

**Village of Algonquin  
Committee of the Whole Meeting Minutes  
Held in the Village Board Room  
March 8, 2016**

AGENDA ITEM 1: Roll Call to Establish a Quorum

Present: Trustees John Spella, Jerrold Glogowski, Jim Steigert, Robert Smith, Debby Sosine, Brian Dianis. President John Schmitt and Village Clerk Jerry Kautz was also in attendance.

Absent: None

Staff Members Present: Tim Schloneger, Village Manager; Russ Farnum, Community Development Director; Robert Mitchard, Public Works Director; John Bucci, Chief of Police; Michael Kumbera, Assistant Village Manager; and Attorney Kelly Cahill

Chairperson Jerrold Glogowski called the Committee of the Whole meeting to order at 7:30 p.m.

**AGENDA ITEM 2:** Audience Participation  
None

**AGENDA ITEM 3:** Community Development

Mr. Schloneger reporting:

**A. Consider a Public Event Request for the American Legion Memorial Day Parade, May 30, 2016, from the Algonquin Cemetery to Riverfront Park**

Mr. Jim Mertz, on behalf of the American Legion Post #1231, was present and had submitted a Public Event/Entertainment License Application proposing to hold their annual Memorial Day Parade on Monday, May 30, 2016 at 10 a.m. The event would include a small parade, open to the public, which begins near the veteran's monument at the Algonquin Cemetery and then proceeds south down North Main Street to Front Street and then ends at Riverfront Park (map attached). Due to the use of Village-owned property and the closure of a public street, the event is in need of Village Board approval. The Algonquin Police Department and the Algonquin Public Works Department have reviewed and have approved the proposed route without concern. The Police Department will orchestrate the closing of portions of the public streets and the directing of traffic. Consensus of the Committee of the Whole was to approve at the next Board meeting.

**B. Consider a Public Event Request for District 300 Color Run, April 30, 2016, from Westfield Community School through Willoughby Farms Neighborhood**

Ms. Ami Engel, Principal of Westfield Community School, was present and had submitted a Public event/Entertainment License Application proposing to hold their first annual Westfield Community PTO 3.1 Mile Color Run on Saturday, April 30, 2016 from the hours of 9:00 a.m. to 11:00 a.m. The event would include a 3.1 mile run leaving from and ending at Westfield Community School with the route going into the residential Willoughby Farms neighborhood areas just east and south of the school. Proceeds from the \$30.00 entry fee to participate in the event will benefit Westfield Community School. Due to the need for a temporary street closure (Sleepy Hollow Road) and the use of police services the event is in need of Village Board approval due to temporary road closure(s). In addition, they are proposing the playing of amplified music by a DJ from the hours of 8:00 a.m. to 11:00 a.m. The Algonquin Police Department and the Public Works Department have reviewed and approved the proposed route and event. Parking for participants will be available within the Westfield

Community School parking lot. The event coordinator has indicated they do not wish to utilize any ambulance service on site during the event. All "color experiences" will be kept within the school property only and will have no impact on public property. Westfield Community School will be open for participants so there will be no need for portable toilets on site. All debris will be cleared by volunteers and all such debris will be disposed at the school. No alcohol will be permitted. School District #300 has provided the necessary Certificate of Insurance naming the Village of Algonquin as additional insured and has also provided the necessary Indemnification, Waiver and Release (Hold Harmless) that is now required.

The Committee of the Whole consensus was to move this item on to the Board for approval.

#### **AGENDA ITEM 4:** General Administration

##### **A. Consider the Illinois Metropolitan Investment Fund (IMET) Tolling Agreement**

Mr. Schloneger reporting:

The Village, along with numerous other units of local government, invested funds with the IMET Convenience Fund. IMET retained Pennant Management, Inc. ("Pennant") to act as an investment advisor. Pennant recommended and facilitated a Convenience Fund investment with First Farmer Financial, LLC ("FFF"). However, the investment was fraudulent as FFF had forged documents (including supposed guarantees from the USDA) to perpetrate that fraud. The result was a loss in excess of \$50M from the Convenience Fund, \$682,962.11 of which are Village funds (the "Lost Funds"). Pennant is currently in litigation with FFF over the Lost Funds, and there are currently certain assets of FFF and its principals that are frozen and under the control of a court-appointed receiver (the "Frozen Assets"). IMET has intervened in the litigation, and is working with Pennant to value and dispose of the Frozen Assets. As a result of the nature of the investment which resulted in the loss, and questions regarding the degree of discretion granted to Pennant, there exist potential claims which Convenience Fund participants may bring against IMET and/or Pennant. However, the time limits to exercise our rights began to run as soon as IMET issued its first disclosure related to the fraud at the end of September. Unfortunately, due to the uncertainty related to the civil litigation and the schedule for selling the seized assets, we are unable to predict how long it will be before we know the full value of the recovery and, consequently, how to weigh the cost/benefit analysis of filing suit.

Based on the foregoing, attorneys representing several municipalities negotiated a Tolling Agreement with IMET. The Agreement tolls any statute of limitation, so the Village will not waive any rights to bring suit in the future. There is no monetary obligation resulting from signing the agreement. It permits the Village to preserve its discretion regarding whether to terminate the Agreement and file suit at a later date. Importantly, the Tolling Agreement is designed to expire by no later than June 30, 2016, at which time we will make an evaluation regarding the success of IMET and Pennant's recovery efforts.

Following discussion, it was the Committee of the Whole consensus to execute the agreement.

##### **B. Consider an Agreement with Sikich for Municipal Auditing Services**

Mr. Kumbera reporting:

In December, the Village along with five other communities (Fox River Grove, Grayslake, Gurnee, Lindenhurst, and Volo) issued a joint request for proposals ("RFP") for municipal audit services. The Village currently utilizes such services through a relationship with the RSM/McGladey.

In total, 12 firms responded to the RFP including the incumbent service provider. The scope of services includes an audit of basic financial statements, preparation and filing of the examination report on compliance with Public Act 85-1142, and preparation and filing of the annual financial report with the State Comptroller. If necessary, a single audit will be prepared by the audit firm if the Village receives \$750,000 or more of Federal assistance in a given fiscal year.

Village staff interviewed three audit firms based on their qualifications and proposal and is recommending moving forward with Sikich. Sikich provides services to several Illinois municipalities (Naperville, Elgin, Woodstock, Deerfield, Huntley, Lake Zurich, Wheeling, etc.) and represents 16 of the 31 AAA bond rated municipalities in Illinois. References for the firm were found to be in good standing. Sikich presented the lowest proposal of the

firms interviewed. Over the five-year contract period, the contract will save the Village approximately \$53,000 from the incumbent service provider. Staff recommends the Committee of the Whole forward this municipal audit services agreement with Sikich to the Village Board for approval by resolution at the next Board meeting on March 15. The Committee of the Whole consensus was to move this item on to the Board for approval.

### **C. Consider Police Vehicle Replacement/Purchase**

Mr. Schloneger reporting:

As part of a recent financial review of the Police Department's budget, the year-end estimate for overtime (41140) is projected to be below the budgeted amount of \$305,000. Conservative budgeting of this line-item due to recent attrition coupled with department scheduling changes has resulted in available funds to apply to scheduled replacement of capital (vehicles).

2016 Ford Utility Police Interceptor (QTY: 2) - These two vehicles will replace existing patrol units. One 2010 Dodge Charger assigned to patrol has exceeded its useful life and will be replaced. One 2011 Dodge Charger will have decals removed and be reassigned as an administrative/court vehicle. The existing 2007 Dodge Charger administrative/court vehicle has exceeded its useful life.

2016 Ford Taurus SE (QTY: 1) - This unmarked vehicle will replace an existing 2004 Ford Taurus assigned to investigations which has exceeded its useful life.

Once the three vehicles are delivered and available for use, the two Dodge Chargers and one Ford Taurus will be declared as surplus. Due to the total purchase price of the items being in excess of \$30,000, the Village Board must approve the purchase. Staff recommends the Committee of the Whole forward the following items to the Village Board at their meeting on March 15:

(1) Approve purchase of two 2016 Ford Utility Police Interceptor vehicles for a not to exceed cost of \$73,400.

(2) Approve purchase of one 2016 Ford Taurus SE vehicle for a not to exceed cost of \$22,900

The Committee of the Whole consensus was to move this item on to the Board for approval.

### **D. Review Proposed 2016-2017 General Fund Budget**

Mr. Kumbera presenting:

General Fund Budget Overview - The annual budget is a financial statement of the goals and objectives for the Village during the fiscal year. These goals and objectives have been assessed and reconfirmed over the past year regarding the delivery of basic Village services. The General Fund budget maintains conservative projections of revenues and expenditures and attempts to address the concerns for maintaining service delivery identified by elected officials, Village staff, and citizens of this community in our current economic environment. The budget for the General Fund followed a "constraint budgeting" process to ensure maintenance of existing services while enhancing budget goals by each department and division in the allocation of the limited revenues for the Village.

General Fund Anticipated Revenues (\$19,755,000)

General Fund Anticipated Expenditures (\$19,755,000)

### **E. Review Proposed 2016-2017 Budget for Remaining Fund Items:**

1. Development Fund
2. Village Construction Fund
3. Police Pension Fund
4. Debt Services Fund
5. Downtown TIF Fund

To complete the review for Fiscal Year 2016-2017 Budget, Mr. Kumbera reviewed the Debt Fund, Police Pension Fund, Village Construction Fund, Development Fund, and Downtown TIF Fund were discussed. A Public Hearing will be conducted next Tuesday before the regular Village Board meeting.

**AGENDA ITEM 5:****Public Works & Safety****A. Consider Amending Chapter 33, Liquor Control and Liquor Licensing, Sections 33.07 and 33.01 of the Algonquin Municipal Code**

Chief Bucci reported the following item:

This item is regarding changes to the Auxiliary Licensing (33.07-E) requirements for sale, dispensing, and consumption of alcoholic liquor outdoors and the BASSET Training Expiration section (33.34-B). Chapter 33, Section 7, Part E now includes language stating licensed buildings shall allow access to their outdoor areas through the premises or an occupied host/hostess station only. Also, all additional exits shall be self-closing with latch able gates or doors. Previous versions stated the exits shall be lockable. Chapter 33, Section 34, Part B-2 has been amended as per State requirements. Approved, in-person BASSET training programs are now valid for three years instead of the previous five. This will be discussed with all those businesses with outdoor liquor sales.

The Committee of the Whole consensus was to move this on to the Board for approval.

**B. Downtown Streetscape Presentation**

Mr. Mitchard, Mr. Daniel Grove, from The Lakota Group, and Mike Kerr, from Christopher Burke Engineering gave the presentation:

At the beginning of this fiscal year, the Public Works Department, in conjunction with the Village Manager, Community Development and the Village Engineer, engaged the team of Christopher B. Burke Engineers and the Lakota Group to develop a concept plan for the redevelopment of a suitable and viable downtown streetscape concept. The goal was to identify key areas of the downtown, prioritize those areas into a hierarchy of importance to the overall function of the downtown business district, and to develop specific streetscape elements that would revitalize our downtown into a destination place for shopping, recreating, biking and walking, and, most importantly attract businesses that support such activities. An estimate of the total plan including bridge enhancement work would be around \$30M.

Question of using paver bricks on Main Street and possibly other areas brought responses of much better wear than less expensive concrete painted like brick plus the estimate is 80 to 100 year life with the bricks able to be turned over 180 degrees after 40 years. Public Works Department could use rubber cutting edge plows on the brick surface in winter. The possible idea, brought up by Mr. Steigert, of closing off certain streets brought a lively response from some other members concerned about dealing with residents. Mr. Steigert agreed that further discussion is definitely required. At the end of the presentation all agreed it was well done and thanked those involved with putting it together.

**C. Consider Corrected Bid Results for Harper Drive Roadway Resurfacing Project**

Mr. Mitchard reported:

On Tuesday, January 26th, 2016 at 10:00 a.m., bids were received and opened for the Village of Algonquin's Harper Drive Roadway Resurfacing Project. Seven bids were received, a Bid Tabulation spreadsheet was created, and the bids were summarized in a Bid Recommendation which was submitted to the Village on January 27, 2016. Due to an error in the Bid Tabulation spreadsheet, the recommended bid amount to accept from the low bidder, Arrow Road Construction Co., was incorrectly stated in the letter. The error was due to an illegible handwritten unit price in the Contractor's bid. Arrow Road Construction Co.'s "As Read" Bid was actually correct, so the awarded contract price should be in the amount of \$632,786.25 as originally read, not \$624,786.25 as corrected. Please note that Arrow Road Construction Co. remains the low bidder. Arrow Road Construction still remains the low bidder for this contract. However, Staff requests that the Board re-do the motion to approve the bid for the correct amount of \$632,786.25.

The Committee of the Whole consensus was to move this item forward for Board approval.

**AGENDA ITEM6:** Executive Session  
None

**AGENDA ITEM 7:** Other Business  
None

**AGENDA ITEM 8:** Adjournment  
There being no further business, the Committee of the Whole meeting was adjourned at 9:27 p.m.

Submitted: Jerry Kautz, Village Clerk