition to competitive bidding.
- Section 9.02, Formal Contract Procedure, currently treats all purchases the same, requiring each to go through the formal bid process for expenditures over \$20,000. According to the statute, this requirement is intended specifically for Public Work Contracts. As such, the section has been updated to differentiate between requirements for Public Work Contracts versus Material, Supply, and Service Contracts.



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- The statutory limit on Public Work Contracts was increased from \$20,000 to \$25,000 five years ago (65 ILCS 5/8-9-1); however, the Village Code has not been updated accordingly. As costs continue to increase over time, the investment of resources to formally bid projects at such a low dollar amount becomes prohibitive.
- The Village Administrator can approve purchases for material, supply, and service contracts up to \$100,000. Segregating material, supply, and service contracts provides flexibility so that a formal bid is not required in all situations. Contracts in excess of the \$100,000 threshold would still trigger the bidding requirement.
- Professional services require a carveout because they are exempt from the formal bid process in accordance with the statute (65 ILCS 5/8-10-4). There are separate requirements, such as for Requests for Qualifications, that do not allow price comparing certain services until after a qualified contractor is identified.
- Third Party Funding was added to simplify the approval process on third party contracts when the Village's portion of the expense falls within the spending authority of the Village Administrator. An example of this would be grant funded airport capital projects, where the Village's contribution is 5% of the total project cost. This change will help to simplify an otherwise complex process to award and subsequently move forward with any airport capital project that involves Federal Aviation Administration (FAA) or Illinois Department of Transportation (IDOT) funding.
- A Budget Limit was added to require Board approval for those purchases or contracts that exceed the budget authority at the legal level of budgetary control.
- Section 17.03 was updated to define when a budget transfer or amendment would be required. Unbudgeted up to \$25,000 can be approved by the administrator. Unbudgeted expenditures that exceed \$25,000 or exceed the budget authority at the legal level of budgetary control require approval by the Board.
- Section 17.04 was updated to allow for Board approved multi-year agreements to go straight to PO without requiring annual approvals.
- Section 17.07 clarifies that a PO is required for expenditures over \$25,000 in accordance with the procedures now identified in Chapter 9. For those expenditures that do not require formal bidding, a PO is required for all purchases between \$5,000 and \$100,000.
- Section 17.08 was updated to include the Northern Illinois Purchasing Cooperative.
- Section 17.09 includes an aggressive update to the Village's Capital Asset thresholds to align them with those in our comparable communities. The report showing the thresholds has been attached to the agenda for reference. The annual tracking requirements for assets have become cumbersome to all departments when the thresholds are set too low. While this change appears substantive, it streamlines the tracking process while simultaneously retaining the majority of the value across the asset classes for financial reporting purposes.
- Remaining Sections of Chapter 17 are being updated to mirror the changes in Chapter 9.

Staff recommend a motion to Approve an Ordinance Amending Portions of Chapter 9, Bidding and Contract Procedures, and Chapter 17, Purchasing Standards and Procedures.



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

Request for a Master Service Agreement for Network Maintenance with De Kind Computer Consultants, Inc. for Professional Informational Technology Services

Presented by Assistant Village Administrator Ashley Eccles

Staff seek the Board's approval to award a Master Service Agreement for network maintenance to De Kind Computer Consultants, Inc. of North Barrington for a 12-month term in the amount of \$123,200.

In June of 2016, the Village hired an IT Manager to serve as the first in-house staff member tasked with meeting the technology needs of the Village and providing greater on-site assistance to staff. The IT Manager served as the liaison to the Village's IT consulting firm, thereby creating a co-managed environment. In February of 2020, the division saw growth with the addition of a newly created IT Specialist position to provide increased coverage for IT support with the continued intention of reducing reliance on outsourced consultant contributions. However, the MIS Division has encountered challenges in achieving stability with this model due to the turnover rate of three IT managers over the span of 6.5 years.

Each time the Village experiences the departure of a staff member, it provides an opportunity to re-evaluate the vacated position to determine whether any improvements can be made to our processes or division structure. In an effort to explore what other means by which IT services can be provided, Village staff released a Request for Qualifications (RFQ) for a Managed Service Provider on February 22, 2023. The RFQ results are attached to the agenda for your review. Five (5) sealed responses were opened. An evaluation committee consisting of Administrator Andrews, Assistant Village Administrator Eccles, and IT Specialist Katari ranked each of the responses according to specific weighted criteria. Criteria included overall methodology (30%), public sector experience and expertise (25%), references (15%), and resources (30%).

Based upon the review of submittals, finalist interviews, and the results of the reference checks, staff recommend De Kind Computer Consultants for a one (1) year contract with automatic annual renewals, provided neither party provides a 90-day notice prior to the annual renewal date with intent to cancel. As the Village pursues a reorganization and enhancement of technological capabilities, De Kind offers a viable solution fulfilling the requirements within the scope of services as outlined in the RFQ. This includes a full range of support services for the Village's network system, from day-to-day troubleshooting to strategic planning, budgeting assistance, monthly reporting, and more.

De Kind is recommended due their level of experience, resources, and variety of service offerings including the following highlights:

- 20+ years of industry experience, with approximately 200 clients in a variety of industries, including municipal environments.
- Consistent IT support with 24/7/365 service with dedicated technicians and on-site visits
- No onboarding fees.
- Every service is billed at an equal rate regardless of experience needed to complete the work.

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- Technology budget development assistance, including two (2) complimentary hours per quarter.
- Ability to roll over unused hours.
- Asset replacement schedule management.

Based on De Kind's internal analysis of our current environment, 105 service hours per month is recommended to meet the Village's needs. This recommendation is based on factors such as user count, server count, voicemail count, network equipment count, number of facility locations, complexity of network, and administrative expectations.

The IT Specialist will be primarily assigned to support the Police Department's unique software and hardware systems. De Kind will serve as back-up coverage for the IT Specialist, as well as primary coverage for Village Hall and Public Works. De Kind also has a unique and distinct perspective in that a member of their leadership team, Brian DeKind, is an active police officer. Their engineers are experienced in supporting an array of municipal software, including Tyler Technologies, Laserfiche, FortiGate Firewall Web filtering, Mitel, GoToMeeting, Granicus, Adobe Creative Cloud, Quicket, Livescan, LEADS, Cartegraph, SCADA, and more.

Financial Impact

The FY24 operating budget will experience a reduction in expenditures in the General Fund due to the elimination of the IT Manager position through attrition, as well as a 30.5% decrease in the hourly rate for billable consultant hours through June 2024. Compensation for services is based on an hourly rate of \$100/hour for the first 105 hours of service each month. Any hours incurred by De Kind over the 105 pre-purchased hours in one month will be invoiced separately at the standard service rate of \$130/hour. The monthly fee for services includes payment for all labor, travel/fuel, insurance, same-day response fees, and emergency-page fees for the entire term of the Master Service Agreement (attached to the agenda). In the event the Village is beginning to trend over the allotted hours at the 80% usage rate, the option to purchase 100 hours of service at the discounted service rate of \$100/hour is also available.

The actual personal services cost for the IT Manager position, including compensation and benefits, reached \$146,902.56 in FY22 before it was vacated in early December. The Village's FY23 budget includes \$157,080.10 in salary and benefits for the IT Manager position. De Kind's rate of compensation at a cost of \$10,500 per month, plus the prorated first month of service at \$7,700, equates to a base total of \$70,700 in the current year. These expenses will be offset by the savings during the vacancy of the position.

Additionally, \$43,200 was budgeted for and expensed in the FY23 budget with the Village's current provider for additional network IT support in the form of a block of 300 pre-purchased hours at a rate of \$144/hour. The remaining hours would be utilized to wrap up current projects and help execute a smooth transition between the incumbent and incoming provider.



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	<u>2022 Actual</u>	<u>2023 Budget</u>	<u>2023 Projected</u>	<u>2024 Projected</u>
MSP Cost	\$40,500	\$43,200	\$113,900	\$126,000
IT Manager Cost	\$146,903	\$157,080	\$0	\$0
Total Cost	\$187,403	\$200,280	\$113,900	\$126,000
MSP Hours	180	300	1007	1260
IT Manager Hours	1840	1840	0	0
Total IT Hours	2116	2236	1007	1260

As the Village continues to invest in its IT infrastructure, the quantity of tickets is expected to decline. For example, the Village now has a five-year computer replacement cycle and network downtime has been reduced due to server upgrades.

The FY23 budget also includes \$5,200 for the IT ticketing system software maintenance. De Kind has provided a quotation (attached to the agenda) in the amount of \$4,290.00 to migrate to their selected remote monitoring system, which would result in a minimum cost savings of \$910 in the current fiscal year. The proposed system is substantially more than just remote monitoring and features asset management, alert management, one-to-many deployment, and more.

Staff recommends a motion to enter into a one-year Master Service Agreement with De Kind Computer Consultants, Inc. for professional information technology services for a one (1) year base cost of \$123,200.

President Bogdanowski asked when the IT Manager resigned. Assistant Administrator Eccles stated that the position was vacated in December of 2022.

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

Police

Request to Approve Sergeant Appointment Above Authorized Staffing Level

Presented by Deputy Chief of Support Services Matt Mannino

The police department has a retirement in July of this year that will create an opening for a Sergeant position. To expedite the transition and training, the department has identified the candidate to fill the vacancy and would like to have the individual formally appointed on June 22, 2023.

The current authorization level for Sergeant positions is seven (7). Allowing the police department to go from seven (7) to eight (8) authorized positions, for a period of approximately four (4) weeks, will allow the Officer to be ready to assume this supervisory role on or about June 23, 2023. The authorized strength will return to (7) seven on July 24, 2023, the day after the scheduled retirement.



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Financial Impact

The estimated salary differential for a new Sergeant from June 23, 2023, to July 24, 2023, is \$602.00.

Staff recommends a motion to approve and authorize the Police Department to exceed the authorized staffing level and appoint a Sergeant on June 22, 2023, for the projected vacancy in July 2023.

Trustee Dustin asked if this will be a promotion from within the Police Department. Deputy Chief Mannino confirmed that it will be.

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

Community Development

Request for Approval of a Resolution Approving a Reduction of the Performance Security for Arden Rose Senior Living at 700 E. Oak Street

Presented by Director of Community Development John Svalenka

Section 1-4 and Appendix E of the Subdivision Control Ordinance require developers of land in the Village to provide performance security in an amount equal to 125 percent of the estimated cost of improvements of the public streets, potable water system, storm drainage, erosion and sediment control, and other applicable public improvements in a development. The developer of the Arden Rose Senior Living project at 700 E. Oak Street submitted a cost estimate indicating that the project would include \$758,899.00 for public improvements. Baxter & Woodman reviewed and approved the cost estimate and recommended that performance security be provided to the Village in the amount of \$948,248.75. Therefore, O'Malley Construction Company submitted to the Village a performance bond dated March 4, 2022, in the amount of \$948,248.75.

One of the three proposed Arden Rose buildings has been completed, and most of the public improvements have been completed and inspected. Section H-4 of Appendix E of the Subdivision Control Ordinance allows the developer to request that the amount of the performance bond be reduced once after at least 50 percent of the value of the public improvements are completed, and states that the remaining amount must be equal to at least 50 percent of the original performance bond amount. The developer has submitted partial and final waivers of lien from their subcontractors to demonstrate satisfactory completion of at least 50 percent of the value of the improvements and has requested that the amount of the performance bond be reduced. Village staff have reviewed the lien waivers and found them to be acceptable and finds that the developer has met the requirements to have the amount of the bond reduced to \$474,124.38. Further, staff find that the reduced amount of the bond will be sufficient to ensure completion of the public improvement after construction of the other Arden Rose buildings.

Financial Impact

If the request is approved, the performance bond will be reduced from \$948,248.75 to \$474,124.38.

Staff recommends a motion to adopt a resolution approving a reduction of the performance security for Arden Rose Senior Living at 700 E. Oak Street.

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

Public Works

Request for Approval of an Airport Ground Lease for Hangar PAP-31

Presented by Public Works Director Ryan McDillon

The Airport Rules and Regulations document requires tenants to enter into applicable leases, licenses, or storage agreements for Village owned hangers. Jeffrey Staten of Kavik Air, LLC is requesting a new ground lease on Hangar PAP-31. This lease is for the period of June 9, 2023, to June 9, 2043. The lease includes an option to renew for four additional five-year terms.

Mr. Staten has signed the appropriate lease form and has provided acceptable proof of insurance.

Financial Impact

The Airport Fund will receive \$2,437.80 annually from the ground lease and \$240 from electrical service fees, subject to annual increases approved by ordinance.

Staff recommends a motion to approve the Ordinance and authorize the Village President and Village Clerk to sign the ground lease for Hangar PAP-31 with Jeffrey Staten Kavik Air, LLC.

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

Parks & Recreation

Request for Approval of a Village Support Request for the 2023 Lake in the Hills Rockin' Rotary Ribfest

Presented by Parks & Recreation Director Trevor Bosack

The Rotary Rockin' Ribfest is the signature fundraising event for the Lake in the Hills Rotary Club and is a family-oriented event that features nationally renowned professional rib vendors, live entertainment, and a carnival. The proposed dates for the 2023 festival are Thursday, July 6 through Sunday, July 9. Consistent with previous annual requests, the Club is requesting to hold the Rockin' Ribfest at Sunset Park with the flexibility to work with staff to select an ideal layout from previous designs or variations thereof. The Rotary Club has submitted a special event permit application. Furthermore, to successfully host an event of this size and scale, the Club requires the support of Public Works and Police staff, as well as the following waivers, which are being requested for the 2023 event:

- All Police and Public Works staff regular hourly rates associated with the event (overtime is excluded)
- Water meter rental charge (\$800 or \$200/day x 4) and water consumption charge
- Special Event Permit Fees including application fee (\$25), refundable deposit (\$1,000), Incident Action Plan Review fee (\$300), tent inspection fees (\$300 or \$100/tent x 3), stage inspection fee (\$100), electrical generator inspection fee (\$30), and rental fee (\$35) for Sunset Park
- Liquor License fee (\$25)



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- Section 43.09, Noise, of the Municipal Code to allow announcements and to play music until 11:00 p.m. on Thursday, July 6, through Saturday, July 8, 2023. The music on Sunday ends by 7:00 p.m.

Financial Impact

The following is a summary of the estimated financial impact of the event for 2023:

- Police Department - \$19,950.00 in overtime wages
- Public Works Department - \$3,547.09 in overtime wages and \$1,937.92 in diesel fuel costs
- Fees waivers totaling \$2,615 of which \$1,000 would be refundable.

Staff recommends a motion to approve the Village support requests from the Lake in the Hills Rotary Club for their July 6 through July 9 Rockin' Rotary Ribfest event.

Trustee Dustin asked if this is in line with last year's request. Director Bosack stated that it is with the addition of a special event permit application.

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

Board of Trustees

None.

President

None.

Adjournment

A motion to adjourn the meeting was made by Trustee Murphy 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 7:48 pm.

Submitted by,

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

Shannon DuBeau
Village Clerk