

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



Monday, December 4, 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 John Shaw, Trustee Marc Spacone, Trustee Greg Weider. Trustee Jonathan Sprawka 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, Community Development Director Sarosh Saher, Public Works Dir. Mike Brown, Rec. Manager Bonnie Caputo, Atty. Carmen Forte Jr.
3. **PLEDGE OF ALLEGIANCE**
4. **PUBLIC COMMENT**

Paul Hunt, Chairperson of the Polar Plunge, addressed the Board and stated that over \$50,000 had been raised in the 2017 Polar Plunge. It is now a 501,c,3 charity and the monies stay locally. He extend thanks to the Village and staff for their cooperation with the annual event and presented the Mayor and Fire Chief Malcolm with a certificates. March 4, 2018 is the next Polar Plunge at Breezewald Park.

Alex Recharik, Thorndale Circle, addressed the Board on the proposed Budget and the modest operating surplus of \$1024 and stated that the village is almost bankrupt.

Geoff Petzel, 695 Windermere Ln, addressed the Board on the conflict of interest with Manhard Consulting, about Lifetime Fitness, and a PZC member who is an employee of Manhard Consulting. Mr. Petzel stated that he will be FOIAing information the next day because the Board and staff have not followed the Village code.

Mayor Poynton responded to the above commenter that there is an employee of Manhard Consulting on the PZC commission and he was not in attendance at the last PZC meeting. Atty. Uhler also responded to Mr. Petzel's comments and that his assertions were incorrect and unfair and were Mr. Petzel's own legal opinion and inappropriate remarks.
5. **PRESIDENT'S REPORT / COMMUNITY UPDATE**
  - A. **Miracle on Main Street:** it was held on Saturday December 2<sup>nd</sup> and was a very successful event. Mayor Poynton thanked the various Village Departments who were involved, the Lions Club, LZACC and all the sponsors.
  - B. **LZHS Football Team:** Congratulations to the team who were runners up in the IHSA 7A Championship.

**C. Proclamation Declaring December 2017 as Impaired Driving Prevention Month**

**6. PUBLIC HEARING ON CONSIDERATION OF TENTATIVE VILLAGE OF LAKE ZURICH ANNUAL BUDGET FOR FISCAL YEAR 2018**

**Summary:** As noticed in the Daily Herald and on the Village website, this is a public hearing for the tentative annual budget for the Village of Lake Zurich's 2018 fiscal year. The 2018 fiscal year will run January 1, 2018 through December 31, 2018. The proposed budget totals \$55 million to fund a full-service municipality with 158 full-time employees at Police and Fire, Public Works, Community Development, Parks and Recreation, Finance, and Admin. It is a balanced spending plan that shows a modest operating surplus of a mere \$1,024.

With the instability of the local and national economy and the continued threat from the State of Illinois to reduce shared revenues, our approach is to continue to budget conservatively on revenue estimates and reduce expenses where appropriate without sacrificing municipal services or Lake Zurich quality of life.

A copy of the proposed budget has been available for public review at Village Hall and on the Village website since November 15, 2017. All interested persons are invited to attend this public hearing and provide feedback to the Village Board on the proposed budget.

**Recommended Action #1:** A motion was made by Mayor Poynton, seconded by Trustee Beaudoin, to Call to Order the Public Hearing on Consideration of Tentative Village of Lake Zurich Annual Budget for Fiscal Year 2018.

AYES: 5 Trustees Beaudoin, Euker, Shaw, Spacone, Weider.

NAYS: 0

ABSENT: 1 Trustee Sprawka.

MOTION CARRIED.

**Roll Call:** Mayor Thomas Poynton, Trustee Jim Beaudoin, Trustee Mary Beth Euker, Trustee John Shaw, Trustee Marc Spacone, Trustee Greg Weider. Trustee Jonathan Sprawka was absent and excused.

**Recommended Action #2:** A motion was made by Mayor Poynton, seconded by Trustee Spacone, to open the public hearing for the proposed fiscal year 2018 annual budget and receive public comments.

AYES: 5 Trustees Beaudoin, Euker, Shaw, Spacone, Weider.

NAYS: 0

ABSENT: 1 Trustee Sprawka.

MOTION CARRIED.

**PUBLIC COMMENT**

Jeff Halen, 154 S. Pleasant Ln, addressed the Board and thanked Dir. Hartman and the staff for the budget. He felt the hearing was a process in futility. Mr. Halen stated that the village is losing opportunities for increased sales tax by allowing proposed developments be all residential and without a commercial component. He mentioned other line items in the budget as his concerns.

**Recommended Action #3:** A motion to close the public hearing for the proposed fiscal year 2018 annual budget was made by Trustee Weider, seconded by Trustee Shaw.

AYES: 5 Trustees Beaudoin, Euker, Shaw, Spacone, Weider.

NAYS: 0

ABSENT: 1 Trustee Sprawka.

MOTION CARRIED.

**Recommended Action #4:** A motion was made by Mayor Poynton, seconded by Trustee Euker, to adjourn the public hearing for the proposed fiscal year.

AYES: 5 Trustees Beaudoin, Euker, Shaw, Spacone, Weider.

NAYS: 0

ABSENT: 1 Trustee Sprawka.

MOTION CARRIED.

## 7. CONSENT AGENDA

A. **Approval of Minutes of the Village Board Meeting, November 20, 2017**

B. **Semi-Monthly Warrant Register Dated December 4, 2017 Totaling \$1,805,282.69**

C. **Full Release of Letter of Credit for Bimbo Bakeries at 845 Telser Road in the Amount of \$54,578.20**

**Summary:** Bimbo Bakeries has requested a full release of its letter of credit for the development at 845 Telser Road. Staff has performed a final inspection on the development and found no outstanding issues.

D. **Full Release of Letter of Credit for LP 335 L.L.C. at 1200 Flex Court**

**Summary:** LP 335 has requested a full release of its letter of credit for the development at 1200 Flex Court. Staff has performed a final inspection on the development and found no outstanding issues.

E. **Ordinance Amending Section 4-1A-10 of the Lake Zurich Municipal Code Increasing Fees for Ambulance Services ORD. #2017-12-231**

**Summary:** The proposed Ordinance increases ambulance billing rates to \$1,200 for residents and \$1,350 for non-residents. The rates for ambulance service was last adjusted in 2014 and are currently at \$750 for residents and \$900 for non-residents. Medicare/Medicaid patient transports, which make up about 52% of Village ambulance activity, would not be affected by this increase. The current charge of \$12 per mile will not change. The proposed rate increase would be effective starting January 1, 2018.

F. **Ordinance Amending Title 3 of Chapter 3 of the Village of Lake Zurich Municipal Code to Increase the Number of Authorized Liquor Licenses (Class V – BBQ'd Productions Sports Bar & Grill) (405 North Rand Road) ORD. #2017-12-232**

**Summary:** BBQ'd Productions at 405 North Rand Road has requested a Class V - video gaming liquor license for the future operation of five video gaming terminals. The establishment already holds a valid Class A-1 liquor license and has successfully completed all prerequisites necessary to obtain a Class V license.

G. **Resolution Amending the Village of Lake Zurich Fund Balance Policy RES. #2017-12-017**

**Summary:** The Village maintains a fund balance policy to define the manner in which financial reserves are maintained, accounted for, and allocated. In light of the past few costly emergency repairs to the water and sewer infrastructure, Staff recommends one line be added to the existing policy stating that the Water and Sewer Fund maintains a minimum cash balance of \$1 million.

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

AYES: 5 Trustees Beaudoin, Euker, Shaw, Spacone, Weider.

NAYS: 0

ABSENT: 1 Trustee Sprawka. MOTION CARRIED.

8. OLD BUSINESS

A. Ordinance Approving an Amendment to a Special Use Permit for Life Storage at 300 East Route 22 . ORD. #2017-12-233

**Summary:** Life Storage at 300 East Route 22 is seeking a Special Use Permit Amendment to allow for the visibility of storage locker displays from the right-of-way. The original Special Use Permit for the self-storage facility was approved on September 6, 2016 with the condition that no lockers be visible from the right-of-way.

The Planning & Zoning Commission held a public hearing on November 15, 2017 and voted 6-0 in favor of recommending approval of the Special Use Permit Amendment. The Applicant has agreed to the recommendations of the Village Board at its Courtesy Review on July 17, 2017 that the storage lockers be visible only from the east and the west but not from the south which faces the R-5 Single Family Residential homes along Route 22.

Atty. Carl Berstein gave background information on the project and Steve Schwartz of 300 Main St. LZ LLC gave a PowerPoint presentation of the area they wish to have amended. They are three weeks away from opening. Visibility of lockers from the south will be minimal and some lockers will be visible from the east and the west. Mr. Schwartz answered the Board's questions on lighting.

**Recommended Action:** A motion was made by Trustee Weider, seconded by Trustee Spacone, to approve Ordinance #2017-12-233 Approving an Amendment to a Special Use Permit for Life Storage at 300 East Route 22.

AYES: 4 Trustees Euker, Shaw, Spacone, Weider.

NAYS: 1 Trustee Beaudoin.

ABSENT: 1 Trustee Sprawka.

MOTION CARRIED.

9. NEW BUSINESS

A. Ordinance Adopting the Annual Budget of the Village of Lake Zurich for All Corporate Purposes for the Fiscal Year Commencing January 1, 2018 and Ending December 31, 2018 ORD. #2017-12-234

**Summary:** At the November 18, 2017 Committee of the Whole budget workshop, the Village Board directed Staff to prepare the final budget for Fiscal Year 2018, which begins on January 1, 2018. The proposed budget is presented as a balanced operational plan for the upcoming fiscal year. With a new 20-year Community Investment Plan that prioritizes \$140 million of capital infrastructure projects, the Village is placing an emphasis on building reserves to fund these projects.

The proposed budget includes \$9.4 million of funding for infrastructure projects, equipment, and vehicles, including parkway tree replacements, a new neighborhood playground at Wicklow East, road resurfacing, a Breezewald Park beverage pavilion, water main replacements, Flint Creek stream bank stabilization, improved storm water management downtown, a new ambulance, two new squad cars, and a new public works dump truck / snow plow.

The Village of Lake Zurich represents only 14% of a typical property tax bill and has continued to do more with less over the last five years. Instead of a government growing in size, the Village is reducing operational expenses and

becoming more efficient as an organization. Since 2010, the Village has reduced full-time personnel by 21 positions, a 12% decrease in full-time staff.

With relatively flat local revenue sources, reductions in shared revenues from the State of Illinois, and growing expenditures related to infrastructure and pension obligations, this budget cycle has proven to be a challenge. The proposed Fiscal Year 2018 budget represents a careful balancing of departmental operations, limited resources, and a commitment to quality municipal services.

The Board thanked the staff for the balanced budget without having to touch the reserves and although the Trustees would like to purchase more replacement trees there were not the resources to help care for more trees than suggested in the budget.

**Recommended Action:** A motion was made by Trustee Spacone, seconded by Trustee Beaudoin, to approve Ordinance #2017-12-234 Adopting the Annual Budget of the Village of Lake Zurich for All Corporate Purposes for the Fiscal Year Commencing January 1, 2018 and Ending December 31, 2018.

AYES: 5 Trustees Beaudoin, Euker, Shaw, Spacone, Weider.

NAYS: 0

ABSENT: 1 Trustee Sprawka.

MOTION CARRIED.

**B. Ordinance Repealing and Replacing Section 11, Section 12, and Section 13 and Adding Section 21 in Chapter 5 of Title 7 of the Lake Zurich Municipal Code Related to Water and Sewer Rates ORD. #2017-12-235**

**Summary:** With the Village's aging infrastructure placing extensive financial demands on the resources of the Water and Sewer Fund, Staff recommends the Village Board continue the practice of regularly reviewing and adjusting water and sewer rates. This practice is necessary to support the operations, debt obligations, and capital needs of providing safe, reliable water and sewer services.

Reviewing system user fees regularly is vital to ensure sufficient funds are collected to maintain the integrity of the public water system and to reduce further sanitary sewer collapses, such as the one on Cuba Road that occurred in September 2015 or the one that occurred on Deerpath Road in June 2017.

The proposed Ordinance includes a \$1.50 increase per 1,000 gallons to take effect on January 1, 2018 that will help sustain the coming infrastructure investment projects identified in the new 20 year Community Investment Plan. The proposed Ordinance also includes a second \$1.50 increase per 1,000 gallons to take effect on January 1, 2019.

Trustee Spacone gave his water bill as an example of the about \$10 per month increase as his family is a heavy user of water.

**Recommended Action:** A motion was made by Trustee Weider, seconded by Trustee Shaw, to approve Ordinance #2017-12-235 Amending the Village of Lake Zurich Municipal Code Related to Water and Sewer Rates.

AYES: 5 Trustees Beaudoin, Euker, Shaw, Spacone, Weider.

NAYS: 0

ABSENT: 1 Trustee Sprawka.

MOTION CARRIED.

**10. TRUSTEE REPORTS**

Trustee Weider thanked the staff and volunteers for the fun Miracle on Main Street event.

Trustee Spacone requested that residents be more reasonable when using social media about any proposed developments in the village. He advised residents to contact the Village staff for the answers.

Trustee Beaudoin remarked on the LZPD's Movember fundraiser and Chief Husak said that over \$2000 was raised and it will continue through December.

**11. VILLAGE MANAGER'S REPORT**

There was no report.

**12. ATTORNEY'S REPORT**

There was none.

**13. DEPARTMENT HEAD REPORTS**

None.

**14. ADJOURNMENT**

Motion was made by Trustee Shaw, seconded by Trustee Beaudoin, to adjourn the meeting.

AYES: 5 Trustees Beaudoin, Euker, Shaw, Spacone, Weider.

NAYS: 0

ABSENT: 1 Trustee Sprawka.

MOTION CARRIED.

Meeting adjourned at 8.26pm

Respectfully Submitted by:

Kathleen Johnson, Village Clerk.

Approved by:

  
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Thomas M. Foynton, Village Mayor

12-20-2017  
Date.