

APPROVED
LAKE ZURICH BOARD OF TRUSTEES
REGULAR MEETING
70 East Main Street
Monday, September 21, 2009

1. CALL TO ORDER

The meeting was called to order at 7:02 pm

2. ROLL CALL

Present were Village President Branding, Trustees Halen, Johnson, Poynton, Rzeznik, Sprawka and Sustich. Also present were Village Administrator Vitas, Village Attorney Burkland, Police Chief Finlon, Fire Chief Mastandrea, Finance Director Zochowski, Public Works Director/Engineer Heyden, Human Resources Manager Pankiw, Director Perkins, and Building/Zoning Director Peterson.

3. PLEDGE OF ALLEGIANCE

4. PUBLIC COMMENT

Mark Ernst, 60 S. Rand Rd, read a statement regarding the discussion of Item 9N, "Amendment of Code Section 1-4-7 Regarding Appointment of Special Board Committees and Task Forces," during the September 8, 2009 Lake Zurich Board of Trustees meeting. In closing he called on the Board to "stop all the foolishness and to focus on the real issues."

5. PRESIDENT'S REPORT

A. Presentation of Brownfields Grant money from Lake County Board member Craig Taylor.

Director Heyden explained that the Village had applied for a 50/50 Brownfields grant in April for the purpose of remediating the underground storage tanks at the former police station site.

Craig Taylor, the District 19 representative for the Lake County Board, acknowledged former board representative Michael Talbett for his efforts in securing the grant. The maximum amount given per municipality was \$100,000 which Lake Zurich received. The work must be completed within one year though the village can apply for an extension if necessary. Representative Taylor asked for updates as progress is made on the project.

B. Acknowledgement of Senator Duffy for IDOT grant of \$553,074.00

Director Heyden summarized Senator Dan Duffy's September 8, 2009 letter to President Branding announcing that the State of Illinois had approved an Emergency Road Program for the Village of Lake Zurich. IDOT has approved the following project to replace bituminous surface, patching and curb replacement at the Project location of Miller Rd. (US 12 to Lions Dr), Lions/Summit Dr. (Miller Rd to Main St.), and Pheasant Ridge Rd. (South Old Rand Rd to US 12).

C. Illinois Department of Transportation "Saved by the Belt" award to Jessica and Lisa Krogman.

Chief Finlon read his September 15, 2009 memo to Administrator Vitas summarizing the accident in which the Krogmans were involved and why they are being invited to join the "Saved by the Belt" club.

President Branding presented Lisa and her daughter Jessica with the award certificates and medallions.

D. Proclamation Recognizing 30th Anniversary of Lake Zurich Rotary Club

Clerk Dau read the proclamation honoring the Lake Zurich Rotary Club upon their 30th anniversary. President Branding thanked them for their efforts with the plantings at the new Lake Zurich Community park located at S. Old Rand Rd and Main St. Rotary Club president Rich Politowicz reviewed the various services that the Rotary Club provides to Lake Zurich and thanked the Mayor, Trustees, Park and Recreation Advisory Board Chairperson Judi Thode, Director Perkins, the staff of Public Works, the members of the Interact Club and resident Jim Tarbet for their efforts in building the new park. The ribbon cutting and clock dedication ceremony for the Lake Zurich Community park will occur on Sunday September 27, 2009 at 1pm.

E. Proclamation, Fire Prevention Week, October 4-10, 2009 & Open House on October 4, 2009.

Clerk Dau read the proclamation declaring Fire Prevention Week October 4 – 10, 2009. President Branding presented a copy of the proclamation to Chief Mastandrea who reminded everyone that the open house would be held on October 4, 2009 from 11am – 2pm at Station #1 at 321 S. Buesching Rd.

F. Appointment of 2010 Census Committee members

Director Peterson summarized his September 16, 2009 memo to Administrator Vitas and Planning Manager Gadde in which he requested a group of volunteers be appointed to the Village's Complete Count Committee for the 2010 Census.

MOTION made by Trustee Johnson, seconded by Trustee Poynton to appoint the following residents to the Village's Complete Count Committee for the 2010 Census: Rich DeFlorio, David Lee, Steven Lasko, J.D. Foraker, John Kropf, Jamie Maravich and John Miller
Voice vote, AYES have it. MOTION CARRIED.

6. CONSIDERATION OF MINUTES

A. Minutes of the Special Village Board Meeting August 31, 2009

MOTION made by Trustee Sustich, seconded by Trustee Sprawka to approve the Minutes of the Special Village Board Meeting for August 31, 2009.
Voice vote, AYES have it. MOTION CARRIED.

B. Minutes of the Village Board Meeting September 8, 2009

MOTION made to approve the Minutes of the Village Board Meeting for September 8, 2009 as corrected.
Voice vote, AYES have it. MOTION CARRIED.

7. CONSENT AGENDA

(No items at this time)

8. OLD BUSINESS (roll call vote)

A. Amendment of code section 1-4-7 Regarding Appointment of Special Board Committees and Task Forces. (Tabled 9-8-09)

Summary: The Board directed the Staff and Village Attorney to prepare an ordinance amending the Village's Municipal Code to provide for consent of the Board of Trustees to the membership for special Board committees. The proposed ordinance proposes a traditional approach to creation and membership on special Board committees and creation by the Mayor of task forces to advise her on matters of Village policy and business.

Trustee Sustich began to read the Summary above and noted that it is incorrect. Trustee Poynton said that if this is the incorrect version then the Board should have the correct version. Trustee Sustich clarified his statement saying that at the August 3, 2009 meeting, the Board had voted to modify Title 2 but that the amendments proposed are for Title 1. Trustee Sustich proposed to table the matter again and work to develop a set of amendments that conform to the direction of the board. Trustee Johnson said that during the September 8, 2009 meeting there was a discussion about the need to amend Title 1 versus Title 2 to achieve the goal of the Board. Attorney Burkland confirmed that Trustee Sustich requested Title 2 be amended. He also said that there was a discussion of the proposed amendment to Title 1 and that he suggested that he thought it fulfilled the desire of the board in terms of what changes it wanted from the prior enactment and that it was appropriately a part of Section 1-4-7 versus Title 2. He said the Board had requested a red-lined copy of the changes to 1-4-7 for review during this meeting. Trustee Sustich commented that he thought the red-lined version of 1-4-7 did the opposite of what was intended by the Board. He provided a set of documents to the Board, Administrator Vitas and Attorney Burkland outlining his proposed changes to Titles 1 and 2, asked to table the discussion of the amendments to 1-4-7 then asked to discuss the modifications at the next Board of Trustees meeting. Trustee Johnson asked Attorney Burkland to provide clarification on the following statement "under the current ordinance, if a committee is appointed that reports to the Board, that committee has to be through the advice and consent of the Board...and if there is a standing committee, the same would apply." Attorney Burkland replied that it was not an entirely correct statement. The amendment that was made first by the board does provide for either the board of trustees or the village president to appoint a committee which was one of the matters that Trustee Sustich raised. He said that the proposed amendment would enact the provision that any committee of the village that is advisory to the board would require the membership of that committee would require the consent of the trustees. There is a distinction between the committees that are advisory to the board and task forces which are not advisory to the board and are advisory only to the president. Attorney Burkland will draft a different ordinance for the next Board of Trustees meeting that clarifies the proposed changes and meets the expectations of the board.

MOTION made by Trustee Poynton, seconded by Trustee Sustich to table Item 8A
Amendment of code Section 1-4-7 Regarding Appointment of Special Board Committees
and Task Forces

Voice vote, AYES have it. MOTION CARRIED.

9. NEW BUSINESS

A. Intergovernmental Agreement with Lake County for Brownfield Grant

Summary: The Village has received approval of a Brownfield Grant through the Lake County Community Block Development Grant Program. This grant is for the removal and remediation of underground storage tanks at the old Police Station Site on Main Street in the amount of up to \$100,000. This is a reimbursement type grant which requires the

Village to pay all costs up front, then submit for the reimbursement on a one-to-one matching basis. The Village has up to one year to complete the project. This project was not anticipated in the current budget process but there is adequate funds in the TIF budgeted line items to complete the Phase I study and remediation costs will need to be included in the 2010-2011 budget.

Trustee Johnson read the summary. Director Heyden confirmed for Trustee Poynton that the work would be completed with the one year deadline but that an extension could be applied for if necessary.

MOTION made by Trustee Johnson, seconded by Trustee Poynton to approve an Intergovernmental Agreement between the Village and Lake County to accept Brownfield Grant reimbursement funding in a amount not to exceed \$100,000; to assist in the environmental cleanup at the Main Street Police Station site

AYES: 6 Trustees Halen, Johnson, Poynton, Rzeznik, Sustich, and Sprawka

NAYS: 0

MOTION CARRIED

B. Donata Subdivision Letter of Credit Reduction Request

Summary: Flex Construction Corporation has requested a letter of credit reduction for the Oslo Development, LP (commonly known as Donata Court Subdivision) to the amount of \$51,957.50. After review of the remaining site improvements, Village staff does not agree with the reduction request to \$51,957.50, but recommends a reduction to the amount of \$114,456.25.

Trustee Johnson read the summary. Director Heyden clarified that after a review of the site, they found that a detention pond is unfinished which explains why the reduction amount is less than asked for by Flex.

MOTION made by Trustee Johnson, seconded by Trustee Halen to approve a reduction in Letter of Credit #1870 for the Oslo Development, LP of \$333,747.75 from an original amount of \$448,204.00 to a new amount of \$114,456.25.

AYES: 6 Trustees Halen, Johnson, Poynton, Rzeznik, Sustich, and Sprawka

NAYS: 0

MOTION CARRIED

C. Flint Creek Letter of Credit Reduction Request.

Summary: The current owner of the Flint Crossing Development, Bank of America, has requested a reduction in the current outstanding Letter of Credit and, more specifically, a waiver of the requirement to complete various improvements within the subdivision, which include a public sidewalk and pedestrian bridge over Flint Creek along the west side of Route 12

Trustee Rzeznik read the summary. Director Heyden commented that Flint Crossing went into bankruptcy two years ago and is now owned by Bank of America (BOA). BOA is having a difficult time selling the property due to the cost of the compensating amenities. They are asking the village to waive them. Director Peterson reminded everyone that this was a Planned Unit Development (PUD) and these were developer commitments that others may have to pick up on. Director Heyden clarified the dollar amounts for the improvements for Trustee Rzeznik. Administrator Vitas said that he has been in discussions with BOA to

come to an agreement and that the compensating amenities were preventing the sale of the property to any developer. He proposed to table the discussion regarding the reduction in the Letter of Credit until after other discussions with BOA were held. Trustee Johnson concurred and also commented that the board needed to think about setting a precedent by releasing developers from compensating amenities. Trustee Rzeznik asked about the consequences of the sale not going through and about the village drawing on the line of credit. Administrator Vitas responded that this is not the only developer making requests of the village. Trustee Poynton asked the importance of the compensating amenities. Attorney Burkland commented that the development was a PUD and that these two improvements were appropriate compensating amenities based on the special allowances given to the developer. This item will come back under Old Business during the next Board of Trustees meeting.

D. Agreement for Professional Services related to Lake Michigan Water.

Summary: The engineering consultant for the Lake Michigan Water Planning Group, Applied Technologies, has requested an extension to the previous agreement in an amount not to exceed \$5,000 for continued services for the planning group as a whole.

Trustee Rzeznik read the summary. Director Heyden explained that 18 months ago the Village was approached by the North West Lake County Lake Michigan Water Planning Group to obtain a water allocation. Trustee Johnson commented that we could spend money on getting Lake Michigan water or on softening and the current well water supply. Director Heyden confirmed for Trustee Halen that the village has spent approximately \$50,000 on obtaining an allocation and commented that this additional \$5,000 should take the consultant to January 2010 when they expect to hear about the allocation.

MOTION made by Trustee Rzeznik, seconded by Trustee Halen to authorize the Village Administrator to execute the continued services Agreement with Applied Technologies in an amount not to exceed \$5,000.00 to provide continued engineering services to the North West Lake County Lake Michigan Planning Group.

AYES: 5 Trustees Halen, Poynton, Rzeznik, Sustich, and Sprawka

NAYS: 1 Johnson

MOTION CARRIED

E. Semi-Monthly Warrant Register Dated September 21, 2009, Totaling \$169,873.37

Trustee Sprawka thanked Director Zochowski for the report then announced the items within the warrant that exceeded 5% of the total warrant which include: Seyfarth & Shaw LLP (15.24%), Lake Zurich Fire Protection District (13.76%), Gatso USA (11.23%), Atlas Bobcat (8.22%) and Bell Fuels, Inc. (7.32%)

MOTION made by Trustee Sprawka, seconded by Trustee Sustich to approve the semi-monthly warrant register dated September 21, 2009, totaling \$169,873.37.

AYES: 6 Trustees Halen, Johnson, Poynton, Rzeznik, Sustich, and Sprawka

NAYS: 0

MOTION CARRIED

F. Village Wide Telephone System Replacement.

Summary: The Village staff recommends a contract with Telecom Innovations Group for a more cost efficient way to provide telephone communications over time, while currently providing equal or enhanced service.

Trustee Sprawka read the summary. Steve Macygin, MIS Coordinator for the Village of Lake Zurich, summarized his September 16, 2009 memo to Director Zochowski outlining the vendor selection process for the village wide telephone system replacement project. Trustee Sustich asked if the useful lifetime of the new equipment would exceed its payoff point in 5 years. Mr. Macygin said that he expected it to last as long as the current system which has exceeded its expected useful lifetime. Mr. Macygin confirmed for Trustee Poynton that independent of age, the phones will continue to function. President Branding inquired about the interoperability with the police station's phone system. Chief Finlon commented that the vendor promised a seamless integration. Trustee Poynton asked what was left to finalize on the contract. Mr. Macygin replied that final verbiage changes as well as an equipment list needed to be added. Trustee Halen commented that 5 years seemed like a lengthy contract and asked if the village might lose money over the course of time. Mr. Macygin responded that it would be difficult to predict.

MOTION made by Trustee Sprawka, seconded by Trustee Sustich to authorize the Village Administrator to finalize a negotiated contract with Telecom Innovations Group for acquisition of the "MITEL" solution for equipment and installation of equipment that will meet the specifications detailed in the Request for Proposals at a cost not to exceed \$6,200 per month for no longer than 60 months

AYES: 5 Trustees Johnson, Poynton, Rzeznik, Sustich, and Sprawka

NAYS: 1 Halen

MOTION CARRIED

G. Liquor License for Brothers Ribs Shack, 69 S. Rand Road

Summary: Brother's Ribs Shack at 69 S. Rand Road has applied for a Class B liquor license to sell and serve beer and wine. The Liquor Commissioner has reviewed the materials required for a license and recommends a Class B liquor license be approved for this business. The Municipal Code requires an amendment to add the additional Class B license.

Trustee Rzeznik asked if the owners were present however the owners were absent. She asked if the board knew what precautions the owner would take to prevent the owner from serving minors alcohol in the outdoor seating area. Trustee Sprawka commented that it was a small seating area outdoors and thus a small risk. President Branding and Chief Finlon commented that in order to obtain a liquor license, the applicant must be properly trained and undergo a criminal history check.

MOTION made by Trustee Johnson, seconded by Trustee Poynton to approve an Ordinance amending the Lake Zurich Municipal Code Related to the Number of Authorized Liquor Licenses.

AYES: 6 Trustees Halen, Johnson, Poynton, Rzeznik, Sustich, and Sprawka

NAYS: 0

MOTION CARRIED

H. Building Code Amendments

Summary: The Director of Building and Zoning, with substantial assistance from other department heads and Village Staff, has prepared a comprehensive rewriting of Title 8 of the Village's Municipal Code to adopt more modern model building codes. The updated codes include 2006 International Building Code, 2006 International Residential Code, 2006

International Property Maintenance Code, 2006 International Mechanical Code, 2004 Illinois State Plumbing Code, 2005 National Electrical Code, 2006 International Fire Code, 2006 International Energy Conservation Code and 2006 International Fuel Gas Code. These updated model codes will provide for safer, better construction in the Village and will contribute to the Village's high rating by the insurance industry. Notably, this revision provides for the creation of a Building Code Board of Appeals and includes the requirement for fire suppression systems in new single family detached houses. Also, the Village's sign regulations and permit fees are not being amended at this time.

Trustee Poynton read the summary. Director Peterson thanked the Assistant Fire Marshall, the Fire Chief, their staff and Trustees Halen and Poynton for their help with the building code amendments. Director Peterson confirmed for Trustee Poynton that the edited version of the amendments is available to the public for review. Trustee Poynton asked when the Building Code Board of Appeals would convene. Director Peterson responded that the members of the board must meet certain requirements and as soon as they were able to find qualified applicants, the selection process would begin. President Branding asked Director Peterson to explain to the constituents why the dates on these codes are so old. Director Peterson explained that the codes are so thorough and comprehensive that it takes that long to review and revise them.

MOTION made by Trustee Poynton, seconded by Trustee Halen to approve "An Ordinance Comprehensively Amending Title 8 Of The Lake Zurich Municipal Code And Adopting Various Standard Codes Pertaining To Buildings, Construction, And Development-Related Regulation."

AYES: 6 Trustees Halen, Johnson, Poynton, Rzeznik, Sustich, and Sprawka

NAYS: 0

MOTION CARRIED

10. TRUSTEE REPORTS

No trustee reports.

11. ADMINISTRATOR'S REPORT

A. Fiscal Year 2010 1st Quarter Performance Report from all departments.

Administrator Vitas asked to table this report until the October Board of Trustees meeting.

12. ATTORNEY'S REPORT

No report.

13. DEPARTMENT HEAD REPORTS

A. Park and Recreation Director Perkins: Update on park improvements at Main Street and Old Rand.

Director Perkins thanked the community for the various donations and volunteer efforts at the Lake Zurich Community Park. He commented that they were close to being ready for the ribbon-cutting ceremony on September 27, 2009.

B. Police Chief Finlon: Information on Amendment to Adjudication Ordinance

Chief Finlon asked the board to review his September 15, 2009 memo to Administrator Vitas regarding the Administrative Adjudication and Equipment Violation Amendments as it would be coming before the board for discussion in October.

C. Building and Zoning Director Peterson: ISO rating

Director Peterson summarized his September 16, 2009 memo to Administrator Vitas regarding the Insurance Services Office, Inc. (ISO) Building Code Effectiveness Grading Schedule Evaluation.

The meeting recessed at 8:57pm for 10 minutes to change the video tape.

D. Finance Director Zochowski: Fiscal year 2010 1st Quarter Budget Report

Assistant Director Maria Forrest and Finance Intern Dan Laurila presented the Q1 Fiscal Year 2010 report to the board. Trustee Poynton asked Assistant Director Forrest to explain the revenue forecast adjustment. Assistant Director Forrest replied that the red-light camera earning were lower than expected due to a variety of reasons. Chief Finlon commented that the initial forecast was partially based on a survey provided by the vendor. Director Zochowski said that the number was also based on revenues from red-light cameras in surrounding areas. He also commented that there are four open positions within the police department that are on hold until the revenues increase. Administrator Vitas said that the village was looking into applying for grant funds to hire officers. Trustee Sustich asked if due to the change in capital numbers, the roads would not be fixed. Director Zochowski reminded him that road repairs are covered under a different fund. Assistant Director Forrest confirmed for Trustee Sprawka that Wynstone is a primary contributor to the Water and Sewer fund. Administrator Vitas thanked Director Zochowski and his staff for the report and reminded the board that department budget presentations would occur during the next meeting.

14. CLOSED SESSION / ADJOURNMENT

MOTION made by Trustee Sprawka, seconded by Trustee Johnson to recess into closed session to discuss matters related to pending litigation, specific personnel, and review of closed session minutes and to adjourn immediately after the closed session without conducting further business.

AYES: 6 Trustees Halen, Johnson, Poynton, Rzeznik, Sustich, and Sprawka

NAYS: 0

MOTION CARRIED

Respectfully submitted: *Wende M. Dau, Village Clerk*

Approved by: _____
President Suzanne K. Branding 10/5/09