

APPROVED MINUTES
VILLAGE OF LAKE ZURICH
Board of Trustees
70 East Main Street



Monday, May 16, 2016, 7:00 p.m.

1. **CALL TO ORDER** by Mayor Thomas M. Poynton at 7.01pm.
2. **ROLL CALL:** Mayor Thomas Poynton, Trustee Jim Beaudoin, Trustee John Shaw, Trustee Marc Spacone, Trustee Jonathan Sprawka. Trustee Dan Stanovich was absent and excused. Also present: Village Manager Ray Keller, Asst. Village Manager Roy Witherow, Village Atty. Scott Uhler, Finance Dir. Jodie Hartman, Dir. of Innovation Michael Duebner, Police Chief Steve Husak, Fire Chief John Malcolm, Public Works Manager Mike Brown, Deputy Fire Chief Rick Johnson, Division Chief John Kelly, Division Chief Mickey Wenzel.
Trustee Halen arrived after agenda item #5A.
3. **PLEDGE OF ALLEGIANCE**
4. **PUBLIC COMMENT**
There were none.
5. **PRESIDENT'S REPORT / COMMUNITY UPDATE**
 - A. **Fire Rescue Department Excellence in Pediatric Care Award.**
Fire Chief John Malcolm addressed the Board on the award and introduced Dr. Mark Cichon, Northwest Community Hospital. Dr. Session read the reason for the award and presented the award to Fire Chief Malcolm. The four officers, Capt. David Pilgard, Lt. Darin Garcia, FF/PM Steve Norman and FF/PM Eric Ryan were recognized and presented with awards. Mayor Poynton and Chief Malcolm thanked all the Fire Department personnel.
 - B. CERT Pancake breakfast on Sunday May 22, 2016 was a success.
 - C. Advocate Good Shepherd Hospital Open House was attended by Mayor Poynton and Asst. Village Manager Roy Witherow.
 - D. Standard and Poors has reissued to the Village of Lake Zurich a AAA bond rating.
 - E. There will be new tenants at the Bakery on North Old Rand Road.
 - F. Color Vibe 5K will be at Paulus Park on Sunday, May 22.
 - G. Village of Lake Zurich park has been the victim of hateful and profane vandalism, on the playground equipment. The Mayor stated that the police are monitoring the problem.

6. CONSENT AGENDA

- A. Approval of Minutes of the Village Board Meeting, May 2, 2016**
- B. Semi-Monthly Warrant Register Dated May 16, 2016 Totaling \$1,189,577.07**
- C. Ordinance Authorizing Disposal of Surplus Property Owned by the Village of Lake Zurich. ORD. #2016-5-131**
Summary: Staff has determined the items listed in this proposed Ordinance are no longer necessary, useful, or in the best interests of the Village to retain ownership. The proposed Ordinance declares the property as surplus and authorizes the sale or disposal of the items.
- D. Purchase of 2016 John Deere 410L Backhoe from Westside Tractor Sales in the Amount Not-to-Exceed \$124,265 and Waive the Formal Bid Process**
Summary: The Fiscal Year 2016B budget contains \$130,000 in the Water and Sewer Fund to replace a backhoe loader in the Public Works Department. A purchase price of \$124,265 was obtained from Westside Tractor Sales, which is lower than a comparable price obtained through the National Joint Powers Alliance.
- E. Purchase of 2016 Boston Whaler from Brunswick Commercial and Government Products, Inc. in the Amount Not-to-Exceed \$36,635**
Summary: The Fiscal Year 2016B budget contains \$30,000 in the Equipment Replacement Fund to replace the current police boat, a 2002 model with 4,300 hours on the engine. The purchase will be made using the National Joint Powers Alliance competitive bid process. While the purchase price is \$6,635 above the budgeted amount, savings realized on recent squad car purchases will keep the overall account under budget.
- F. Agreement with the Village of Kildeer for Bulk Road Salt Storage at Village of Lake Zurich's Salt Storage Facility at 505 Telser Road**
Summary: The Village of Kildeer has requested a five-year Operational Use Agreement with the Village of Lake Zurich to store up to 15% of reserve bulk road salt at the Community Services Facility. The new salt storage facility has a capacity of 2,800 tons, which is in excess of Lake Zurich's normal road salt requirements of 1,500 tons.
- G. Agreement with Patriot Paving Maintenance, Inc. for 2016 Street Maintenance Crack Sealing Program in the Amount Not-to-Exceed \$50,000**
Summary: The Fiscal Year 2016B budget includes \$50,000 in the Motor Fuel Tax Fund for preventative street maintenance. A bid opening on March 2, 2016 with the Lake County Municipal League resulted in three bids, with Patriot Pavement Maintenance offering the lowest per unit price of \$1.15 per pound of sealant.
- H. Agreement with Chicagoland Paving Contractors, Inc. for 2016 Patching Program in the Amount Not-to-Exceed \$100,000**
Summary: The Fiscal Year 2016B budget includes \$100,000 in the Non-Home Rule Sales Tax Fund for asphalt pavement patching. A bid opening on March 10, 2016 with the Lake County Municipal League resulted in two bids, with Chicago Paving Contractors offering the lowest responsible bid.

I. Agreement with Geske and Son, Inc. for the 2016 Road Resurfacing Program in the Amount Not-to-Exceed \$1,532,000

Summary: The Fiscal Year 2016B budget includes \$1.7 million in the Non-Home Rule Sales Tax fund for the annual road resurfacing program. Areas planned for resurfacing in 2016 include The Orchards, Mossley Hill Estates, and Jonquil Estates subdivisions, Grand Avenue, Florence Avenue, and the Village-owned portion of Frontage Road. A bid opening on April 18, 2016 resulted in four bids, with Geske & Sons being the lowest responsible bidder.

J. Resolution Appointing Director and Alternate Directors to the Board of Directors of the Solid Waste Agency of Lake County. RES. #2016-5-6J

Summary: As a participating member of the Solid Waste Agency of Lake County (SWALCO), Lake Zurich is entitled to elect a Director and Alternate Directors to serve on the SWALCO Board. This Resolution appoints Mayor Poynton as the Director, as well as Public Works Director Mike Brown and Assistant to the Village Manager Kyle Kordell as Alternate Directors.

K. Agreement with Commonwealth Edison for Design Engineering Services for Underground Burial of Electric Utilities on Block A in Downtown Lake Zurich and Authorization to Submit a \$20,000 Deposit to ComEd

Summary: In anticipation of redevelopment of downtown's Block A, Staff recommends this customer work agreement with ComEd for burial of electric utility lines on the south side of Main Street from Lake Street to South Old Rand Road. ComEd required the Village to submit a \$20,000 deposit to initiate the design engineering process. The final cost of design engineering and installation will be determined at a later date.

Recommended Action: Motion was made by Mayor Poynton, seconded by Trustee Beaudoin, to approve the Consent Agenda as presented.

AYES: 5 Trustees Beaudoin, Halen, Shaw, Spacone, Sprawka.

NAYS: 0

ABSENT: 1 Trustee Stanovich.

MOTION CARRIED.

7. OLD BUSINESS

There was none.

8. NEW BUSINESS

A. Consideration and Action on an Ordinance Providing for the Issue of Approximately \$7,100,000 Taxable General Obligation Refunding Bonds (Alternate Revenue Source), Series 2016A for the Purpose of Refunding Certain Outstanding Obligations of the Village, Providing for the Payment of said Bonds and the Levy of Taxes to Pay said Bonds, and Providing for the Sale of said Bonds to the Purchaser Thereof. ORD. #2016-5-132

Summary: The Village has the opportunity to refinance the 2009A Taxable General Obligation TIF Bonds to achieve significant interest savings on the outstanding principal. This item contributes to the financial sustainability of the Village, as significant savings will be achieved without assuming additional debt and without extending the life of the existing debt.

Due in large part to the Village's AAA bond rating, the Village is able to take advantage of existing market conditions and refinance the 2009A bonds from

existing rates in the range of 4.9% to 6.15%, down to rates of 0.9% to 3.5%. Anticipated savings are approximately \$400,000 to \$500,000 to be spread out over the remaining life of the original bonds. Exact amounts will be determined by competitive sale on May 16, 2016.

Finance Dir. Jodie Hartman reported on the bond sale and introduced Kevin McKenna, Speer Financial Inc., who addressed the Board on the successful bond sale and he answered the Board's questions.

Recommended Action: A motion was made by Trustee Beaudoin, seconded by Trustee Sprawka, to approve Ordinance #2016-5-132 Providing for the Issue of Approximately \$7,100,000 Taxable General Obligation Refunding Bonds (Alternate Revenue Source), Series 2016A for the Purpose of Refunding Certain Outstanding Obligations of the Village, Providing for the Payment of said Bonds and the Levy of Taxes to Pay said Bonds, and Providing for the Sale of said Bonds to the Purchaser Thereof.

AYES: 5 Trustees Beaudoin, Halen, Shaw, Spacone, Sprawka.

NAYS: 0

ABSENT: 1 Trustee Stanovich.

MOTION CARRIED.

B. Consideration and Action on an Ordinance Authorizing and Directing the Execution of an Escrow Agreement in Connection with the Issue of the Village's Taxable General Obligation Refunding Bonds (Alternate Revenue Source), Series 2016A . ORD. #2016-5-133

Summary: This proposed Ordinance facilitates the Ordinance in agenda item 8A to provide for the execution of an escrow agreement in connection with the refinancing of the 2009A Taxable General Obligation TIF Bonds.

Finance Dir. Jodie Hartman answered the Board's question.

Recommended Action: A motion was made by Trustee Beaudoin, seconded by Trustee Spacone, to approve Ordinance #2016-5-133 Authorizing and Directing the Execution of an Escrow Agreement in Connection with the Issue of the Village's Taxable General Obligation Refunding Bonds (Alternate Revenue Source), Series 2016A.

AYES: 5 Trustees Beaudoin, Halen, Shaw, Spacone, Sprawka.

NAYS: 0

ABSENT: 1 Trustee Stanovich.

MOTION CARRIED.

C. Discussion of Proposed Garden Homes Redevelopment of Former K-Mart Property at 225 South Rand Road

Summary: The proposed redevelopment of the 7.25 acre property at 225 South Rand Road, the site of the former K-Mart property, was first presented to the Village Board at its January 18, 2016 meeting. Garden Homes proposes to redevelop the site as a mixed use development with approximately 160 apartments and 18,000 square feet of commercial space, including 6,000 square feet of restaurant space. Garden Homes will provide updated concept drawings at the meeting and will request Village Board feedback before proceeding with formal development petitions.

Mark Hoffman, Garden Homes, addressed the Board after sharing an updated handout on the layout of the proposed development. Some changes are made since the initial proposal, reflecting the Board's comments at a previous Board meeting.

Recommended Action: Staff requests the Village Board's feedback on the proposed redevelopment concept and highlight areas of concern that may be addressed by Garden Homes and/or the Planning and Zoning Commission.

Mr. Hoffman answered the Board's questions.

9. TRUSTEE REPORTS

There were none.

10. VILLAGE MANAGER'S REPORT

A. Monthly Data Metric Reports

There was no additional report

11. ATTORNEY'S REPORT

There was no report.

12. DEPARTMENT HEAD REPORTS

Police Chief Steve Husak reported on the upcoming fundraiser for Special Olympics "Cops on Rooftops" at Dunkin Donuts.

Trustee Halen expressed gratitude to the Police Dept. as it is National Police Week.

13. ADJOURNMENT

Motion to adjourn was made by Trustee Sprawka, seconded by Trustee Beaudoin.

AYES: 5 Trustees Beaudoin, Halen, Shaw, Spacone, Sprawka.

NAYS: 0

ABSENT: 1 Trustee Stanovich.

MOTION CARRIED.

Meeting adjourned at 7.54pm

Respectfully submitted:

Kathleen Johnson, Village Clerk.

Approved by:



Thomas M. Poynton, Village Mayor


Date.

