



Village of Lake in the Hills

600 Harvest Gate, Lake in the Hills, Illinois 60156

COMMITTEE OF THE WHOLE MEETING

JULY 25, 2023

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, Director of Community Development John Svalenka, Village Attorney Brad Stewart, and Village Clerk Shannon DuBeau.

The Pledge of Allegiance was led by President Bogdanowski.

Audience Participation

None.

Administration

Informational Item Concerning Proposed Video Gaming Machines at Hillside Restaurant & Lounge

Presented by Village Administrator Shannon Andrews

Attached to the agenda, please find information regarding a proposed Restaurant and Lounge. The owner, Peter Alevras, will be seeking a Liquor License and Video Gaming License in order to open up Hillside Restaurant & Lounge at 2102-2104 W. Algonquin Road. There will be two spaces, a restaurant on one side and a lounge area on the other side with one main entrance.

Business Model:

- Providing an exceptional dining experience in the restaurant space, emphasizing personalized service, quality food, and a refined ambiance.
- Creating a relaxing and engaging atmosphere in the lounge area, with a focus on comfort, socialization, and entertainment.
- Implementing a robust marketing and branding strategy to build awareness, attract customers, and establish a strong presence in the community.
- Recruiting and training a great team who are knowledgeable and dedicated to delivering outstanding customer service.
- Procuring high-quality ingredients from trusted suppliers to ensure the freshness and flavor of our dishes.

A representative from Hillside Restaurant & Lounge was present.

Financial Impact

In addition to the license fees of \$500 per machine, the Village would also receive the required payment of \$500 for the terminal operator.



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Staff is seeking the Board's direction and feedback on the proposed video gaming machines at this location.

Trustee Dustin asked for details on entertainment and events. Mr. Alevras stated that entertainment would be limited to musicians for the purpose of background music.

Trustee Huckins asked for an opening date. Mr. Alevras would like to open before December.

Request for a Waiver of Section 43.09, "Noise", of the Lake in the Hills Municipal Code for Boulder Ridge Country Club Annual Outdoor Party

Presented by Village Administrator Shannon Andrews

Boulder Ridge Country Club is requesting the Village Board to waive the provisions of Section 43.09 of the Municipal Code for their annual Outdoor Party on Friday, July 28, 2023, for their members and invited guests. The entertainment for the event is Seventh Heaven. The band will perform from 7:30pm to 9:30pm on their outdoor patio. Staff recommend extending the time until 10:30pm, in case the band performs past 9:30pm.

Staff recommends a motion to waive the provisions of Section 43.09, Noise, of the Lake in the Hills Municipal Code, to allow Boulder Ridge Country Club to host their Annual Outdoor Party until 10:30pm on Friday, July 28, 2023.

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

Request for Approval of an Ordinance Permitting Sale of Alcoholic Beverages for Designated Areas – Melody Living's Shared Facilities

Presented by Village Administrator Shannon Andrews

The operation of Melody Living's facilities is actually being conducted under two business entities: the managing member PFT Asset Co., LLC ("PFT") and Melody Living Associates-IL, LLC. While the buildings are physically connected, each has a separate address (525 and 555 Harvest Gate) and is owned by separate LLCs for financial purposes. At the time of initial application, the Village issued a class A-3 liquor license to the managing member, PFT, which allowed the sale of alcoholic beverages in designated shared spaces of both facilities, including outdoor patio areas.

Unfortunately, PFT has been unable to obtain the necessary state licensing due to state requirements related to the operation of the facilities being conducted by the two business entities. PFT has requested the Village's assistance in updating the liquor license to be issued to only one of the two business entities, specifically Melody Living Associates-IL, LLC.

With the approval of the proposed Ordinance, a class A-3 liquor license would be issued to Melody Living Associates-IL, LLC, who would be permitted to sell alcoholic beverages at 525 and 555 Harvest Gate in the areas designated as "bistro," "lounge," "lobby," "community life room," "theater," "serving areas," "dining areas," and "patio," in



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accordance with their request letter and floor plans. In addition, possession and consumption of alcoholic beverages would be permitted in those areas, as well as any connecting corridors.

The Ordinance also grants Melody Living Associates-IL, LLC a one-time waiver of the initial liquor license fee, as PFT had previously paid a full year's fee for the same intended use on the shared premises. Upon approval of the Ordinance, the license issued to PFT would be terminated simultaneously with the issuance of the license to Melody Living Associates-IL, LLC.

Staff recommends a motion to Approve an Ordinance Permitting Sale of Alcoholic Beverages for Designated Areas at Melody Living's Shared Facilities.

Trustee Huckins questioned the nature of sales. Administrator Andrews explained that the tenants would be the primary patrons.

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

Finance

Informational Item Concerning Review of Actuarial Valuations

Presented by Finance Director Pete Stefan

Each year, the Village has three actuarial valuation reports performed, the results of which are incorporated into the Annual Comprehensive Financial Report and/or used to determine the recommended contributions to be made into the Lake in the Hills Police Pension Fund. Those reports are:

- Village of Lake in the Hills Postretirement Health Plan Actuarial Valuation
- Lake in the Hills Police Pension Fund GASB 67/68 Report Actuarial Valuation
- Lake in the Hills Police Pension Fund Actuarial Funding Report Actuarial Valuation

The Postretirement Health Plan Actuarial Valuation details the costs of the Village's mandated postretirement health care costs. These are comprised of the direct costs of prior employees receiving Public Safety Employee Benefits Act benefits (currently one) as well as the implicit subsidies all retirees receive by only having to contribute the same premium towards health insurance continuation coverage as active employees although retiree health care costs, in general, are more expensive. Both the direct costs and the implicit subsidies are required to be shown as liabilities on the Village's financial statements.

The costs for the latter two reports are shared equally between the Village and the Police Pension Fund and are formally presented to each Board. The Police Pension Board then prepares an annual Municipal Compliance Report that is presented to the Village Board prior to any tax levy being adopted. Kevin Cavanaugh, a representative from Lauterbach & Amen, LLP, gave a presentation on the Police Pension Fund reports and answer questions on any of the three reports.



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President Bogdanowski asked how last year's loss on returns will affect contributions for the police department. Director Stefan stated that the loss resulted in a \$300k impact to the contribution level. He added that funds for 2023 are on track and the 5-year smoothing will also help with last year's losses.

Community Development

Request for Approval of an Ordinance Granting a Variation and Conditional Use for Stix and Noodles Restaurant at 1201 Crystal Lake Road

Presented by Director of Community Development John Svalenka

The existing vacant commercial building on the property at 1201 Crystal Lake Road was previously used for a repair shop named Guaranteed Appliance Parts and Service. Maria Calara proposes to convert the existing building into a carry-out restaurant named Stix and Noodles to sell homestyle Filipino food and proposes to store one accessory food truck on the property.

The subject property is within the B-2 Neighborhood Convenience Business zoning district. The proposed carry-out restaurant is a permitted use in the B-2 district. However, per Section 18.2-2.C of the Zoning Code, when a building undergoes any increase in the unit of measure specified for the calculation of required parking, then the parking facilities shall be increased accordingly to at least equal the minimum parking required. Per Section 18.9 of the Zoning Code, the unit of measure to calculate the required parking for a restaurant is greater than for an appliance repair store. The current code would require ten parking spaces for the proposed restaurant. The existing asphalt parking area is not currently striped for parking spaces, but it is wide enough to accommodate a maximum of seven parking spaces. Therefore, the applicant has requested a variation from Sections 18.2-2.C and 18.9 of the Zoning Code to reduce the required number of parking spaces from ten to seven.

In accordance with the Permitted and Conditional Use Chart in Section 11 of the Zoning Code, the outdoor storage of vehicles accessory to a principal use is allowed in the B-2 zoning district only with the approval of a conditional use. The applicant owns a food truck that is stored on the subject property when it is not in use and has, therefore, requested approval of this conditional use.

Village staff reviewed the requested variation and conditional use according to the standards listed in the Zoning Code. In general, staff found that the requests meet all three conditions and all six supplemental standards for review of a zoning variation, and meet all seven standards for a conditional use, subject to compliance with the following conditions:

1. A maximum of one food truck may be stored on the property at any time.
2. Food trucks shall be prohibited from being used for cooking, preparing, and selling food on the property, except as otherwise allowed in the code regarding temporary uses.
3. The parking lot must be seal coated and striped for code-compliant parking spaces prior to establishment of the uses.
4. Any food truck stored on the property must be parked within one code-compliant striped parking space.



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5. The existing building may be used for a carry-out restaurant only, and tables and seating shall not be provided for restaurant patrons on the property.

The Planning & Zoning Commission conducted a public hearing on July 17, 2023. The Commission recommended approval of the requests by a vote of 7-0, subject to the conditions above.

Staff recommends a motion to approve an ordinance granting a variation and conditional use for Stix and Noodles Restaurant at 1201 Crystal Lake Road.

President Bogdanowski asked if the Stix and Noodles Restaurant previously ran a food truck from the same location. Director Svalenka confirmed that it is the same company and they are now expanding operations.

Trustee Bojarski asked if any concerns were raised at the planning and zoning meetings. Director Svalenka stated that there were no concerns.

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

Public Works

Request for Approval to Award a Contract for the Village Hall and Well 15 Roof and Window Replacement Project

Presented by Public Works Director Ryan McDillon

Staff seeks Board approval to award a contract to C3 Construction in the amount of \$207,170.00 for the Village Hall and Well 15 roof, gutter, window, and trim project.

On October 10, 2022, the Village Hall and Well 15 experienced wind-driven hail impact damage to the asphalt shingles, windows, gutters, and metal trim on Village Hall and Well 15, requiring Properties staff to file an insurance claim with IRMA, our insurance carrier. IRMA and the Village hired independent professional structural damage companies to assess damages and IRMA approved the Village's claim to proceed with the project repairs.

Staff released a Request for Proposal (RFP) for this project on June 26, 2023, posted it on the Village's website, subsequently sent invitations to 57 vendors, and published it in the Northwest Herald. Public Works received and opened five sealed proposals on July 13, 2023. Responses ranged from a high of \$300,850.00 to a low of \$207,170.00 from C3 Construction. C3 Construction has been awarded many roofing contracts over the years, all reaching a successful conclusion while maintaining a professional manner.

Financial Impact

The total cost of this project will be \$207,170.00, which will all be covered under the Village's insurance program through IRMA. The net cost to the Village after all insurance reimbursements will be the \$25,000.00 deductible for this claim.



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This project will require the following budget amendments:

- A. Increase the budget for the full \$207,170.00 cost of the project allocated between the CIP Fund (\$162,370.00) and the Water Fund (\$44,800.00).
- B. Increase the Insurance/Restitution revenue accounts by the same amounts in the CIP Fund and the Water Fund.
- C. Increase the deductible account in the Insurance and Tort Division of the General Fund by \$25,000.00.
- D. Increase the Transfer Out in the Water Fund by \$12,500 for the Water Fund deductible cost.
- E. Increase the Transfer In in the General Fund by \$12,500 for the Water Fund portion of the deductible.

Staff recommends the following motions:

1. Motion to accept the proposal and award a contract to C3 Construction for the Village Hall and Well 15 Roof and Window Replacement Project in the amount of \$207,170.00.
2. Motion to approve an Ordinance Approving a Budget Amendment to the Operating Budget for the Fiscal Year Ending December 31, 2023.

Trustee Huckins questioned the age of the roof. Director McDillon was unsure of the age but explained that it has extensive damage.

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

Request for Approval of an Airport Ground Lease for Hangar PAP-17

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. Benjamin and Laura Wesoloski of Hangartime, LLC are requesting a new ground lease on Hangar PAP-17. This lease is for the period of July 28, 2023, to July 27, 2043. The lease includes an option to renew for four additional five-year terms.

The parties have signed the appropriate lease form and provided acceptable proof of insurance.

Financial Impact

The Airport Fund will receive \$2,437.80 annually from the ground lease and \$120 from electrical service fees, subject to annual increases approved by the Village Board.

Staff recommends a motion to approve the Ordinance and authorize the Village President to sign the ground lease for Hangar PAP-17 with Benjamin and Laura Wesoloski of Hangartime, LLC.

Trustee Dustin questioned updating lease rates. Director McDillon stated that rates are being revised for next year's budget. President Bogdanowski added that staff has been working on the entire lease process. Administrator



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Andrews explained that all rates must be updated at one time. The language in the lease allows for Board approved rate increases. Attorney Stewart stated that the Village now has a say in every renewal period as stated in the updated lease language.

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

Request for Approval of an Airport Ground Lease for Hangar PAP-23

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. Benjamin and Laura Wesoloski of Hangartime, LLC are requesting a new ground lease on Hangar PAP-23. This lease is for the period of July 28, 2023, to July 27, 2043. The lease includes an option to renew for four additional five-year terms.

The parties have signed the appropriate lease form and provided acceptable proof of insurance.

Financial Impact

The Airport Fund will receive \$2,437.80 annually from the ground lease and \$84 from electrical service fees, subject to annual increases approved by the Village Board.

Staff recommends a motion to approve the Ordinance and authorize the Village President and Village Clerk to sign the ground lease for Hangar PAP-23 with Benjamin and Laura Wesoloski of Hangartime, LLC.

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

Parks & Recreation

Request for Approval of a Resolution to Approve an Intergovernmental Agreement with the Cary Park District

Presented by Parks & Recreation Director Trevor Bosack

Staff is recommending that the Village consider entering into an Intergovernmental Agreement with the Cary Park District for the Joint Use of Facilities, which are the multi-passenger vehicles used for adult trip programming. This agreement encourages collaboration with the Park District to maximize the use of each agency's multi-passenger vehicle, thereby reducing costs and increasing the Village's ability to serve the residents.

Under this agreement, the Village and the Park District will work together to jointly plan trips for both Lake in the Hills and Cary residents. In circumstances where Lake in the Hills is unable to fill the capacity of our bus with our own patrons, we will accept patrons from the Park District as space allows. Likewise, if the Village is at capacity for our bus with a waitlist, the Park District will accept our patrons as space allows. If both agencies have additional capacity, they agree that a single bus may be used to provide transportation for the patrons of both. Further



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collaboration would also include coordination and facilitation of all activities for the assigned trip, and supervision of participants of co-op groups in case of an emergency.

The agreement is for an initial one-year term ending July 26, 2024; however, it will automatically renew for additional one-year terms unless notice is provided 60 days prior to renewal. The Village may terminate the agreement at any time with 60 days written notice.

Financial Impact

Ultimately, the Village expects this program to help minimize losses associated with the advanced purchase of ticketed trip events.

Staff recommends a motion to Approve the Resolution to Approve an Intergovernmental Agreement for the Joint Use of Facilities By and Between the Cary Park District and the Village of Lake in the Hills.

Trustee Anderson asked if this mirrors the agreement with the Crystal Lake Park District. Director Bosack stated that it is similar.

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

Board of Trustees

Trustee Huckins Congratulated Director Bosack on his promotion.

Trustee Murphy thanked those who participated in the fire department golf outing.

President

President Bogdanowski discussed a show of support for Officer Gazda.

Adjournment

There being no further business to discuss, the Committee of the Whole meeting was adjourned at 8:10 pm.

Submitted by,

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

Shannon DuBeau
Village Clerk