

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



Monday, September 18, 2017 7:00 p.m.

1. **CALL TO ORDER** by Mayor Thomas M. Poynton at 7.00pm
2. **ROLL CALL:** Mayor Thomas Poynton, Trustee Jim Beaudoin, Trustee Mary Beth Euker, Trustee Marc Spacone, Trustee Jonathan Sprawka, Trustee Greg Weider. Trustee John Shaw. 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, Community Development Director Sarosh Saher, Public Works Dir. Mike Brown.
3. **PLEDGE OF ALLEGIANCE**
4. **PUBLIC COMMENT** Martin Filson, 33 East Harbor Drive, Lake Zurich, IL 60047, expressed concerns about high taxes to the Village Board. He also expressed concerns about the Emerald Ash Borer tree replacement program. He suggested it is inappropriate for the Village to require residents to apply for a permit to plant or remove trees. Mr. Filson disagreed with Village notices that are sent to residents for private property tree removal. Mr. Filson requested to know the Village's cost per parkway tree, how many parkway trees have been planted to date and said it is not fair residents are asked to help water or prune trees that the Village plants within the public right-of-way. Mr. Filson suggested the Village should provide free trees to residents for them to plant themselves. Mr. Filson said multiple commercial properties still have ash trees along Route 12 and are not being forced to remove them by the Village.
5. **PRESIDENT'S REPORT / COMMUNITY UPDATE**
 - A. **Police Department Bicycle Safety Contest Winner.** Chief Husak and Police Officer Jennie Alba announced the winner of the annual bicycle safety contest winner, Maya Becich who collected her new bike from George Garner Cyclery and Oberweis Ice Cream.
 - B. **Proclamation Declaring September 24 -30, 2017 as Rail Safety Week**
 - C. **Proclamation Denouncing Federal Cuts to U.S. Forest Service Urban and Community Forestry Program** Tree Commission Chairman Scott Garrison explained to the Board the importance of federal dollars funding tree replacement programs across the United States.
6. **CONSENT AGENDA**
 - A. **Approval of Minutes of the Village Board Meeting, September 5, 2017**
 - B. **Semi-Monthly Warrant Register Dated September 18, 2017 Totaling \$1,737,046.08**

C. Agreement with Brandt Excavating, Inc. for Route 22 Water Service Replacements in the Amount Not-to-Exceed \$134,090

Summary: The fiscal year 2017 budget includes \$200,000 in the Water and Sewer Fund for replacing portions of the Village's aging water main infrastructure along the north side of the 500 block of Route 22. A bid opening on September 6, 2017 yielded six bids with the lowest responsible bid received from Brandt Excavating.

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

AYES: 6 Trustees Beaudoin, Euker, Spacone, Sprawka, Weider, Shaw.

NAYS: 0

ABSENT: 0

MOTION CARRIED.

7. OLD BUSINESS

None at this time.

8. NEW BUSINESS

A. Courtesy Review for Precast Concrete Product Manufacturer Stonecasters LLC at 650 Church Street

Summary: Stonecasters LLC has expressed interest in occupying the property at 650 Church Street for the manufacture of concrete fountains and statues, which will include outdoor storage of products and materials. This land use activity would require a Zoning Code Text Amendment and Special Use Permit.

The subject property is primarily zoned within the I – Industrial District, with surrounding land use to the north and east consisting of warehouses and industrial buildings. The properties to the west include single family residential and the Cedar Lakes Memory Care facility. Immediately abutting to the south is a water tower and high school baseball diamonds. The Applicant is currently on contract to purchase the property contingent upon approval of the Text Amendment and Special Use Permit and seeks Village Board feedback on the proposed land use.

Recommended Action: Staff recommends the Village Board provide feedback on the proposed land use and highlight any further areas of concern to the applicant. This is a non-voting agenda item for the Board at this time.

This Courtesy Review was removed from the agenda at the Applicant's request.

B. Presentation and Approval of 20-Year Community Investment Plan

Summary: The Community Investment Plan (CIP) is the long-term capital spending plan for the Village, providing a 20-year forecast of all proposed municipal capital demands including infrastructure, land improvements, equipment, technology and the municipal fleet. The CIP is a critical component of the yearly budget cycle and should be viewed as a planning tool and multi-year reference document. Staff will present an overview of the proposed Community Investment Plan.

Assistant Village Manager Witherow presented an overview of the purpose of the CIP, the document itself, and historical highlights of decades-old infrastructure in Lake Zurich. Finance Director Hartman explained the structure of the CIP document and the process Staff went through in putting the plan together. Director Brown walked the Village Board through some of the most expensive and high-priority projects included within the CIP, including fleet replacements, parking lots, and underground sanitary sewer pipes. Director Duebner presented technology-related projects in the

overview, including the proposed enterprise resource platform and other software necessary for municipal operations.

Trustees thanked Staff for presenting a good long-term CIP and the importance of having a solid plan in place to use public tax dollars efficiently and proactively. Mayor Poynton stressed the difference between public needs versus public wants and that there is not enough money to fund all capital projects. Mayor Poynton encouraged resident suggestions and participation in determining what projects get funded or finding new ways to raise additional revenue.

Recommended Action: A motion to approve the 2018 – 2038 Community Investment Plan as presented.

No vote was taken on the CIP at this time. The CIP will return at the October 2, 2017 meeting for formal adoption by the Board.

C. **Unbilled Water Usage and Water Meter Replacement Project**

Summary: An analysis of the Village water billing system has revealed a 20% difference between the amount of water produced versus the amount of water billed. Staff has conducted leak detection surveys, calibration checks, a billing software audit, and water customer account audits, each providing a small improvement but nowhere near the 20% amount of unbilled water consumption. With the average age of water meters in the community at 23 years, a full water meter replacement project is being pursued.

Staff has worked in conjunction with Siemens Corporation to develop a Village-wide water meter replacement and wireless meter read program. Under this program, approximately 6,600 water meters and transmitters will provide hourly wireless readings. The funding for this project is expected to exceed \$3.2 million to be recouped over approximately 15 years through accurately billed consumption of potable water.

Staff investigated several financing options including a performance-based contract with Siemens, bonding and bank financing. The least cost option was a capital lease by provided by U.S. Bancorp Government Leasing for \$3 million at 2.495% over 16 years. Speer Financial, the Village's financial advisor, recommended that the capital lease option offers the best cost alternative with an interest rate that compares favorably to bonding and without the costs of issuance.

Staff is requesting project review by the Village Board and authorization to proceed with its implementation. If so directed, Staff will prepare the Siemens contract and the closing documents for the capital lease option for action at an upcoming board meeting.

Director Duebner gave a presentation to the Board on the many steps taken to determine how the 20% unbilled water consumption is being caused. Director Duebner showed examples of an old water meter versus the proposed new meter and shared how Staff has worked with Siemens to implement a random sample pilot program to test new water meters on 68 properties in Lake Zurich. Director Duebner also presented the expected timeline on moving forward with the project, including finalizing a contract with Simens, revising water meter related ordinances, educating the community, and expanding on the village's wireless read infrastructure.

Recommended Action: This is a non-voting item at this time and is being presented for Village Board review and discussion only.

- 9. **TRUSTEE REPORTS**
There were none.
- 10. **VILLAGE MANAGER'S REPORT**
 - A. **Monthly Data Metric Reports**
- 11. **ATTORNEY'S REPORT**
There was none.
- 12. **DEPARTMENT HEAD REPORTS**
There were none.
- 13. **ADJOURNMENT**

Motion was made by Trustee Weider, seconded by Trustee Spacone, to adjourn the meeting.

AYES: 6 Trustees Beaudoin, Euker, Spacone, Sprawka, Weider, Spacone.

NAYS: 0

ABSENT: 0

MOTION CARRIED.

Meeting adjourned at 8.09pm

Respectfully Submitted by:
Kyle Kordell, Deputy Village Clerk

Approved by:


Jim Beaudoin, Temp Chairperson
s/Thomas M. Poynton, Village Mayor