

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

**GURNEE VILLAGE HALL
JUNE 21, 2021**

Call to Order

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

Other Officials in Attendance

Patrick Muetz, Village Administrator; David Ziegler, Community Development Director; Bryan Winter, Village Attorney; Heather Galan, Public Works Director/Village Engineer; Brian Gosnell, Finance Director; Christine Palmieri, Director of Human Resources; John Kavanagh, Fire Chief; Brian Smith, Police Chief; Jeremy Gaughan, Police Commander; Ellen Dean, Economic Development Director; Jack Linehan, Assistant Village Administrator

Roll Call

PRESENT: 5- Balmes, Thorstenson, Woodside, Ross, Garner
ABSENT: 1- O'Brien

Pledge of Allegiance

Mayor Hood led the Pledge of Allegiance.

**A. APPROVAL OF
CONSENT AGENDA**

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

Roll call,

AYE: 5- Balmes, Thorstenson, Woodside, Ross, Garner
NAY: 0- None
ABSENT: 1- O'Brien
Motion Carried.

**B. CONSENT
AGENDA /
OMNIBUS VOTE**

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

1. Approval of minutes from the June 7, 2021 meeting.
2. Approval of fireworks permit for Six Flags Great America – shoot dates of July 3rd and 4th – all displays to be launched from southwest corner of the property.
3. Approval of request to dispose of certain Administration, Public Works and Civil Service Commission documents as authorized by the State of Illinois Local Records Commission.
4. Approval of Payroll for period ending June 4, 2021 in the amount of \$905,570.08.
5. Approval of Bills for the period ending June 21, 2021 in the amount of \$1,042,325.25.

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

Roll call,

AYE: 5- Balmes, Thorstenson, Woodside, Ross, Garner
NAY: 0- None
ABSENT: 1- O'Brien
Motion Carried.

**C. PETITIONS AND
COMMUNICATIONS**

1. Presentation of Gurnee Police Officer of the Year Award to Detective Shawn Gaylor and Police Civilian of the Year Award to Evidence Custodian Dennis Meserve.

Chief Smith and Deputy Chief Gonzalez presented the awards. Chief Smith spoke briefly about the recipients' contributions to the Gurnee Police Department and community. Detective Gaylor spoke about the Gurnee Police Department, service to the community and what the recognition means to her.

D. REPORTS

1. Presentation by Finance Director Brian Gosnell: COVID-19 Financial Update #16 (Final COVID-19 Financial Report).

Director Gosnell noted the following in the Final COVID-19 Financial Update #16;

- Expected Duration-
 - Restore Illinois moved into Phase 5, fully opened, with some mitigation recommendations from IDPH Guidance.
- Big Three Status
 - Six Flags –fully re-opened with IDPH Guidance.
 - Gurnee Mills -fully re-opened with IDPH Guidance.
 - Great Wolf Lodge- fully re-opened with IDPH Guidance.
- General Fund Revenues ending April 30, 2021
 - Gosnell noted thru April total General Fund revenues were \$6.7 million or 15% behind last year including \$1.4 million in CARES Act funding.
 - Gosnell noted the Big Four (Sales Tax, Amusement Tax, Hotel Tax and Food and Beverage Tax) \$7.5 million or 30% behind last year.
- General Fund Expenditures ending April 30, 2021
 - Finished the year with a savings of \$4.5 million or 11% of budget.
 - Village used \$1.2 million of fund balance.
 - Village cut \$1 million of budgeted expenditures with transfers to Capital and received \$1.4 million from CARES Act.
- Gosnell notes while the impact to FY 2020/2021 was less than originally anticipated, the financial impact of the pandemic will span multiple fiscal years evidenced by the \$922 thousand budgeted use of fund balance in FY 2021/2022.
 - Village will need to catch up on capital and hiring expenses. There will be additional impacts in the future.
- 15-month Term of the Pandemic
 - Pandemic cost roughly \$7.3 million, 24-25% of Big Four Revenues over the 15 months down compared to the previous 15 months.
- General Fund- Big Four for the 1st month of FY 2021/2022
 - Up \$271 thousand or 20%, expected as compared to beginning of the pandemic.
 - Sales Tax May 2021 receipts represent February sales, versus last year are essentially flat (0.06%).
 - June 2021 sales receipts represent March 2021 are up 52% compared to March 2020.
 - Strong growth in Sales Tax versus a normal year of 2019, still up 20%.
 - Strong growth across all categories, \$100 thousand of catch up internet sales, remaining increase across categories. Auto Sales, Home Improvement sales up
- Amusement Tax
 - Verus 2 years ago, 14% increase.
 - Caution with timing of Six Flags and how sales from last year will have an impact.
- Hotel Tax
 - May 2021 receipts up 761% from last year.
 - June up 50% from last year.
- Food and Beverage
 - Waiting on June Receipts, versus last year up 120%, compared to first COVID lockdown month.
 - Good growth in Food and Beverage, up 6.7% from a normal year.
- Expenditures
 - Down for one month 10% verus seasonally adjusted budget. This will pick up as we get back to normal operating.
- American Rescue Plan
 - Not much has changed from previous update.
 - State has asked for two 30-day extensions, and they will probably ask for a third 30-day extension.
 - State has not taken possession of the funding yet
 - State will need to determine how they will disburse funds to municipalities.

Trustee Thorstenson asked about the Cares Act payout and wanted clarification on when funds would arrive.

Director Gosnell explained the State had 60 days to distribute half of the funding but the State has already asked for two 30-day extensions and the consensus is they will probably ask for an additional extension. First half of \$3.75 million payment will probably come Fall 2021 and the other half one year after that.

Trustee Thorstenson commended Director Gosnell and the Administration Department on COVID-19 monthly updates and information sharing with public and staff in a transparent and consistent manner.

2. Presentation by Fire Chief John Kavanagh – Fire Station #3 Update #6.

Chief Kavanagh updated the Board on Fire Station Three’s progress to date, which included the following information:

- Over the past month great progress has been made and the project remains on schedule.
- The Contingency Budget was reviewed and it was noted that the starting budget was \$330,000 and a total of 25 change orders have been processed equaling \$85,445 leaving a balance of \$244,445.
- Interior work continues with all drywall installation being complete and tile and painting being started.
- Exterior work continues with the brick and roof work being completed.

June Committee of the Whole Meeting

Mayor Hood said that there were no discussion topics on the agenda for the June 28th Committee of the Whole meeting and asked the Trustees if they would like to cancel the meeting.

It was moved by Trustee Balmes, seconded by Trustee Thorstenson to cancel the Committee of the Whole meeting for June 28, 2021.

Roll call,

AYE: 5- Balmes, Thorstenson, Woodside, Ross, Garner

NAY: 0- None

ABSENT: 1- O'Brien

Motion Carried.

E. OLD BUSINESS

None.

F. NEW BUSINESS

1. Approval of Mayor Hood’s recommendation to appoint Lori Hubbartt to the vacant Civil Service Commissioner position (vacancy created by Neddenriep).

Administrator Muetz said Mayor Hood, with support from Civil Service Commission (CSC) Chair Bonds, is recommending the appointment of Lori Hubbartt to fill the vacant CSC position. Hubbartt previously served on the CSC from June 1, 2006 until January 1, 2016. During that time, she served as Chair for two years starting in August 2013. Due to her prior experience serving on the CSC, she will be able to transition seamlessly back into service.

It was moved by Trustee Thorstenson, seconded by Trustee Ross to approve of Mayor Hood’s recommendation to appoint Lori Hubbartt to the vacant Civil Service Commissioner position (vacancy created by Neddenriep).

Roll call,

AYE: 5- Balmes, Thorstenson, Woodside, Ross, Garner

NAY: 0- None

ABSENT: 1- O'Brien

Motion Carried.

2. Approval of Fire Department's recommendation to purchase certain furniture for Fire Station #3 from the responsive low bidder, KI Furniture, at a cost of \$46,860.50.

Administrator Muetz said Fire Station #3 continues to progress ahead of schedule and staff anticipates it will be turned over to the Village in August/September, with a targeted opening date of October. As such, the Village is at a point where furniture, fixtures and equipment need to be ordered. Village staff approached FS#3 architect FGM Architects for three reputable furniture vendors that have proven successful on other public projects. Staff then solicited three bids from those recommended furniture vendors. KI was the only one that could meet the unique needs of furnishing an entire fire station. KI is a contracted vendor with Sourcwell and therefore has undergone the RFP process as required for government contracts. KI is a leading furniture contractor providing furnishings to governments, education and non-profit organizations at competitive prices. Further, the Fire Department has used KI in the past and has been very pleased with the service, equipment and support provided. This purchase includes full office furniture for the administration office, cabinetry and chairs for the watch office, tables and chairs for the training room, cabinetry and chairs for the station office, chairs for the dining room, and beds, nightstands and dressers for seven bunk rooms.

It was moved by Trustee Garner, seconded by Trustee Balmes to approve of Fire Department's recommendation to purchase certain furniture for Fire Station #3 from the responsive low bidder, KI Furniture, at a cost of \$46,860.50.

Roll call,

AYE: 5- Balmes, Thorstenson, Woodside, Ross, Garner

NAY: 0- None

ABSENT: 1- O'Brien

Motion Carried.

3. Approval of Police Department's recommendation to retire K-9 Bear and transfer ownership to Officer Dan Ruth.

Administrator Muetz said K-9 Officer Dan Ruth has submitted his resignation from the Gurnee Police Department effective July 2nd. He will be taking a job as a Police Sergeant in Queen Creek, Arizona. Officer Ruth is K-9 Bear's handler. K-9 Bear has been with the Department for 7 years and has about 1-2 years of useful service life left in him. Historically when K-9s reach the end of their useful service life, the handler assumes ownership/all responsibility for the K-9 and they are kept as a family pet. With Officer Ruth resigning while Bear still has some service life in him, based on multiple reasons staff believes it makes since to retire Bear and transition ownership to Officer Ruth. Officer Ruth will be required to sign a purchase/hold harmless agreement protecting the Village and stating Bear will not be used for any police-related activities in the future.

It was moved by Trustee Woodside, seconded by Trustee Garner to approve of Police Department's recommendation to retire K-9 Bear and transfer ownership to Officer Dan Ruth.

Roll call,

AYE: 5- Balmes, Thorstenson, Woodside, Ross, Garner

NAY: 0- None

ABSENT: 1- O'Brien

Motion Carried.

4. Approval of Ord. 2021 – 44 authorizing the execution of an addendum agreement to the Intergovernmental Agreement for highway improvements to US Route 41 with the Illinois Department of Transportation (IDOT).

Administrator Muetz said During the IDOT 132/41 interchange improvement project University Avenue was damaged by the heavy construction traffic accessing the railroad. The Village has required this section of University (one block section between Waveland and the tracks) be repaired by the State. The State is agreeable but during their repair timeframe the Village had work taking place on

Waveland related to the water main and culvert replacement project. As a result, the State will credit the Village \$15,000 to cover the repair and the Village will have its pavement contractor perform the work. To memorialize this understanding, the State has requested an addendum to the original contract.

It was moved by Trustee Balmes, seconded by Trustee Ross to approve of Ord. 2021 – 44 authorizing the execution of an addendum agreement to the Intergovernmental Agreement for highway improvements to US Route 41 with the Illinois Department of Transportation (IDOT).

Roll call,

AYE: 5- Balmes, Thorstenson, Woodside, Ross, Garner

NAY: 0- None

ABSENT: 1- O'Brien

Motion Carried.

5. Approval of Ord. 2021 – 45 amending the Annual Budget of the Village of Gurnee, County of Lake, State of Illinois, for the Fiscal Year beginning May 1, 2021 and ending April 30, 2022.

Administrator Muetz said when developing the FY 21/22 Budget staff incorrectly included the Year 4 annual maintenance cost related to the Cemetery Road Reservoir rather than the Year 3 cost. The annual fee is \$307,874 for the first three years, and then the fee drops to \$52,942. Staff incorrectly included the Year 4 cost in the budget instead of the Year 3 cost. Staff did reach out to Suez to see if the Village could pay the Year 3 cost next year, however this would have added \$20,000 in costs and therefore this option does not make sense financially. As a result, staff is requesting a budget amendment to add \$298,432 in the Utility Fund. In FY 22/23 the Village will transition to year 4 and the fee will be reduced to \$52,942. The appropriate reminders have been included in the Village's financial software so this mistake does not occur again.

It was moved by Trustee Ross, seconded by Trustee Garner to approve of Ord. 2021 – 45 amending the Annual Budget of the Village of Gurnee, County of Lake, State of Illinois, for the Fiscal Year beginning May 1, 2021 and ending April 30, 2022.

Roll call,

AYE: 5- Balmes, Thorstenson, Woodside, Ross, Garner

NAY: 0- None

ABSENT: 1- O'Brien

Motion Carried.

G. 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 Hood adjourned the meeting at 7:40 p.m.

**Andrew Harris,
Village Clerk**