

REGULAR BOARD MEETING
Village Hall, 102 South Second Street

February 16, 2015, 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 Billy Pflanz, Dan Wilbrandt, Michelle Kembitzky, Tom Price, Pat Hanley and Andy Yuscka.

Also present were Village Manager Joseph Cavallaro, Finance Director David Danielson, Fire Chief Randy Freise, Fire Prevention Bureau Officer Rick Paul, Village Attorney Brechin and fifteen (15) persons in the audience.

III. PLEDGE OF ALLEGIENCE:

Trustee Kembitzky led those in attendance in the Pledge of Allegiance.

IV. APPROVAL OF AGENDA:

President Nelson requested that the Agenda be amended to include Executive Session pursuant to Section 2(c)(1) of the IL Open Meetings Act, for the purpose of discussing personnel.

MOTION: Moved by Trustee Kembitzky and seconded by Trustee Hanley to approve the agenda as amended. Motion passed unanimously by voice vote.

V. VILLAGE PRESIDENT'S REPORT:

President Nelson presented the Lamplighter Award to the Public Works Department for their exemplary service to the West Dundee community.

Among the examples of significant service demands that were met with efficient and cost-effective solutions included: (1) The emergency repair of 3 of 4 water softeners using in-house labor, which saved the Village thousands of dollars, (2) a thorough response to 12" of snowfall, coupled with 4 main breaks at Spring Hill Mall, all during the same 24-hour period and (3) the creative thinking used to patch the leak in the Grafelman Park fountain this past summer, allowing the fountain to be utilized for the majority of the season.

Manager Cavallaro added that the Public Works Department works in an extremely cooperative manner with all other functional departments of the Village and puts forth an extraordinary effort in meeting both routine and emergent service demands.

Several members of the Public Works Department were in attendance to accept the Lamplighter Award. Each were thanked by the Board and senior staff.

President Nelson noted that a Special Board Meeting is anticipated for Thursday, February 19.

VI. REPORTS AND QUESTIONS FROM TRUSTEES:

Trustee Kembitzky relayed the thanks of the business owner at One Cut Above the Rest for the Village's extra effort in terms of assisting their clientele during Emmett's Big Wheel Race.

Trustee Hanley commended one of his students, an Elgin resident, who saved the life of a young girl who nearly drowned in a pool during the IHSA Chess Tournament. The student had recently completed a CPR course based on his interest in becoming a Police Officer. Chief Freise noted that such training is effective and that the West Dundee Fire Department also offers CPR training.

VII. VILLAGE STAFF REPORTS:

Manager Cavallaro introduced Eric Babcock, who has accepted the Village's offer of employment for the position of Public Works Director. Mr. Babcock was in attendance to support the Department's receipt of the Lamplighter Award. He will begin his employment with the Village on March 2.

VIII. QUESTIONS FROM THE AUDIENCE: There were none.

IX. CONSENT AGENDA:

- A. Approval of Bill List: February 16, 2015
- B. Ratification of Debit Purchases: January 2015

MOTION: Moved by Trustee Kembitzky and seconded by Trustee Yuscka to approve the Consent Agenda as amended. Upon roll call, motion was approved unanimously.

X. RESOLUTIONS AND ORDINANCES:

A. Resolution Approving Economic Incentive Agreement with Emmett's WD LLC (Trustee Kembitzky)

Trustee Kembitzky noted that Emmett's is planning to undertake some physical improvements to their building and dining room, and have submitted an application for the Village's Economic Development Assistance Loan Program. The application has been reviewed favorably by the Finance Committee and the recommendation to the Board is to support an interest rate buy down and sales tax sharing agreement as an economic incentive.

Andy Burns, owner of Emmett's, outlined the improvement plan, including new windows, roof replacement, and a cosmetic upgrades to the dining room in order help the 15-year old facility stay fresh, relevant and competitive.

Manager Cavallaro outlined the structure of the loan and incentive program, which includes entering into a 7-year \$250,000 loan to be repaid by Emmett's, a 1.5% interest rate buy down, and a rebate of 50% of new sales tax to be used for repayment of the loan. The proposed incentive package would have a total cost to the Village of approximately \$4,000 annually for 7 years, or approximately \$28,000 in total. The estimated new sales tax to be retained by the Village during the same 7 year period is approximately \$14,000.

Trustee Hanley asked that the Resolution/Economic Incentive Agreement more clearly state that the 50% sales tax rebate would expire at the end of the 7-year loan term. He also expressed that he is not in favor of the Village paying the \$500 loan documentation fee.

President Nelson noted that the reinvestment in Emmett's, a flagship business for downtown West Dundee, will have a positive impact both for Emmett's and the Village of West Dundee.

MOTION: Moved by Trustee Kembitzky and seconded by Trustee Price to adopt a Resolution approving an Economic Incentive Agreement by and between Emmett's WD, LLC and the Village of West Dundee. Upon roll call, motion was approved.

AYES: Trustees Kembitzky, Price, Hanley, Yuscka, Pflanz and Wilbrandt
NAYS: None

B. Ordinance Amending Business Promotional Sign Regulations (Trustee Price)

Trustee Price stated that the Board previously discussed changes to sign code in January of 2014 and at that time made a determination regarding Business Promotional Signs to limit the signs to a 14-day duration, 16 square feet in size. The concern discussed at the time was a proliferation of signs placed in the parkway or visual clutter.

Since that time, three separate business owners have requested that the regulations of Business Promotional Signs be amended to allow a 30-day duration and 32 square feet in size, which is consistent with staff's initial recommendation, and which has been prepared in draft ordinance form for the Village Board's consideration. All other existing guidelines for the use of such signage would remain unchanged.

President Nelson noted that the change is more business friendly, while still addressing the concerns of the Board.

MOTION: Moved by Trustee Price and seconded by Trustee Yuscka to adopt an Ordinance Amending Business Promotional Sign Regulations within the West Dundee Sign Code. Upon roll call, motion was approved.

AYES: Trustees Price, Hanley, Yuscka, Pflanz, Wilbrandt and Kembitzky
NAYS: None

XI. NEW BUSINESS:

A. St. Patrick's Day Fireworks Display Request (Trustee Hanley)

Trustee Hanley introduced the request by Terrance McNamee for approval of a fireworks display to be set off from the footbridge in conjunction with St. Patrick's Day festivities.

He stated that, as with last year's display, the Fire Department has again raised concerns regarding the number of 3" shells proposed in the submittal, and the corresponding inability to maintain NFPA 1123 standards. He also stated that noise complaints were received from residents following both the St. Patrick's Day and Veteran's Day fireworks displays put on last year by the same vendor.

Fire Prevention Officer Paul stated that this year's proposal includes more 3" shells than were utilized last year. Based on the 970 3" shells proposed for the display, and required distance of 210' from the nearest residence cannot be achieved based on the necessary spread of these shells.

Eileen McNamee, St. Patrick's Day organizer, stated that the footbridge location is desired based on its beauty, and accessibility of the display to residents of both East and West Dundee, as well as benefits to businesses in both towns.

FPO Paul noted that a new map was provided by the fireworks vendor this evening. Per Trustee Price's inquiry, FPO Paul confirmed that the required distances would be field marked and inspections completed to confirm proper setup. Chief Freise noted that FPO Paul has extensive knowledge of firework safety and the Village of East Dundee has requested the use of his expertise in this area, and that the West Dundee Police and Fire Departments will be on site to ensure public safety during the display.

Mr. McNamee stated that forty (40) 3" shells have been removed due to lack of availability.

Trustee Wilbrandt asked how residents will be informed of the display. Manager Cavallaro noted that a condition of approval is that all residents within the immediate area be informed via letter no later than March 7. A news blast will also be sent via email by the West Dundee staff.

It was noted that March 14 is held as a rain date for the display. Fireworks would remain set up on the footbridge for that 24-hour delay period. Mr. McNamee agreed that if this should occur, he is willing to hire back a uniformed police officer to assist in ensuring public safety for the duration of this time.

The conditions for approval were updated as follows:

1. That the display is subject to NFPA 1123 standards, including that all 3" shells be maintained at a distance of no less than 210 feet away from the nearest residence, as determined by West Dundee Fire Prevention Officer Rick Paul.
2. Notification to all West Dundee residents along the immediate area of Lincoln Avenue, and Fifth Street and Fourth Street between Geneva and Lincoln, be completed by the event sponsor and/or the Village of East Dundee by letter, delivered no later than March 7, 2015, informing residents of both the event date and potential rain date.
3. That Lincoln Avenue will be closed between Sixth Street and Fourth Street between the hours of 7:00pm and 8:15pm.
4. The Village of West Dundee will provide logistical support of Police and Fire to aid with the security and the fireworks display in the immediate area within the same time frames.
5. That the Certificate of Liability Insurance provided for the event, and naming the Village of West Dundee as an Additional Insured, be corrected to reflect the fireworks display dates of March 13 or 14, 2015.
6. In the event that the rain date of March 14 is utilized, buy back of a sworn officer by the applicant is required for the duration of time that the fireworks remain in place on the footbridge, in addition to the applicant's own security.

MOTION: Moved by Trustee Hanley and seconded by Trustee Yuscka to approve the application for display of fireworks along the footbridge on March 13, with a rain date of March 14, subject to satisfaction of the noted conditions, numbered 1-6. Upon roll call, motion was approved.

AYES: Trustees Hanley, Yuscka, Pflanz, Wilbrandt, Kembitzky and Price

NAYS: None

B. Nine-Month Financial Report (Trustee Kembitzky)

Director Danielson presented the Nine-Month Financial Report for FY 2014/15, highlighting areas where to-date numbers vary from the budget.

He first discussed the General Fund revenues. He noted that sales tax revenues are down \$60,000 based on the IL Department of Revenue's finding that a retailer in Carpentersville was incorrectly reporting sales tax for West Dundee. Building Permit revenues are up 60% over last year. Hotel/Motel Tax revenue are up 10%, which is attributed to the strengthening economy and major renovations completed at both of the Marriott establishments. Court Fines are up 21%. Electrical Energy tax revenues are down \$11,800.

In terms of General Fund expenditures, he noted that the personnel costs of the Police and Community Development Department have decreased due to vacated positions. The only department which is expected to exceed its budget is Legal, by \$40,000, due to litigation costs related to enforcement of property maintenance violations at 310 W. Main Street. Leins have been filed on the property that should allow the Village to recoup some of the costs associated with this litigation and emergency repairs to the structure.

Barring any unforeseen major expenditures, a \$208,000 surplus is projected for the General Fund at the end of the fiscal year.

The Sewer and Water Fund is expected to "break even" with budget projections, however it was noted that the fund continues to maintain a negative balance accumulated over the past decade due to billing rates not keeping pace with the costs of water and sewer operational and infrastructure costs.

He noted that the recent incident at Spring Hill Mall, in which a driver struck a fire hydrant causing multiple water main breaks, is estimated to cost in over \$40,000 to repair. It is anticipated that the Village will recoup a portion or all of these costs through subrogation.

The Capital Projects Fund will not expend its budgeted amount this fiscal year, as Spring Hill Mall Water Tower Repairs were not completed. This project will be included again in the FY 2015/16 budget.

Manager Cavallaro noted that the draft FY 2015/16 Budget documents will be distributed to the Board by February 23, with the initial Budget presentation on March 2.

C. Authorization to Enter Into Loan Agreements with First American Bank (Trustee Kembitzky)

Trustee Kembitzky advised that the Economic Development Fund is not currently funded at a level that provides for the economic development goals of the organization. Lending proposals were solicited from multiple banks and reviewed by the Finance Committee.

It is recommended that the Village enter into a \$250,000 7-year loan with First American Bank, to be repaid by Emmett's, as discussed earlier in reference to the Resolution approving an Economic Incentive Agreement by and between Emmett's WD, LLC and the Village of West Dundee (Loan A).

It is further recommended that the Village enter into a \$500,000 line of credit with First American Bank to fund future economic incentive projects on an as needed basis (Loan B).

The interest on Loan A will be fixed at 4.5%. The interest on Loan B will be determined at Prime plus 1%, based on the Prime Lending Rate at the time of each draw. A \$500 documentation fee will be required for both Loan A and Loan B. There is no annual fee associated with Loan B, and the Village is not required to utilize the entire line of credit.

President Nelson commented that the line of credit option allows the Village to remain nimble in terms of funding approved incentives and assistance programs to encourage further economic development.

MOTION: Moved by Trustee Kembitzky and seconded by Trustee Price to authorize staff to enter into the above-described loan agreements with First American Bank of West Dundee, Illinois and to execute the necessary and appropriate documents pertaining to same. Upon roll call, motion was approved.

AYES: Trustees Kembitzky, Price, Hanley, Yuscka, Pflanz and Wilbrandt

NAYS: None

X. EXECUTIVE SESSION:

A. Section 2(c)(1) of the IL Open Meetings Act: Personnel

MOTION: Moved by Trustee Yuscka and seconded by Trustee Hanley to recess to Executive Session for the purpose of discussing Personnel. Upon roll call, motion was approved unanimously.

Compensation levels for specific employees were discussed.

The Regular Board Meeting was recessed at 8:28 pm. The Regular Board Meeting resumed at 8:32 pm.

XI. MISCELLANEOUS:

President Nelson noted that a Special Board Meeting is anticipated for Thursday, February 19 for a presentation by Rouse Properties regarding Spring Hill Mall renovations, and asked the Board's opinion on the start time of such. It was determined that a 7:30pm start would be preferred.

XII. ADJOURNMENT:

MOTION: Moved by Trustee Yuscka and seconded by Trustee Hanley to adjourn the Regular Board Meeting. Motion was unanimous.

The Regular Board meeting adjourned at 8:49 pm.

ATTEST:

Kim Tibbetts
Deputy Village Clerk

Christopher Nelson
Village President