



**Village of Algonquin
Committee of the Whole
Meeting Minutes
Held in the Village Board Room
August 14, 2018**

AGENDA ITEM 1: Roll Call to Establish a Quorum

Present: Trustees, Debby Sosine, Janis Jasper, Laura Brehmer, Jim Steigert, John Spella, and President Schmitt. A quorum was established.

Absent: Jerry Glogowski

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

Chairman Debby Sosine called the Committee of the Whole meeting to order at 7:30 p.m.

AGENDA ITEM 2: Administer Oath of Office

Deputy Village Clerk Weber administered Oath of Office to new Police Officer Ranae Cirrincione

AGENDA ITEM 3: Audience Participation

None

AGENDA ITEM 4: Community Development

A. Consider a Land Donation (Kaper's Business Center Outlot A)

Mr. Farnum presented, recently staff has identified a critical stormwater detention pond that has downstream water quality impacts and is in need of significant restoration work. The pond is located just south of Lifetime Fitness on Huntington Drive, and ultimately connects further south into the wetland complex the Village acquired recently on the east side of Randall Road.

The parcel is owned by the Northwest Algonquin/Randall Business Owners Association, which has agreed to donate the property to the Village (permanent index number of 19-29-352-002). The Village Attorney is finalizing with the owner's Attorney for the necessary title deed and policy, in order that we have assurance that there are no liens or mortgages and we are receiving good title.

The terms of the donation state that the Village will be responsible for the 2018 property taxes, of which there are none owed. Once we take possession, we will proceed with removing it from the tax rolls.

Initial improvements will be funded through a \$30,000 stormwater fee-in-lieu of detention that will be collected by the Village from the developer of the Oberweis Dairy project. The Oberweis parcel's stormwater will connect to the pond and they have decided to pay a fee-in-lieu rather than install a more costly underground detention vault on their site.

Ms. Brehmer asked how much the project would cost and who is responsible for paying for the project.

Mr. Farnum and Mr. Mitchard explained, the project should cost about \$50,000.00 which \$30,000 will be covered by Oberweis and the remaining expense would be covered by the Village.

Committee of the Whole consensus was to approve this item at the next Board meeting.

AGENDA ITEM 5: General Administration

Mr. Kumbera presented the following:

A. Consider a Standard Small Cell Pole Attachment Agreement

Recently the Village passed an ordinance regulating applicants for small cell devices both in municipal rights of way and commercial and industrial districts. Pursuant to state law and that ordinance, applicants may seek to use municipal poles for their small cell devices. Under most circumstances, the Village will be required to accept those when physically possible and when it does not interfere with public safety. The state's small cell law regulates most aspects of this rental process, but the Illinois Municipal League has still provided a model "pole attachment agreement" to use when applicants seek to use municipal poles in the right of way.

While the model agreement largely repeats the new law and ordinance standards, it is useful because it contains a "supplement" that will need to be completed for each device on each pole. That supplement can be modified to reflect the specific circumstances for each pole such as any necessary landscaping, safety, make-ready or other conditions for the use of the pole. The attached agreement is based on the IML's model pole attachment agreement although we have modified it to include the Village's own code citations and to further clarify the model language. It should be consistent with your new small cell ordinance.

Staff recommends that the Village Board approve the form of the agreement and delegate to the Village Manager the authority to execute the agreement with individual applicants with modifications to the Supplement to the Agreement that the Village Manager determines are appropriate for each application.

Ms. Jasper asked for clarification on the State Statute; does this new statute require the Village to basically allow any provider to place a small cell tower anywhere they want?

Mr. Kumbera advised, there are some restrictions and guidelines, but basically, yes.

Ms. Brehmer asked who would be responsible for tracking the date/timing, permits, and billing.

Mr. Kumbera indicated staff would be responsible for tracking and billing as they do now with other projects.

It was the consensus of the Committee to move this item to the next Board meeting.

B. Consider an Amendment to the 2017-2018 Fiscal Year Annual Budget

Village department heads submitted requests to increase their budget for Fiscal Year Ending April 30, 2018, that requires approval by the Village Board. Budget Ordinance No. 2017-O-09 created spending authority for Fiscal Year Ending April 30, 2018. Illinois statutes allow the Village Board to delete, add to, or change the budget by a vote of two-thirds of the corporate authorities then holding office.

Spending for these revisions has caused the original fund budgets to be exceeded. Budget amendments for these increases to budgeted expenditures are justified under Illinois statutes as follows: budget increases for expenditures may be made due to the use of Fund Balance (cash reserves) that existed at the beginning of the fiscal year. The preliminary change in fund balance (Revenues over Expenditures) in the General Fund indicates an increase of \$822,422 at April 30, 2018.

Ms. Brehmer asked about the budget increase for the Pollinator.

Mr. Schloneger explained that item was not budgeted.

It was the consensus of the Committee to move this item to the next Board meeting.

C. Consider Adopting a Police Pension Funding Policy

Over the past several months, Finance staff has been reviewing the Village's existing funding policy to determine funding strategies as move closer to 100% funding in the Police Pension Fund. Statutory provisions require the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. The Village's current model funds 100% of the unfunded liability by the year 2033.

Due to this foresight, the Village is able to fairly seamlessly transition to a 15-year layered amortization model which is expected to cost less because of the active tail management in later years coupled with some modest increases in employer contributions in the early years. Overall, this will greatly assist to pay down existing unfunded liability, which will give us greater flexibility to manage the risk of tail volatility later on down the road. The attached exhibits, which will be discussed in greater detail at the Committee of the Whole meeting, provide a visual representation of what the change of the amortization target will achieve.

Layered amortization is a well-researched practice that has many advantages when it comes to unfunded liability management and the core objectives of funding policy. The Government Finance Officers Association issued a "Best Practice" document on Core Elements of a Pension Funding Policy which discusses amortization of unfunded liability and using the layered approach as a best practice.

Outside of the amortization target, no changes to the existing policy provisions are recommended. The proposed policy has been reviewed by the Police Pension Board and the Village's actuary, who concur with the changes.

Ms. Brehmer asked, if there were any surplus funds, could this additional funding be allocated to pay down the unfunded pension liability, as well as toward the street fund?

Mr. Kumbera explained, putting this policy in place and acting on it should prevent shortfalls.

Ms. Jasper asked if there were any other pension funds the Village is required for maintaining?

Mr. Kumbera explained, all other employees fall under IMRF. IMRF is not managed by the Village.

It was the consensus of the Committee to move this item to the next Board meeting.

D. Consider Certain Items as Surplus

Mr. Schloneger explained; as general housekeeping, we sell the phones immediately after new phones have been deployed as ongoing recurring trade-in program. To Continue with this program, the phone's that were traded in must be declared as surplus.

It was the consensus of the Committee to move this item to the next Board meeting.

AGENDA ITEM 6: Public Works and Safety

A. Consider an Agreement with Superior Road Striping for Thermoplastic Pavement Marking Services

The Village participated in a joint bid for this service through the McHenry County Municipal Purchasing Initiative, which was led by the McHenry County Highway Department. The joint bid included the townships of Chemung, Dorr, Grafton, Hartland, Marengo, Richmond and Riley as well as the communities of Algonquin, Huntley and McHenry.

There were 4 bidders on the project with Superior Road Striping coming in the lowest at \$205,523.54 when combining the total quantities for each community. The Village of Algonquin submitted the following quantities as part of the bid:

4" line (combination of white & yellow) 41,000 linear feet

12" line (combination of white & yellow) 2,300 linear feet

24" line (combination of white & yellow) 700 linear feet

Letters and symbols 800 square feet Superior Road Striping had the lowest unit price bid for each of the above specified marking types which also makes them the lowest cost for just the Algonquin portion of the bid.

Money has been budgeted in the Motor Fuel Tax Fund to pay for this service. Therefore, it is our recommendation that the Committee of the Whole take action to move this matter forward to the Village Board for approval of Superior Road Striping to perform thermoplastic pavement marking services for the 2018/19 fiscal year.

It was the consensus of the Committee to move this item to the next Board meeting.

B. Consider an Agreement with Trotter & Associates for Phase 2 Design Engineering Services for the Waste Water Treatment Facility Phase 6B Improvements

Phase 2 Design Engineering Services as indicated in the Request for Proposal for the Wastewater Treatment Facility (WWTF) Phase 6B Improvements (VoA17-09-20A) project in the Village of Algonquin.

This project consists of:

- ☐ Package A = Biological Process Improvements
- ☐ Package B = Digestion Rehabilitation
- ☐ Package C = Roof Replacement
- ☐ Package D = UV Disinfection Upgrade
- ☐ Package E = Electrical & Automation
- ☐ Package F = Low Interest Loan Program

Finalize Loan Agreement

This project is budgeted (although mislabeled as Ph. 1) in the Water/Sewer Capital Improvement and Construction Oversight Fund (12900400-42232) in the amount of \$370,000.00. In order to make up the shortfall in this line item, the Public Works Department reviewed other line items within this fund code. The Huntington to Countryside East WM Ph. 2 package will not be accomplished in this fiscal year due to a focus on the PRV Replacement program and need to concentrate on the West portion of this project. As such the full 120K Ph. 2 Engineering budget in this line item will be transferred to the 6B Improvement line item. In addition, a small portion (31.4K) of the Ph. 2 design budget for the Huntington to Countryside West WM project will be utilized. It is anticipated that the full Ph. 2 program will overlap into the next fiscal year thus providing some cap relief in this line item.

Trotter & Associates, Inc. has a well-documented history with the Village of Algonquin. They have consistently provided good engineering design and decision making and thus far have planned a facility that operates well within its configuration. In addition to their history, staff is comfortable in the staff they have provided for the processing of our IEPA SRF Low Interest Loan application. Therefore, the recommendation is that Trotter & Associates, Inc. be considered by the Committee in the amount of \$521,400.00. This cost is based on fixed fee.

Ms. Brehmer inquired about the roof bid and if the solar panels were included in the bid.

Mr. Mitchard indicated the panels are included.

It was the consensus of the Committee to move this item to the next Board meeting.

C. Consider a Low Interest Loan Agreement with the Illinois Environmental Protection Agency for the Finance of Three Major Maintenance and Construction Projects

Staff would like consideration of an Ordinance authorizing the Village of Algonquin to enter into a Low Interest Loan Agreement with the Illinois Environmental Protection Agency for the financing of three major maintenance and construction projects to be constructed in the next five years.

The IEPA requires the Village to pass an Ordinance authorizing the Village to borrow funds from the Water Pollution Control Loan Program (WPCLP) as part of the loan application process. The amount to be borrowed includes the estimated cost of construction, design and construction engineering fees, contingency and construction period interest. The three loans are estimated to total \$24,703,400. It is recommended by Trotter and Associates, Inc. and the IEPA to include all the projects in the Loan Authorizing Ordinance to ease the process of approval and identify the future projects to the Agency. Separate loan agreements will be written as the projects are advertised to bid over the subsequent fiscal year budgets. The loans will be repaid from revenue of the wastewater utility over a 20-year period. The current interest rate for FY 18/19 is 1.84%. The Ordinance also authorizes the Village President to execute the loan agreements with the IEPA.

The IEPA also requires the Village to pass a Resolution for an Authorized Representative of the Village to sign loan application documents. The Authorized Representative is the Village Manager. Following the passing of the Loan Authorizing Ordinance, the Village is required to submit a legal opinion from the Village's attorney with respect to the validity and enforceability of the Village's obligations and the absence of conflicts with other agreements, bonds or ordinances.

Mr. Steigert asked if the Village's AAA Bond rating secured the low interest rate for the loan.

Mr. Mitchard and Mr. Kumbera explained, although application questions included the Bond rating, the qualifying municipalities receive the fixed low interest rate no matter the rating.

It was the consensus of the Committee to move this item to the next Board meeting.

D. Consider and Agreement with Applied Ecological Services for the Souwanas Creek Emergency Repair Design Build

This area is located behind Water Treatment Plant 1 on Souwanas Drive. When Alta Vista subdivision was built in 1983, the developer installed the required stormwater detention for the subdivision on-line with the creek, according to Village ordinance at that time. In order to achieve the detention capacity, a corrugated metal pipe was installed in the middle of the creek and an earthen berm was built on top of it. This is a very poor design and is no longer permitted by the Village, the Environmental Protection Agency or the Army Corp of Engineers. Thusly, the pipe running through the berm has catastrophically failed. With the heavy rain events this summer, the earthen berm has almost completely washed away and taken most of the rusted pipe with it. The area now exhibits a 5-foot sheer drop as well as dangerous pieces of rusted metal pipe sticking out from what is left of the berm. The area is no longer able to hold the required stormwater detention and is causing downstream portions of the creek to erode.

This repair was scheduled to take place as part of the reconstruction of Scott, Schuett and Souwanas streets and was anticipated to begin in 2021. Preliminary design of this area was included in the phase 1 engineering for this project, which was done by HR Green. However, it now poses an extremely dangerous situation and flooding concern and it is our opinion that this repair cannot wait.

We are proposing the work begin immediately and contracting with Applied Ecological Services and HR Green in the amount of \$111,454.00. The funding for this project will come from the Streets Improvement Fund. Gas Light Drive Improvements came in \$200,000 under the budgeted amount. These excess funds can be used to complete these repairs.

Ms. Brehmer asked if signs will be posted notifying the residents of the stabilization project.

Mr. Mitchard explained each adjacent resident is individually notified and via our website and newsletter the community can acquire the details of the project.

It was the consensus of the Committee to move this item to the next Board meeting.

E. Consider an Agreement with Evoqua Water Technologies for Replacement Membranes at Water Treatment Plant 3

Staff would like consideration to enter into an agreement with Evoqua Water Technologies in the amount of \$341,632.00. Replacement membranes at Water Treatment Plant #3 includes (3) primary cells and (2) secondary cells; a total of 544 membranes. Per final agreement with Siemens, purchase price per cell is \$540.00 per module+ inflation for a purchase price of \$611.00 per module plus \$9,248.00 in shipping. Price includes a Memcor Technician to be onsite during installation period. Membranes date back to 2005 with a 7-year life cycle expected and percentage of pinned membrane bundles is approximately 5%. Critical limit on percent pinned is 10%. Installation will be done by our Water & Sewer staff.

Funding for this project will come out of the Water & Sewer Operating Fund, in which \$345,000.00 was approved in this fiscal year budget. Therefore, it is our recommendation that the Committee of the Whole take action to move this matter forward to the Village Board for the approval of 544 membranes for Water Treatment Plant #3 costing a total of \$341.632. 00 from Evoqua Water Technologies.

It was the consensus of the Committee to move this item to the next Board meeting.

AGENDA ITEM 7: Executive Session

Moved by Schmitt, seconded by Jasper to adjourn into Executive Session to discuss land acquisition and pending litigation at 8:02 p.m.

Roll call vote; voting aye – Sosine, Spella, Jasper, Brehmer, Steigert, Schmitt.

Motion carried 6-ayes, 0-nays.

Moved by Schmitt, seconded by Sosine, to reconvene the Regular Meeting at 8:34 p.m.

Roll call; voting aye – Sosine, Spella, Jasper, Brehmer, Steigert, Schmitt.

Motion carried 6-ayes, 0-nays.

AGENDA ITEM 9: Other Business

None

AGENDA ITEM 10: Adjournment

There being no further business, Ms. Sosine adjourned the Committee of the Whole meeting at 8:40 p.m.

Submitted: Michelle Weber
Deputy Village Clerk