

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

**GURNEE VILLAGE HALL  
SEPTEMBER 24, 2018**

**Call to Order**

In Mayor Kovarik's absence, Village Administrator Mr. Muetz 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/Village Engineer; Bryan Winter, Village Attorney; Brian Gosnell, Finance Director; Christine Palmieri, Director of Human Resources; Tom Rigwood, Director of Public Works; John Kavanagh, Fire Chief; Kevin Woodside, Police Chief; Brian Smith, Deputy Police Chief; Tracy Velkover, Planning Manager; Ellen Dean, Economic Development Director, Jack Linehan, Assistant to the Administrator

**Roll Call**

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

Mr. Muetz asked the Board for a recommendation for a President Pro-tem to lead the meeting.

It was moved by Trustee Hood, seconded by Trustee Garner to have Trustee Balmes lead the meeting.

**Roll call,**

**AYE: 6- Jacobs, Ross, Garner, Balmes, Hood, Thorstenson**

**NAY: 0- None**

**ABSENT: 0- None**

**Motion Carried.**

**Pledge of Allegiance**

Trustee Balmes led the Pledge of Allegiance.

**A. PUBLIC COMMENT**

None.

**B. APPROVAL OF CONSENT AGENDA**

It was moved by Trustee Ross, seconded by Trustee Garner to approve the Consent Agenda as presented.

**Roll call,**

**AYE: 6- Jacobs, Ross, Garner, Balmes, Hood, Thorstenson**

**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 August 27, 2018 and September 10, 2018 Village Board meetings.
2. Approval of Information System Division's request to enter a 36-month agreement with AT&T for Switched Ethernet Service at a monthly cost of \$712.20 per month (State of Illinois Central Management Services contract).
3. Approval of Information System Division's recommendation to renew a one-year Microsoft Software Assurance maintenance agreement with CDWG at a price of \$22,640.00 (State of Illinois Central Management Services contract).
4. Approval of granting a Temporary Class 9 Liquor License to St. Paul the Apostle Church for an event to be held on October 6, 2018 at 6401 Gages Lake Road.
5. Approval of setting a bid date of October 15, 2018 for the Hunt Club Road Water Main Replacement Project and the Washington Street Path Project (east of Hunt Club Road).

6. Approval of Engineering Division's recommendation to award the Almond Road Delivery Station Storm and Sanitary Sewer Improvement Project to the low bidder, Campanella & Sons, Inc., at a cost of \$48,515.20.
7. Approval of Engineering Division's recommendation to award the Chelsey Crossing Drainage Improvement Project to the low bidder, Campanella & Sons, Inc., at a cost of \$40,241.65.
8. Approval of request for Deputy Chief Brian Smith to attend the International Association of Chiefs of Police Annual Conference in Orlando, FL from October 6 - 9, 2018 at an estimated cost of \$1,800.00.
9. Approval of Utility Supervisor Brett Fritzler's request to participate in the Village's tuition assistance program in pursuit of a Bachelor's Degree in Public Administration from Columbia College.
10. Approval of Payroll for period ending September 14, 2018 in the amount of \$827,273.43.
11. Approval of Bills for the period ending September 24, 2018 in the amount of \$1,356,153.37.

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

**Roll call,**

**AYE: 6- Jacobs, Ross, Garner, Balmes, Hood, Thorstenson**

**NAY: 0- None**

**ABSENT: 0- None**

**Motion Carried.**

**D. PETITIONS AND COMMUNICATIONS**

1. Recognition of Civil Engineer Nick Leach's achievement of obtaining a Professional Engineer license.

Mr. Drabicki and Trustee Balmes presented Mr. Leach with a plaque and congratulated him for his accomplishment. Mr. Drabicki spoke briefly about the steps Mr. Leach went through to obtain this achievement.

2. Approval of Mayor Kovarik's recommended appointment of David Ziegler to the position of Village Engineer.

Mr. Muetz said with Mr. Drabicki stepping down the Village Engineer position is vacant. He said Mr. Ziegler has agreed to step into that position in the interim until the position can be filled.

It was moved by Trustee Ross, seconded by Trustee Thorstenson to approve of Mayor Kovarik's recommended appointment of David Ziegler to the position of Village Engineer.

**Roll call,**

**AYE: 6- Jacobs, Ross, Garner, Balmes, Hood, Thorstenson**

**NAY: 0- None**

**ABSENT: 0- None**

**Motion Carried.**

3. Approval of a Proclamation designating October 2018 as "Let's Talk Month" in the Village of Gurnee.

It was moved by Trustee Jacobs, seconded by Trustee Garner to approve of a Proclamation designating October 2018 as "Let's Talk Month" in the Village of Gurnee.

**Voice Vote: ALL AYE: Motion Carried.**

4. Approval of a Proclamation designating October 2018 as "Crime Prevention Month" in the Village of Gurnee.

It was moved by Trustee Ross, seconded by Trustee Jacobs to approve of a Proclamation designating October 2018 as "Crime Prevention Month" in the Village of Gurnee.

**Voice Vote: ALL AYE: Motion Carried.**

## E. REPORTS

1. Presentation by Finance Director Brian Gosnell – Fiscal Year 2018/2019 First Quarter financial performance.

Mr. Gosnell noted the report is for the first quarter covering May 1, 2018 – July 31, 2018. Mr. Gosnell noted most of the variances are related to timing differences with the exception of a couple revenue variances.

Mr. Gosnell pointed out where the Village is at in the planning and reporting cycle, noting FY2017/2018 audit is expected to be presented at the 2<sup>nd</sup> meeting in October, and long-term planning for FY2019/2020 has begun.

Mr. Gosnell noted several changes to the layout of the report with the intent to make it more user friendly particularly for inline readers.

Mr. Gosnell noted the following regarding Cash & Investments;

- Cash & Investments finished the quarter at \$30.7m
- General Fund made up 76%, and the W&S 15%
- 39% in checking/money market accounts at First Midwest Bank
- 34% in short-term fixed income investments
- 27% of was held in IL Funds Money Market account
- Versus the 91 day t-bill rate of 1.943%, the Village portfolio is earning a weighted average of 1.698%. Mr. Gosnell noted this is typical given the average maturity of the Village portfolio and rapidly rising rates.

Mr. Gosnell noted the following regarding major revenues in the General Fund:

- Major revenues in the General Fund finished the quarter 3.9% behind the seasonally adjusted budget and 4.9% ahead of last year.
- Sales Tax is basically flat compared to budget but behind last year, the good news is this trend reverses in Aug and Sept.
- Use tax continues to outperform both budget and last year as online retailers begin paying the tax.
- Amusement tax is up 43.4% ahead of budget and 92.8% ahead of last year, this is due to a change in the way the tax is remitted from Six Flags which led to a one-time payment, that variance will carry through to the end of the year.
- Hotel tax is behind budget by 70% and this is due to the timing of the opening of Great Wolf Lodge and the first tax receipts which were received in Aug. This variance should not carry through the end of the year assuming Great Wolf Lodge performs as expected.

Trustee Thorstenson asked if Great Wolf Lodge is on-track with its payments schedule.

Mr. Gosnell said they are back on track and it was merely working on some internal accounting procedures. He stated Great Wolf staff was in contact with Village staff during the entire process:

- The timing of the opening also had an impact on F&B taxes as well which finished the quarter 5.5% off budget and 2% behind last year.
- Telecom taxes are down more than usual, and we budgeted a 6% drop.

Trustee Thorstenson asked if the Telecom Tax is only on land lines.

Mr. Gosnell said it was on both land line and phone usage on wireless lines, but does not include data packages which is what is used most frequently:

- Building permits are just slightly off budget and last year, this is more a timing issue of when various projects are permitted.
- Income taxes are off budget and last year and this is due to the 2 accelerated payments from last year the skew the budget figures, at this point income taxes are expected to finish as expected, and this is just a timing variance.

Mr. Gosnell noted the following regarding General Fund revenues and expenses:

- General Fund revenues in total finished just slightly off budget at 24.7%
- Taxes finished at 22.63% largely due to timing of franchise taxes and Great Wolf Lodge submitting their first resort taxes in August.
- Licenses & Permits finished at 4.77% of budget due to the timing of business and liquor licenses.
- All other categories finished ahead of budget.
- General Fund expenses in total finished the quarter at 23.52% of budget.
- Salaries & Wages category finished at 26.03% due to the timing of payrolls, there were 3 in the month of May.
- Other contracted services finished at 54.8% of budget due to the timing of insurance premiums and some seasonal Public Works programs.
- All other categories finished under budget

Mr. Gosnell Noted the following regarding the Water & sewer Operating Fund revenues and expenses:

- Water & Sewer Fund revenues finished the quarter at 25.71% of budget.
- Charges for service are up due to increased water usage with Great Wolf Lodge back online.
- Investments and contributions finished at 17% due to the timing of an interest adjustment that was made in the 2<sup>nd</sup> quarter.
- W&S Fund expenses finished at 22.46% of budget.
- Employee benefits and other contracted services categories are over due to the timing of premiums for workers compensation and liability insurance.

Mr. Gosnell noted the following regarding Police and Fire Pension Investments:

- Police Pension (Ziegler & Stratford)
  - Avg. Monthly Portfolio Balance - \$50.8m
  - FY19 Gains/Income – \$2.6m
  - FY19 Annualized Return – 20.26%
  - 12 month Rolling Return – 13.18%
  - 36 month Rolling Return – 7.34%
- Fire Pension (Sawyer Falduto)
  - Avg. Monthly Portfolio Balance - \$37.5m
  - FY19 Gains/Income – \$1.3m
  - FY19 Annualized Return – 13.46%
  - 12 month Rolling Return – 8.09%
  - 36 month Rolling Return – 7.39%

**F. OLD BUSINESS**

None.

**G. NEW BUSINESS**

1. Approval of Ord. 2018 – 69 authorizing acceptance of a Staffing for Adequate Fire and Emergency Response (SAFER) grant.

Mr. Muetz said on September 7, 2018 the Gurnee Fire Department was notified by the Department of Homeland Security (DHS) that it is the recipient of a Staffing for Adequate Fire and Emergency Response (SAFER) Grant in the amount of \$2,008,170 to hire six Firefighter Paramedics. The grant is structured 75% year one, 75% year two and 35% year three federal share of salary and benefits. These grant-funded positions will allow for the Department's fourth ambulance to be staffed 24/7/365. Additionally, as the Department continues to work towards the building of Fire Station #3 these positions will allow that station to be staffed upon its opening. The grant requires the positions are hired within 180 days of the grant award date thus the new Firefighter Paramedics would start employment before March 1, 2019. The Department budgeted \$100,000 in grant matching funds in the FY18/19 budget which will more than cover the local match for these positions for the remainder of the budget year. To offset the costs of maintaining the six positions during and beyond the grant period, the Department is considering implementing billing for fire services. Many local departments bill for services used in traffic accidents for example. These bills are covered by insurance and would be implemented similar to ambulance billing so anything not covered for insurance

would be waived for Village residents. The Department is in the early stages of reviewing options for billing and may bring forward a recommendation in the near future. This additional billing is estimated to generate approximately \$150-\$200 thousand annually. Additionally, the Village's share of the debt for the aquatic center is \$390 thousand and expires and can be reallocated in FY2022, the final year of the grant. The contract with the Warren Waukegan Fire Protection District expires in year two of the grant. Renegotiation of the agreement would include the additional firefighters to further offset costs during and beyond the grant period.

Trustee Balmes asked if the proposed fire billing will be conducted in-house through our Finance Department.

Chief Kavanagh said that will be handled through a 3<sup>rd</sup> party billing company.

It was moved by Trustee Ross, seconded by Trustee Jacobs to approve of Ord. 2018 – 69 authorizing acceptance of a Staffing for Adequate Fire and Emergency Response (SAFER) grant.

**Roll call,**

**AYE: 6- Jacobs, Ross, Garner, Balmes, Hood, Thorstenson**

**NAY: 0- None**

**ABSENT: 0- None**

**Motion Carried.**

2. Approval of Ord. 2018 – 70 granting a Special Use Permit pursuant to the Gurnee Zoning Ordinance for 6557 Route 132 – Suite 150.

Mr. Muetz said McAllister's Deli, which is occupying the former Panera site, was before the Planning & Zoning Board on September 5th requesting a second wall sign on the southern side of the building. Both front and rear signs are proposed at 45 square feet each (90 square feet total). Per the PUD, a total of 60 square feet is allowed. In addition, per the Sign Code wall signs are allowed on walls that face a public street or parking lot and which has windows or a public entrance. The southern wall does not meet these standards. The Planning and Zoning Board is forwarding a 5-2 favorable recommendation. The two dissenting PZB members were concerned that approving this Special Use Permit would set a precedent for other neighboring shops to request additional and/or larger signs and that a sign on the rear of the building may confuse customers about the entrance location. Other members of the Board determined that there are unique circumstances surrounding this building location/orientation that would support a second wall sign in conformance with the sign code size and therefore, were not concerned that any precedence would be set.

Trustee Garner said the sign seems large and asked how it compares to the other signs in the area.

Ms. Velkover said the sign is comparable to the other signs and based on the ratio outlined in our Sign Code this sign would be allowed.

Trustee Garner said the sign won't be overbearing then.

Ms. Velkover said it is consistent with the other signs.

Trustee Garner said he is concerned it will be too large and be an eye sore.

Attorney Winter said typically we don't see signs on the rear side of a building.

Trustee Garner said he is only concerned with the front sign because it looks large.

Ms. Velkover said when the sign ordinance was developed the Planning & Zoning Board discussed how to calculate sign area and it was decided that only the area where the lettering was placed was included in the sign. The area painted background would not be

included in the calculation.

Trustee Hood said the sign looks appropriate and he agrees with the decision handed down by the Planning and Zoning Board.

It was moved by Trustee Hood, seconded by Trustee Jacobs to approve of Ord. 2018 – 70 granting a Special Use Permit pursuant to the Gurnee Zoning Ordinance for 6557 Route 132 – Suite 150.

**Roll call,**

**AYE: 5- Jacobs, Ross, Balmes, Hood, Thorstenson**

**NAY: 1- Garner**

**ABSENT: 0- None**

**Motion Carried.**

3. Approval of Ord. 2018 – 71 authorizing execution of an amendment to modify Sewage Service Area Boundary with the County of Lake.

Mr. Muetz said in early 2016 the Village was approached by the Serbian monastery located in unincorporated Lake County along Route 21 near the Merit Club regarding connecting to our sanitary sewer system. The property requested to connect without annexing into the Village. On April 4, 2016 the Village entered into an agreement to serve the St. Sava property with sewer service. The County has approved the request and it is now appropriate to expand the service area with Lake County accordingly. The amendment to the service area has been prepared by Lake County and reviewed by staff.

It was moved by Trustee Jacobs, seconded by Trustee Garner to approve of Ord. 2018 – 71 authorizing execution of an amendment to modify Sewage Service Area Boundary with the County of Lake.

**Roll call,**

**AYE: 6- Jacobs, Ross, Garner, Balmes, Hood, Thorstenson**

**NAY: 0- None**

**ABSENT: 0- None**

**Motion Carried.**

4. Approval of Ord. 2018 – 72 authorizing execution of a Professional Services Agreement with Infraland Consulting, LLC for Professional Services for the Waveland Avenue water main replacement.

Mr. Muetz said the proposed Village of Gurnee FY2020 Capital Plan includes rehabilitating Waveland Avenue between Grand Avenue and Woodlawn Avenue. This section of roadway pavement has failed and needs to be replaced. During preliminary design review staff identified that the water main from University Avenue to Woodlawn Avenue warrants replacement. The scope of the pipe and roadway replacement work includes Illinois EPA permitting for the water main. To obtain these permits complete engineering drawings are required by these agencies and the Engineering Division does not anticipate having design time available this winter due to construction of the Knowles Road Water Tower and Hunt Club Water Main. Staff negotiated a professional services contract with Infraland to provide design and permitting services for this work in an amount not to exceed \$23,600. Infraland has previously worked for the Village on the Belle Plaine and Magnolia projects as well as the Emerald and Old Grand realignment and water main replacement last year.

It was moved by Trustee Jacobs, seconded by Trustee Thorstenson to approve of Ord. 2018 – 72 authorizing execution of a Professional Services Agreement with Infraland Consulting, LLC for Professional Services for the Waveland Avenue water main replacement.

**Roll call,**

**AYE: 6- Jacobs, Ross, Garner, Balmes, Hood, Thorstenson**

**NAY: 0- None**

**ABSENT: 0- None**

**Motion Carried.**

5. Approval of Ord. 2018 – 73 authorizing a Change Order to the Professional Service Agreement between the Village of Gurnee and Strand Associates related to design engineering services for the Knowles Road Water Tower in an amount not to exceed \$40,000.00.

Mr. Muetz said contracts associated with the Pressure Zone 5 project have been completed and the construction of the Village's new booster station and water tower are expected to begin before the end of the year. Strand Associates, Inc. has previously been contracted to prepare the plans and contract documents for bidding which has now been completed. Prior to construction beginning the construction contractors are required to submit shop drawings and technical specifications for many items associated with the new installations. Village staff will be reviewing these submittals for approval and we are requesting the assistance of Strand with this work effort as they wrote the specifications and are intimately familiar with the requirements. Staff solicited a contract amendment to assist with reviewing these submittals. Strand has submitted a time and material amendment to our existing design agreement to provide these services at a cost not to exceed \$40,000. The Village has budgeted for professional service assistance and we do not foresee using the entire amendment amount.

It was moved by Trustee Ross, seconded by Trustee Jacobs to approve of Ord. 2018 – 73 authorizing a Change Order to the Professional Service Agreement between the Village of Gurnee and Strand Associates related to design engineering services for the Knowles Road Water Tower in an amount not to exceed \$40,000.00.

**Roll call,**

**AYE: 6- Jacobs, Ross, Garner, Balmes, Hood, Thorstenson**

**NAY: 0- None**

**ABSENT: 0- None**

**Motion Carried.**

6. Approval of Police Department request to waive bidding requirements and award a one-year maintenance contract for Police radio equipment to Motorola Solutions at a total cost of \$24,453.96.

Mr. Muetz said the Police Department operates an array of Motorola radio equipment. Since acquisition, this equipment has been maintained by Motorola. The most recent maintenance agreement with Motorola expired September 1st. As this equipment is very important to public safety operations the Department is recommending to continue the maintenance contract. The Department has included the appropriate funding in its FY 18/19 budget to cover the expense.

It was moved by Trustee Garner, seconded by Trustee Jacobs to approve of Police Department request to waive bidding requirements and award a one-year maintenance contract for Police radio equipment to Motorola Solutions at a total cost of \$24,453.96.

**Roll call,**

**AYE: 6- Jacobs, Ross, Garner, Balmes, Hood, Thorstenson**

**NAY: 0- None**

**ABSENT: 0- None**

**Motion Carried.**

**H. PUBLIC COMMENT**

None.

**Closing Comments**

None.

**Adjournment**

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

**Voice Vote: ALL AYE: Motion Carried.**

President Pro-tem Jeanne Balmes adjourned the meeting at 7:39 p.m.

**Andrew Harris,  
Village Clerk**