

REGULAR BOARD MEETING
Village Hall, 102 South Second Street

April 7, 2014 - 7:30 pm
Village of West Dundee

I. CALL TO ORDER:

President Nelson called the Regular Board Meeting to order at 7:30 pm.

II. ROLL CALL:

Present were Village President Christopher Nelson, Trustees Dan Wilbrandt, Michelle Kembitzky, Tom Price, Pat Hanley and Andy Yuscka. Trustee Billy Pflanz was absent.

Also present were Finance Director David Danielson, Community Development Director Cathleen Tymoszenko, Public Works Director Richard Babica and Village Attorney John Brechin. There were seven (7) people in the audience.

III. PLEDGE OF ALLEGIENCE:

Trustee Yuscka led the Board and those in attendance in the Pledge of Allegiance.

IV. APPROVAL OF AGENDA:

MOTION: Moved by Trustee Yuscka and seconded by Trustee Price to approve the agenda as presented. Motion was approved unanimously by voice vote.

V. VILLAGE PRESIDENT'S REPORT:

A. Public Hearing - Variance 444-447 Cavalier Ct

MOTION: Moved by Trustee Kembitzky and seconded by Trustee Hanley to call to order the Public Hearing on a request for variation from the Village's Cross Connection Ordinance at 444-447 Cavalier Court. Motion passed unanimously.

President Nelson called the Public Hearing to order at 7:32 pm.

Director Tymoszenko explained that the request is for relief from the Village's Cross Connection Ordinance to allow an existing fire safety system connected to the potable water supply to be maintained without being protected by a double check valve or double detector check valve assembly. The sprinklers are located in the boiler/laundry rooms.

She advised that the system could comply with an exception to the Illinois Plumbing Code allowing for a looped system where less than 20 sprinkler heads are connected, however this exemption is not recognized by the West Dundee Municipal Code. The variation is supported by the staff, as the easiest alternative to compliance would be removal of the sprinklers, and staff would prefer that the sprinklers remain for fire safety.

Condo Association President Jim Wagner advised that the sprinklers are not required, as the current sprinkler requirements did not exist at the time the building was constructed. He noted that the looped system protects from water stagnation.

MOTION: Moved by Trustee Price and seconded by Trustee Hanley to direct staff to prepare an Ordinance Granting a Variation from the Village's Cross Connection Ordinance to

allow for the retention of the fire suppression system in the boiler/laundry rooms at 444-447 Cavalier Ct.

MOTION: Moved by Trustee Kembitzky and seconded by Trustee Hanley to close the Public Hearing. Motion passed unanimously.

The Public Hearing was closed at 7:38 pm.

VI. REPORTS AND QUESTIONS FROM TRUSTEES:

Trustee Price alerted the Board to a national grant competition for which Carpentersville's Andres Bike Park is a finalist. The grant will be awarded based on popular vote. Trustee Price has provided materials to the staff to help raise awareness for the grant competition.

VII. VILLAGE STAFF REPORTS:

Director Danielson advised that credit card processing is now available, with the first credit card payment made today.

VIII. QUESTIONS FROM THE AUDIENCE: There were none.

IX. CONSENT AGENDA:

- A. Approval of Bill List: April 7, 2014
- B. Ratification of Manual Check: Blue Cross Blue Shield Good Faith Payment
- C. Ratification of Debit Purchases: March, 2014
- D. Approval of Minutes: March 17, 2014 Regular Board Meeting
- E. Approval of Minutes: March 31, 2014 Special Board Meeting\

MOTION: Moved by Trustee Hanley and seconded by Trustee Kembitzky to approve the Consent Agenda as presented. Motion passed unanimously.

X. RESOLUTIONS AND ORDINANCES:

- A. **Ordinance Authorizing the Renewal of the Electrical Aggregation Contract (Trustee Kembitzky)**

Trustee Kembitzky advised that the Village's current Electrical Aggregation Contract will expire in August of 2014. Based on the nature of bidding for the contract, that a bid must be accepted within 24 hours, authority is sought to allow the Village Manager to enter into a contract upon receipt of bids.

Director Danielson discussed new developments to Municipal Aggregations, including the narrowing margin of rate differences between ComEd and other electricity suppliers, that long-term rates (36 months) are currently lower than short-term rates (12 or 24 months), ComEd rates now fluctuate greatly over the course of the year. Director Danielson reminded the Board that the current contract stipulates that should ComEd's rates fall below the contracted rate, that the Village can suspend the program and return ratepayers to ComEd, and also that no early termination fees apply. These considerations are recommended for any future contact.

Director Danielson advised that the notification and opt-out process will be repeated with a new contract. The Village will be in control of the wording of the notification letter and will be able to ensure it is clear why this is being undertaken again.

MOTION: Moved by Trustee Kembitzky and seconded by Trustee Price to adopt an Ordinance Authorizing Renewal of the Electrical Aggregation Program for the Village of West Dundee. Upon roll call, motion passed unanimously.

XI. NEW BUSINESS:

A. Approval – Dundee Street Light Luminaires, Sternberg Lighting (Trustee Yuscka)

Trustee Yuscka advised that a 2013 Illinois Clean Energy Street and Roadway Lighting Grant was received to retrofit 9 Dundee Luminaires along South Second Street, between Main and Oregon, with energy efficient LED fixtures, as a pilot study for the State. Due to discontinuation of the current Spring City luminaire fixture from the local supplier, KSA Lighting, it is suggested that the less expensive Sternberg luminaire be utilized.

Director Babica displayed examples of the existing Spring City luminaire with the existing lighting fixture, the Spring City luminaire with the LED fixture and the Sternberg luminaire and LED fixture. Discussion was held regarding the differences in design between the Spring City and Sternberg models, and the difference in quality/color of the light cast by the LED fixtures. It was noted that the Police Department, and often times shop owners, prefer the LED light, as it provides true color and better visibility.

Director Babica noted that the LED fixtures have a life expectancy of 17 years, versus the 12-15 month expectancy of the existing lights, making the LEDs virtually maintenance free.

Rick Magsamen of KSA Lighting was in attendance and answered questions from the Board.

Director Babica advised that all grant projects must be completed by October. The grant will cover 50% of the cost of installation, including labor and materials. The grant was approved for retro-fitting the existing fixtures at an amount of \$14,860. With the complete replacement of the fixtures, \$10,400 could be saved overall, reducing the Village's share cost to \$5,220.

Direction was provided to look into adjusting the color of the LED light.

MOTION: Moved by Trustee Price and seconded by Trustee Yuscka to adopt an Ordinance Authorizing staff to utilize the Sternberg LED Luminaire for installation on Village streets. Upon roll call, motion passed unanimously.

XI. UNFINISHED BUSINESS:

A. FY 2014/15 Budget Discussion Continuation (Trustee Kembitzky)

Trustee Kembitzky described the options presented in terms of filling the existing \$300,000 deficit in the FY 2014/15 Budget:

- (1) Increased transfer from the Motor Fuel Tax Fund to the General Fund: \$35,000 additional transfer for a total transfer of \$242,000.

- (2) Increased transfer from the Community Development Fund to the General Fund: \$50,000 additional transfer for a total transfer of \$650,000.
- (3) Increased draw down of the Village's IRMA Interest Income Credit: \$50,000 additional draw down for a total of \$70,000.
- (4) A 1% Food and Beverage Tax: \$250,000-275,000 projected revenues.
- (5) A \$0.02 Gasoline Tax: \$200,000 projected revenues.
- (6) Charging a fee refuse collection services: \$580,000 maximum collection.

Trustee Hanley discussed the proposed increases to interfund transfers and the IRMA credit draw down, totaling an additional \$135,000. He noted that these should be considered temporary revenue sources, while the three new revenue options up for discussion are recurring.

It was noted that potential tap on fees for proposed development projects have not been accounted for in the budget document.

Regarding a refuse collection fee, the Village pays \$580,000 annually pursuant to the current refuse service contract. This equals \$268 per household per year, or approximately \$22 per household per month.

Trustee Kembitzky noted that the option to bill for refuse collection in conjunction with water & sewer billing would place the financial burden solely on the residents receiving the service. It was noted that if the cost of refuse service were collected via property taxes, it would be spread out among all property owners and would be tax deductible.

Support for the refuse fee option was lacking with the exception of Trustee Hanley. Trustee Hanley noted that if the cost of refuse service were paid by the residents receiving the service, that neither the interfund transfers nor either of the proposed new taxes would be necessary.

Regarding a Gasoline Tax, Trustee Price commented that the \$0.02 gasoline tax would be the same as Carpentersville collects. On a 25 gallon tank of gas, the tax would equate to \$0.50. Trustee Yuscka expressed concern regarding adding to the high price of gasoline.

Regarding Food & Beverage Tax, it was noted that on a \$100 restaurant bill, the 1% tax would equate to \$0.10. Trustee Hanley expressed concern regarding the impact on business attraction and patronage.

Both the Gasoline and Food & Beverage Tax options would apply not only to residents, but also non-residents who dine, drink or purchase gasoline within the Village. Director Danielson noted that both of these potential new taxes would have to be collected at the local level. Based on the current staffing and obligations of the Finance Department, an additional position would need to be staffed in the Finance Department to manage these programs and collections.

Trustee Yuscka asked that if either new tax is approved, that they be reevaluated each new budget year.

President Nelson invited audience members to address the Board regarding the proposed options.

Carl Jacobs, 712 Lisa Road, expressed opposition to the refuse collection fee, and advocated for cuts to the budget as opposed to new taxes and fees. Mr. Jacobs added that if the refuse fee is imposed, placing it on the property tax bill would be his preference.

Cheryl Alopogianis, 2716 Oak Drive, is in favor of the 1% Food & Beverage is minimal, but opposes the \$0.02 Gasoline Tax and a Refuse Collection Fee. She recommended salary cuts, an increase in employee insurance payments, to look at employee efficiency and to seek other budgetary cuts.

Peggy Misener, 426 S. First Street, asked about loss of sales tax and the restrictive covenants on the Target store.

President Nelson and Trustee Kembitzky provided comments and information in response to the above audience comments, particularly regarding staffing levels, employee benefits/compensation and economic development efforts and challenges.

Trustee Kembitzky asked Director Tymoszenko if she felt a Food & Beverage Tax would be an impediment to business attraction. Director Tymoszenko advised that in her career both with West Dundee and prior, she has never had a potential new business inquire about such taxes, adding that it is a pass-through tax, not paid by the business owner.

Trustee Hanley suggested a 2% Food & Beverage Tax, which could replace the additional \$50,000 transfer from the Community Development Fund.

Director Danielson commended the Board for keeping cash reserves at \$2,000,000 as recommended by GFOA, equal to 3 months of operating income. He noted that a Public Hearing regarding the FY 14/15 Budget will be held on April 14, with the intention of the Village Board adopting a Budget on April 21. A Budget document must be adopted before May 1.

XIV. MISCELLANEOUS: There was none

XV. ADJOURNMENT:

MOTION: Moved by Trustee Price and seconded by Trustee Kembitzky to adjourn the Regular Board Meeting. Motion passed unanimously by voice vote.

The Regular Board Meeting adjourned at 9:31 pm.

ATTEST:

Kim Tibbetts
Deputy Village Clerk

Christopher Nelson
Village President