

**MINUTES OF THE REGULAR MEETING
OF THE GURNEE VILLAGE BOARD**

**GURNEE VILLAGE HALL
JULY 25, 2016**

Call to Order

Mayor Kovarik called the meeting to order at 7:00 p.m.

Other Officials in Attendance

Patrick Muetz, Village Administrator; David Ziegler, Assistant Village Administrator/Community Development Director; Bryan Winter, Village Attorney; Brian Gosnell, Finance Director; Christine Palmieri, Director of Human Resources; Fred Friedl, Fire Chief; Kevin Woodside, Police Chief; Sandra Campbell, Deputy Police Chief; Willie Meyer Deputy Police Chief; Ellen Dean, Economic Development Director, Jack Linehan, Assistant to the Administrator

Roll Call

PRESENT: 6- Hood, Wilson, Ross, Garner, Thorstenson, Balmes
ABSENT: 0- None

Pledge of Allegiance

Mayor Kovarik led the Pledge of Allegiance.

A. PUBLIC COMMENT

Mayor Kovarik thanked Village staff for all their extra work during the UL International Crown LPGA golf event held at the Merit Club over the weekend.

**Brian Niemi
4971 Adele Drive
Gurnee, IL**

Mr. Niemi first wanted to thank the Police Department for the House Watch Program stating he uses it every time he goes out of town.

Mr. Niemi said he was here tonight on behalf of Warren Newport Library. He said they are sponsoring the first annual Warren Newport Public Library Bikers for Books Mayor Welton Memorial Ride on August 28th. He said it is a fundraising event for unfunded technology that will start and end at Fat Man's restaurant in Gurnee.

B. APPROVAL OF CONSENT AGENDA

It was moved by Trustee Balmes, seconded by Trustee Thorstenson to approve the Consent Agenda as presented.

Roll call,

AYE: 6- Hood, Wilson, Ross, Garner, Thorstenson, Balmes
NAY: 0- None
ABSENT: 0- None
Motion Carried.

C. CONSENT AGENDA / OMNIBUS VOTE

The Village Administrator read the consent agenda for an omnibus vote as follows:

1. Approval of the minutes from the July 11, 2016 Village Board meeting.
2. Approval of Ord. 2016 - 48 amending the Village of Gurnee Personnel Policy Manual.
3. Approval of Firemedic Nick Perry's request to participate in the Village's tuition assistance program in pursuit of a Master's Degree in Public Administration from Anna Maria College.
4. Approval of a fireworks permit for Gurnee Days on August 13, 2016.
5. Approval of Payroll for period ending July 9, 2016 in the amount of \$792,981.07.
6. Approval of Payroll Transfer Journal for period ending July 9, 2016 in the amount of \$786,130.24.
7. Approval of Bills for the period ending July 25, 2016 in the amount of \$1,818,148.38.

It was moved by Trustee Balmes, seconded by Trustee Ross to approve the Consent Agenda for an omnibus vote as read.

Roll call,

AYE: 6- Hood, Wilson, Ross, Garner, Thorstenson, Balmes

NAY: 0- None

ABSENT: 0- None

Motion Carried.

D. PETITIONS AND COMMUNICATIONS

1. Approval of a Proclamation designating August 1 - 7, 2016 as "National Stop on Red Week" in the Village of Gurnee.

Mayor Kovarik read proclamation into record.

It was moved by Trustee Thorstenson, seconded by Trustee Garner to approve of a Proclamation designating August 1 - 7, 2016 as "National Stop on Red Week" in the Village of Gurnee.

Voice Vote: ALL AYE: Motion Carried

2. Approval of Mayor's recommended appointment of Deputy Chief Sandra Campbell to the Emergency Telephone Systems Board (Communication Supervisor Al Marquardt replacement).

It was moved by Trustee Ross, seconded by Trustee Thorstenson to approve of Mayor's recommended appointment of Deputy Chief Sandra Campbell to the Emergency Telephone Systems Board (Communication Supervisor Al Marquardt replacement).

Roll call,

AYE: 6- Hood, Wilson, Ross, Garner, Thorstenson, Balmes

NAY: 0- None

ABSENT: 0- None

Motion Carried.

E. REPORTS

1. Report by Finance Director Brian Gosnell – Fiscal Year 15/16 Fourth Quarter financial performance.

Finance Director Brian Gosnell gave the following Fourth Quarter Report:

Cash & Investments Highlights

- Total \$33,035,584
 - General Fund 63%
 - W&S 15%
 - Capital Fund 9%
 - 56% in Money Markets - IL Funds
 - 23% Checking/Cash – First Midwest
 - 21% Short-Term Fixed Income – Schwab
- Yield vs. Benchmark
 - Village Portfolio – 0.535%
 - 91 Day T-Bill – 0.220%

General Fund – Major Revenues Highlights

Major revenues in the General Fund, which account for about 75% of all revenues, finished the year with a positive variance of 2.9% or \$806k versus budget and 2.08% or \$585k versus last year.

- Sales tax collections flattened at the end of the fiscal year with 4 of the last 6 months finishing behind last year.
 - Sales tax finished under budget by 1.02% or \$180k and 0.48% or \$84k behind last year.
- Income taxes finished the year 9.56% or \$291k ahead of budget and 9.96% or \$303k ahead of last year.
 - Increases over the last 2 years due to some distribution formula changes and increases in capital gains. The IML is predicting this revenue source will flatten in FY17.
- Telecom taxes continued to slide, finished the year under budget by 0.52%, Staff budgeted for a 6% decrease.
- Amusement and hotel taxes finished strong, as the traditional drop-off following an unveiling of a new ride did not happen.
- Food & Beverage receipts benefitted from the Portillo's opening in the last 4 months of the year.
- Building permits finished ahead of budget due to the timing of developments on Tower Ct. and the Portillo's.
 - All the major revenues finished either right at or just over the

year-end estimates predicted during the preparation of the FY17 budget.

General Fund Highlights

Total revenues in the Gen Fund finished 4.53% or \$1.7m over budget.

- Major variances outside of the major revenues we just discussed include:
- Charges for service finished almost 14% over budget, due to greater than anticipated ambulance billing collections.
- Fines & Forfeitures finished almost 25% over due to red light collections and the largest year of the IDROP program.

In total General Fund revenues finished about \$250k ahead of the year-end estimate.

General Fund expenditures finished the year about \$306k under budget.

- Savings in the salaries & wages category due to vacancies.
- Professional services due to reduced collection fees on red-light cameras and less than anticipated costs for labor attorney services.
- Commodities due to less than anticipated fuel and snow & ice control expenses as well as lower vehicle maintenance costs.
- Significant Overages occurred in the employee benefits categories due to greater than anticipated costs with the Village's self-insured plan and Other Financing Uses due to the transfer of \$800k to the capital funds in accordance with the Long Term Financial and Capital Plans.

After the capital transfers the General Fund finished with a surplus of \$1.34m in line with the year-end estimate

Water & Sewer Fund Highlights

The Water & Sewer Operating Fund finished the year with a surplus of \$1.27m. The year-end estimate was \$1.06m.

Revenues finished about \$40k over budget.

- Water sales were just slightly under budget by 1% or \$60k, however that was made up by connection fees from Tower ct. and Portillo's.

Expenditures finished \$400k under budget with variances similar to the general fund

- Salaries and wages finished \$173k under due to vacancies.
- Repairs and maintenance finished \$122k under due to Less than anticipated vehicle maintenance costs.
- The lone overage occurred in the contractual category due to the timing of water tower maintenance contracts.

Information on all the other funds are included in the report, but those are the 2 major operating funds of the Village

Police & Fire Pension Fund Investment Highlights

Police Pension (Ziegler & Stratford)

- Avg. Monthly Portfolio Balance - \$39.55m
- FY16 Gains/Income – \$429k
- FY16 Return – 1.08%

Fire Pension (Sawyer Falduto)

- Avg. Monthly Portfolio Balance - \$27.72m
- FY16 Gains/Income – \$160k
- FY16 Return – 0.57%

Economic Reports Highlights

The Federal Reserve Beige Book report on seven categories of market activity and noted improvements in;

- Consumer spending noting strong summer sales in lawn & garden and vehicles.
- Construction & real estate saw gains in activity and sale prices.
- Agriculture was off to a strong start.

Weakness was noted in;

- Business spending which slowed, noting decreases in hiring and inventory levels.
- Manufacturing noted order declines in the oil & gas industry and heavy machinery
- Banking and finance and prices remain unchanged.

Questions:

Mayor Kovarik said shopping on the Internet is eating into revenue. She said the younger generation thinks it is more convenient to shop online. She stated there are some stores opening that do not compete with the Internet, such as Floor & Décor in the former Shopper's World location.

2. Report by Economic Development Director Ellen Dean – Recap of Urban Land Institutes on-site visit and next steps.

Economic Development Director Ellen Dean provided the Village Board a summary of the ULI visit. She stated East Grand has been a challenge for a number of years. The last study the Village had conducted focused on the physical attributes. ULI focused on economic aspects, not physical aspects, of the corridor. She stated the Village was selected for the study in March and worked until June to collect information for the ULI professionals, as well as invite local residents and businesses to participate. Spaulding School served as the host site for the process. Ms. Dean stated the report presentation will also take place at Spaulding and will be scheduled in the next month or so.

Gurnee's panel included 11 current practitioners in the fields of development, urban planning, market feasibility analysis, architecture, design, and transportation. She stated the panel was very diverse and covered many professional disciplines. The five primary questions the panel focused on included:

1. What are the opportunities to develop a unique identity for the Corridor and enhance its potential to become more of a gathering place for the local area?
2. What's the appropriate mix of uses?
3. Do the two sites anchored by Salvation Army, Habitat ReStore, and the Family Dollar Store make sense for a grocery store?
4. What role should the Village play with regard to use of incentives to catalyze development?
5. Is there an opportunity to collaborate with the City of Waukegan to strengthen the entire corridor as a gateway to both communities?

Ms. Dean stated some of the larger themes that came out of the two day session included

- Re-energize regionally: Possibility of creating a home improvement /thrift cluster – vintage, millennial focus on the original, unique.
- Add services on the east side of the Village – all of the civic buildings, recreational facilities are either central or west
- Re-energize very locally – nearby residents are your best source of customers: Connectivity from the neighborhoods
- Streetscape - focus on making it pleasantly walkable and well-lit –safe separation from traffic, wider sidewalks where possible, possible bump-outs to make it easier to cross, parkway trees and landscaping, decorative street lights
- Connectivity of parking lots – eliminate driveways, look forward to work at Route 41 being complete
- While grocery is not considered highly likely as an addition to East Grand, the subject site could have the potential for serving as a public space – with connectivity to the park, they could be sites for music, food trucks, public plaza space. Retail will follow – ice cream, bakery, café, etc.
- Panel reminded us that Green Bay Road is 'Main & Main' and that potential for national/chain retail is greater toward that end
- City of Waukegan is developing overlay district guidelines for its various business districts, including Grand. Work together to be consistent with signage, landscaping, land use regulations. Possibly even do some programming together – Waukegan has Genesee Theater and lakefront – dine in Gurnee, culture in

Waukegan.

She concluded her summary by stating the panel covered a lot of ground in two days. Several of the panelists as well as ULI staff will be back to present the findings and recommendations. If residents are interested in being on that invitation list and/or tracking the progress of this project, listserv.

Mayor Kovarik stated the presentation will take place at a Committee of the Whole meeting.

Trustee Thorstenson stated if the meeting takes place in September we make sure it doesn't interfere with school.

Trustee Wilson stated it would be great to work with Waukegan on this corridor. He stated there are some areas where parking along the street off of the corridor make it difficult to get around.

Ms. Dean stated numerous business owners mentioned the construction and would like to receive more timely information on it, whether it's a Village project or State project.

Trustee Garner stated he hopes when the railroad bridge is reconstructed there are some beautification efforts.

David Ziegler provided a quick summary of the reconstruction project.

Mayor Kovarik stated this is just the beginning and she is pleased with some of the ideas that came out of the study.

Trustee Thorstenson asked if there is another opportunity to collect information from those that may not have been able to attend, perhaps through an online survey.

F. OLD BUSINESS

None.

G. NEW BUSINESS

1. Approval of Ord. 2016 - 49 amending Article II of the Gurnee Municipal Code Chapter 90 entitled Public Passenger Vehicles.

Mr. Muetz stated Gurnee Mills operates a shuttle bus between the Mall and Naval Station Great Lakes. The free shuttle gives sailors and their families an easy way to get to and from the Mills property. Recently Mills management has been tasked by corporate to offset some of the cost of the shuttle, which totals over six-figures annually. In order to allow the Mills to charge a nominal fee, Attorney Winter has amended Chapter 90 of the Municipal Code to add a definition for Shuttle Bus Service. The definition specifically states that such a service provides only shuttle transportation to and from prescribed locations on a regular schedule pursuant to a designated route approved by the Village. Both the Police Department and Gurnee Mills have reviewed the amendment and are agreeable to the language.

Gurnee Mills General Manager Randy Ebertowski briefly gave an overview of the proposed shuttle service. He said in December of 2013 Gurnee Mills tried out this program for a couple months. He said the shuttle service ran on Friday afternoons, and Saturday and Sunday all day. They had 4500 people in those two months. Since that time the shuttle has had over 62,000 people ride the shuttle. He said the intent of the proposed fee is to offset possibly a third of the total expense. It is not an attempt to make money.

Trustee Garner asked what the proposed fee would be. Mr. Ebertowski stated \$2 - \$3 each way.

Trustee Thorstenson asked how that would compare to a taxi or Uber. Mr. Ebertowski stated the taxi would be around \$20.

Trustee Wilson stated an Uber would probably be \$12 and he felt the fee was reasonable.

It was moved by Trustee Ross, seconded by Trustee Hood to approve of

Ord. 2016 – 49 amending Article II of the Gurnee Municipal Code Chapter 90 entitled Public Passenger Vehicles.

Roll call,

AYE: 6- Hood, Wilson, Ross, Garner, Thorstenson, Balmes

NAY: 0- None

ABSENT: 0- None

Motion Carried.

2. Approval of Ord. 2016 - granting a variation pursuant to the Gurnee Zoning Ordinance for 1735 Belle Plaine Avenue.

Mr. Muetz said this item have been pulled from agenda because the petitioner could not attend tonight.

H. PUBLIC COMMENT

None.

Closing Comments

None.

Adjournment

It was moved by Trustee Balmes, seconded by Trustee Garner to adjourn the meeting.

Voice Vote: ALL AYE: Motion Carried.

Mayor Kovarik adjourned the meeting at 7:44 p.m.

**Andrew Harris,
Village Clerk**