

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



Monday, October 5, 2020 7:00 p.m.

1. **CALL TO ORDER** by Mayor Thomas M. Poynton at 7.00pm.
Agenda item 6C will be a separate vote and 8B is pulled from the Agenda.
2. **ROLL CALL:** Mayor Thomas Poynton, Trustee Mary Beth Euker, Trustee Janice Gannon, Trustee Marc Spacone, Trustee Jonathan Sprawka, Trustee Greg Weider. Trustee Jim Beaudoin was absent and excused. Also in attendance: Village Manager Ray Keller, Village Atty. Scott Uhler, Dir. of Innovation Michael Duebner, Public Works Dir. Mike Brown, Utilities Supr. Steve Schmitt.
3. **PLEDGE OF ALLEGIANCE**
4. **PUBLIC COMMENT**
Eric Dubiel, 25 N. Pleasant Rd., addressed the Board on a problem with a construction company and advised that there needs to be more oversight on codes compliance; upcoming referendum on increase in sales tax; more oversight on the Lifetime Fitness construction; Lake Michigan Water discussion.
Mike Hilt, 598 Dunhill Dr., addressed the Board on the recreational cannabis discussion and his opposition to locations in the Industrial area. He worked on the Industrial code and it does not fit for that area. If agreed upon, then it should be in retail/commercial areas.
5. **PRESIDENT'S REPORT / COMMUNITY UPDATE**
There was none.
6. **CONSENT AGENDA**
 - A. Approval of Minutes of the Village Board Meeting, September 21, 2020
 - B. Approval of Semi-Monthly Warrant Register Dated October 5, 2020 Totaling \$790,215.91
Recommended Action: A motion was made by Trustee Sprawka, seconded by Trustee Spacone, to approve the Consent Agenda with 6C omitted.
AYES: 5 Trustees Euker, Gannon, Spacone, Sprawka, Weider.
NAYS: 0
ABSENT: 1 Trustee Beaudoin.
MOTION CARRIED.
 - C. Change Order #1 for 35 West Main Street Redevelopment Project Streetscape Improvements in the Amount Not-to-Exceed \$38,623
Summary: On January 20, 2020, the Village Board approved a redevelopment agreement with local developers Vela Carina for the redevelopment of the former

Bank of America building located at 23 and 35 West Main Street, which included upgrades to public infrastructure. This includes the construction of a new six-inch water service line, the installation of a sanitary monitoring manhole, relocation of overhead utilities, and streetscape improvements along the south side of Main Street. The developer has requested the Village extend the streetscape improvements along Main Street to the northwest property corner of the parking lots and along the west side of Park Avenue adjacent to the parking lot. The construction contract for this work with Copenhagen Construction was approved on August 17, 2020 in the amount of \$109,415. With this change order request, the construction cost would increase by \$38,623 to a total approved amount with Copenhagen Construction to \$148,038. This amount would be offset by foregoing the relocation of the overhead utilities, producing a savings of \$60,000.

A motion was made by Trustee Spacone, seconded by Trustee Sprawka to approve the Agenda item 6C

AYES: 4 Trustees Gannon, Spacone, Sprawka, Weider.

NAYS: 0

RECUSE: 1 Trustee Euker.

ABSENT: 1 Trustee Beaudoin.

MOTION CARRIED.

7. OLD BUSINESS

A. Discussion on the Potential of Recreational Cannabis Businesses

Summary: On September 16, 2019, the Village Board approved an ordinance prohibiting recreational cannabis businesses from Lake Zurich with the intention to revisit the topic one year later. On September 21, 2020, the Village Board had an initial discussion on this topic but delayed providing direction to Staff, partly due to the lack of a full Board present during that meeting along with the desire to gather additional public feedback.

The Staff memo from the previous Board meeting summarizes the Cannabis Regulation and Tax Act, the availability of State licenses, the economics of the cannabis market in Illinois so far, Lake Zurich's potential market, other recreational dispensaries in the northwest suburbs, neighboring town's action on either banning such businesses or regulating such businesses, and the impacts on crime and social service.

In addition to that previous memo, Staff has now provided supplemental information that may be pertinent to the Board's direction, including more specific potential sales tax revenue, insights on cash sales and banking, and additional public feedback.

Mayor Poynton sought the Board's opinion and the majority of the Board stated that they were in favour of moving this discussion to the PZC for a Public Hearing.

Recommended Action: This is a non-voting item at this time that is brought to the Village Board only for discussion and direction. The Board may choose to continue the existing ban on recreational cannabis establishments or send the item to the Planning & Zoning Commission for a public hearing on potential zoning regulations to facilitate a recreational cannabis establishment.

Mayor Poynton decided to have a vote of recommendation to the PZC.

Mayor Poynton made a motion, seconded by Trustee Sprawka, to send to the PZC for a Public Hearing.

AYES: 4 Trustees Euker, Gannon, Sprawka, Weider.

NAYS: 1 Trustee Spacone.

ABSENT: 1 Trustee Beaudoin.

MOTION CARRIED.

8. **NEW BUSINESS**

A. **Agreement with Engineering Enterprises Inc. for a Water Supply Resource Study in the Amount Not-to-Exceed \$140,788**

Summary: In December 2019, the Village received notice from Lake County asking the Village to prepare a formal plan for removing the radium from the Village's wastewater stream sent to the Lake County regional wastewater facility. The radium is from the backwash cycles of the ion exchange processes in our potable water treatment plants. The radium itself is a naturally occurring element in the water of the Village's deep water wells. The County recently completed improvements at their treatment plant to enable them to sell the biosolid sludge, but not until the radium is removed from the wastewater flow. The County also adopted a new pretreatment ordinance that would apply to all waste streams treated by the County.

Due to the ordinance amendment, staff is recommending to conduct a water resource study that will analyze two distinct paths that will provide operational guidance for future capital investments: installing system improvements to stay on the current deep aquifer well system, or partnering with a regional water agency to connect to Lake Michigan water. This plan is to be developed by the end of 2021 and will examine multiple facets of the municipal water system including operations, regulations, and water sustainability as a whole for Lake Zurich.

Public Works Dir. Mike Brown explained the reason for the proposed study and then he introduced Jeffrey Freeman and Stephen Dennison of Engineering Enterprises, Inc. They gave a PowerPoint presentation of the proposed collaborative study which will be shared periodically and to be completed by October 2021. Board members' questions were answered by Staff, Dir. Brown and Steve Schmitt, and by the EEI staff. The questions included non-revenue water loss, new meters, previous studies commissioned by the Village of Lake Zurich and data that could be used, radium disposal, options to transport waste, doing an in-house study instead, Lake Michigan Water and available sources, radium rules keep changing and possible availability of study by August 2021.

Recommended Action: A motion was made by Trustee Spacone, seconded by Trustee Euker, to approve to approve an agreement with Engineering Enterprises, Inc. of Sugar Grove, IL for a Water Supply Resource Study in the Amount Not-to-Exceed \$140,788 paid through the Water and Sewer Fund.

AYES: 5 Trustees Euker, Gannon, Spacone, Sprawka, Weider.

NAYS: 0

ABSENT: 1 Trustee Beaudoin.

MOTION CARRIED.

**The next Agenda Item 8B was pulled at the request of Mr. John McLinden.*

B. Courtesy Review for Proposed Block A Main Street Development Known as "Sunset Point" by Streetscape USA

Summary: Streetscape USA, LLC, represented by Mr. John McLinden, is requesting a courtesy review to reconsider his proposal to redevelop the approximately 1.7-acre property commonly referred to as Block A, located on Main Street across from the waterfront promenade. In 2016, Mr. McLinden proposed a 16 single-family residential development on the property.

Since that time, the Village has received various inquiries and proposals by potential developers for commercial, residential or mixed-use development but none have proceeded to a formal development plan. Mr. McLinden is now looking to gauge the Village Board's willingness to re-consider the development plan from 2016 for a residential development.

The developer has suggested that there is no market for the Village's desired mid-rise, mixed-use or commercial-only development and that his proposal for 16 single-family homes on the site would have a better chance of succeeding.

Recommended Action: This is a non-voting item at this time. The developer and staff seek to understand the Village Board's preferences towards the proposed development and highlight and areas of concern.

9. TRUSTEE REPORTS AND COMMENTS

There were none.

10. VILLAGE MANAGER'S REPORT

A. Fiscal Year 2020 Quarter 3 Budget Plan Update: Village Manager Ray Keller gave a PowerPoint presentation and answered the Board's questions.

11. DEPARTMENT HEAD REPORTS

There were none.

12. ADJOURNMENT

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

AYES: 5 Trustees Euker, Gannon, Spacone, Sprawka, Weider.

NAYS: 0

ABSENT: 1 Trustee Beaudoin.

MOTION CARRIED.

Meeting adjourned at 8.54pm

Respectfully Submitted by:

Kathleen Johnson, Village Clerk.

Approved by:



Thomas M. Poynton, Village Mayor

11-12-2020

Date.