AGENDA COMMITTEE OF THE WHOLE November 12, 2019 2200 Harnish Drive Village Board Room - AGENDA -7:30 P.M.

Trustee Jasper – Chairperson Trustee Brehmer Trustee Glogowski Trustee Sosine Trustee Spella Trustee Steigert President Schmitt

1. Roll Call – Establish Quorum

Public Comment – Audience Participation (Persons wishing to address the Committee must register with the Chair prior to roll call.)

3. Community Development

A. Consider Annexation, Zoning, Preliminary Plat, Preliminary Planned Unit Development for Algonquin Colosseum located near Randall Road and Longmeadow Parkway

4. General Administration

- A. Consider Proposal from Hitchcock Design Group for Comprehensive Parks and Recreation Master Plan
- B. Consider Special/Public Event Request for Miracle on Main on December 7
- C. Consider Proposal from Just in Time Pool & Spa Service for Replacement of Sand Filters and Chemical Controller at Lions Armstrong Memorial Pool
- D. Consider Accepting the Police Pension Fund Municipal Compliance Report
- E. Consider the Police Pension Fund Tax Levy
- F. Consider the 2019 Property Tax Levy
- G. Review the Popular Annual Financial Report (PAFR) for the year ending April 30, 2019 (Informational Purposes Only)
- H. Consider Renewal of Intergovernmental Agreement with Northern Illinois Purchasing Cooperative (NIPC)

5. Public Works & Safety

A. Consider an Amendment to Chapter 5.03, Encroachments on Street, of Chapter 5, Streets, Sidewalks and Trees of the Algonquin Municipal Code

6. Executive Session

- 7. Other Business
- 8. Adjournment



VILLAGE OF ALGONQUIN COMMUNITY DEVELOPMENT DEPARTMENT

- M E M O R A N D U M -

SUBJECT:	Case No. 2018-19 - Algonquin Colosseum Annexation, Zoning, Preliminary Plat, Preliminary Planned Unit Development
FROM:	Russell Farnum, AICP, Community Development Director Ben Mason, AICP, Senior Planner
TO:	Committee of the Whole
DATE:	November 8, 2019

Introduction

Troy Mertz, property owner and contract purchaser, has petitioned for approval of an amended annexation agreement and amended Preliminary PUD plan for 77.49 acres of land located on the north side of Longmeadow Parkway, formerly known as Aspen Village, and annexation, annexation agreement, and rezoning and a Preliminary PUD Plan for 35.10 acres of land located just west of, and contiguous to, the Aspen Village property. The 35.10-acre parcel is located at the northeast corner of Longmeadow Parkway and Randall Road, is contiguous to the Village and can be readily annexed.

The property consists of land primarily used for agricultural cropland, characterized by existing tree lines along the property boundaries and some wetlands. The property is located in the Woods Creek watershed, which is covered by the Woods Creek watershed plan. The property is designated Medium Density Suburban Residential, Mixed Use Primarily Retail, and Mixed Use Primarily Residential on the Village's Land Use Plan.

The development proposal includes:

- Annexation of 35.10 acres
- 145,870 square feet of commercial space composed of retail, restaurant and office space
- 10,900 square feet of clubhouse space for multi-family residential apartments and townhomes
- 302 luxury apartment units
- 142 luxury townhome units
- 58 single-family residential lots
- 6-acre entertainment hub to be dedicated to Village for public use
- Preliminary planned development (PUD) approval for the entire site

- Plat of subdivision to create 108 total lots, consisting of commercial, residential apartment, townhome, single family homes, storm water, and open space lots
- Zoning upon annexation of 35.10-acre parcel to B-2, Business; R-1, single family zoning for single family home lots; and R-5, multi-family zoning for apartment and townhomes
- Access to the west side of Westfield School

Overview of the Land

The property has some significant variations in elevation, and the land plan works well with that natural topography. Low areas with hydric soils are planned for naturalized storm water control facilities, and buildings are planned on higher elevations. The land does include several acres of existing wetlands, includes some small pockets near Randall Road, and a large area at the northeast corner of the 33acre parcel. These areas



are shaded blue in the aerial photo.

Surrounding land uses include retail and agricultural uses to the west and northwest, on Randall Road, the Village's primary commercial corridor. To the north, east and south lie various phases of Willoughby Farms and Willoughby Farms South, developed with single family homes and townhomes. Northeast of the property lies Westfield Community School, which includes both an elementary school and a middle school. Westfield has limited access to only Sleepy Hollow Road, so District 300 has requested a west side access into that school campus, which is provided through a street extension in this proposal.

The area is well served with parks and open spaces. Within 1 mile of the Subject Property lies the following parks and open spaces:

- Willoughby Farms Park, 7.6 acres;
- Broadsmore Park, 3.2 acres;
- Willoughby Farms South Park, 3.78 acres;
- Dixie Briggs Fromm Nature Preserve, 155 Acres;
- Creek's Crossing creek open space and riparian corridor;
- Multiple other HOA-owned small ponds, open spaces, and Village-owned parcels.

In addition, playgrounds and field space at Westfield School are adjacent to the property.



Nearby parks and open space areas (subject property shaded orange)

Overview of the Development Proposal

The development proposal includes annexation of the 35-acre parcel, and development of the entire 112 acres with a mix of land uses that includes a large community park surrounded by retail uses near the intersection of Randall and Longmeadow, a multifamily apartment complex with 302 units, a townhome neighborhood with 142 units, and 58 lots for single family detached homes. The residential area includes a clubhouse facility that serves all of the residential units.

The proposal includes 156,000 square feet of boutique retail and restaurant space in small



buildings, clustered around the community open space and entertainment hub that includes fountains, a band shell, a full size football/soccer/lacrosse field, and surrounded by pedestrian plazas with small pavilions and other amenities. Additionally, over an acre will be granted for an expansion to Willoughby Farms Park, which is desirable to provide an expanded buffer area around the wetlands in Willoughby Farms Park. The developer is constructing these improvements as part of the development, and will deed them to the Village.

The project includes the extension of Stonegate Drive from the north edge of the property (near Willoughby Farms Park) to the south end where it will intersect with the existing stub of Stonegate at Longmeadow. This intersection will need to be signalized and was planned to be signalized when Kane County DOT constructed Longmeadow Parkway. Additional access to Randall Road will be provided at the north end of the 35-acre parcel. This location is already approved as a Randall Road access location pursuant to the Village's intergovernmental agreement ("IGA") with Kane County. Additionally, two right-in access locations are proposed to serve the retail and Colosseum area (one on Randall, one on Longmeadow). If approved, these will require an amendment to the IGA with Kane County.

Compliance with the Comprehensive Plan

The Comprehensive Plan calls for a variety of land uses on the subject property, consisting of Medium Density Suburban Residential (3 units/acre) to the east, Mixed Use Predominantly Residential near the extension of Stonegate Road, and Mixed Use Predominantly Commercial along Randall Road and Longmeadow Parkway. The Comprehensive Plan also shows the extension of Stonegate from its current terminus at the north end of the property, to its continuation on the south side of Longmeadow Parkway.

The subject property is located within Planning Area "E". This planning area calls for southerly extension of Stonegate Road and the expansion of Longmeadow Parkway. The Plan calls for "this planning area will develop as a westward extension of the suburban residential densities to the east. A transition between medium and lower density residential uses and the commercial uses in the Randall Road corridor must be established in this planning area."

This development plan matches this portion of the Comprehensive Plan. The single family detached lots to the east of Stonegate provide a land use transition between the existing single family detached lots further east, and the townhomes and multiple family proposed on the west side of Stonegate. These uses, in turn, transition to commercial uses along Randall Road.

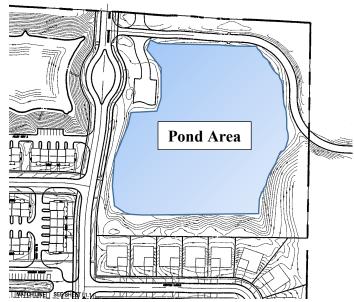
The plan further calls for "The development of the park and schools site shall establish a central neighborhood feature." In this case, the proposed plan includes land for an expansion to Willoughby Farms Park, an extension providing a much-needed second way in and out of Westfield School, and a very large recreational space within walking distance of the entire neighborhood.

This proposal is a true walkable mixed use development that fulfills solid planning principles for good land use development.

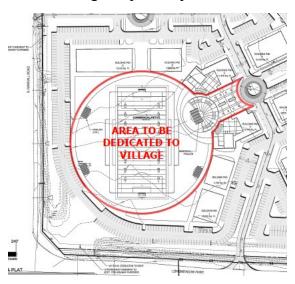
Compliance with the Parks, Recreation and Trails Plan

The Village Parks Recreation and Trails Plan calls for an expansion to Willoughby Farms Park to be provided by the eastern 80-acre portion of this project, with no parks or open space near Randall Road, as that area was primarily planned for retail. The Parks and Recreation Plan actually was adopted after Aspen Village was approved, therefore the Plan reflects the park land that was proposed with that development at that point in time.

When reviewing the prior Aspen Village plan, however, the 6-acre addition to Willoughby Farms Park was proposed to consist primarily of a large storm water retention pond, dramatically impacting the usability of that land. In planning discussions with Public Works, it was stated that they really would prefer to have useable land and a buffer area around the existing wetlands. Therefore, the Colosseum land plan reflects a smaller but much more useful addition to the Willoughby Farms Park. And, the oneacre addition is still an expansion of over ten percent. Public Works has requested lots 45-51 be platted as park parcels, which will require further discussion with the developer.



In addition to that, however, the Colosseum Plan also includes a nearly 6-acre public plaza and field central to the Entertainment Hub, which includes a band shell, pavilions, and fountains. This is not just a "saturday morning soccer" recreational space, but can be used for community events, ball games (soccer, lacrosse, football), concerts, farmers' markets, and the like. The idea of creating this public space central to a retail and restaurant area creates a user-based destination



that draws in customers for events, as well as enhancing the experience for day-to-day retail customers. The incorporation of entertainment areas and social events is a growing trend in the retail industry. Further, the highly visible location at a major entrance to our community is a huge amenity for the Village.

Both the School District and the Dundee Park District have expressed a need for such a facility, as well as a desire to help program and use the space.

In the opinion of the Community Development Department, this is a far better enhancement to the Village's parks and recreation facilities than the feeble retention pond expansion of Willoughby Farms Park that was previously planned as part of the Aspen Village.

The proposed land plan includes preservation of the existing tree lines, which will help serve as a buffer to the neighboring land uses. There are centralized open spaces located in all of the land use areas, providing green connections between neighborhoods and highlighting the natural features of the site. Some of the open spaces will contain naturalized storm water retention areas, while some are active play sites or lawn areas for passive enjoyment. Staff recommends the developer contact the owner of the farmland to the north of the 35-acre parcel – Galleria future phase III – to determine whether there might be an opportunity to coordinate on an enhanced wetland plan for the natural area that overlaps both properties.

Compliance with the Village Complete Streets Policy

The plans provide sidewalks throughout the development and following the Village's Complete Streets Policy which was adopted in 2014. Linkages have been designed within the various residential and commercial areas of the Colosseum as well as connections to the existing residential neighborhoods to the north and east. There will be an 8' wide bike path along the west side of Stonegate Road and a traditional 4' wide sidewalk on the east side of the street. Additionally, following another tenet of Complete Streets for providing connections to major community amenities and services such as schools, the developer has been working in coordination with School District 300 to provide both a pedestrian connection as well as a requested rear access road into the Westfield School campus to the east. Street D has been designed on the developer's plans to extend onto the school property, which District 300 has expressed a need for an alternate access other than Sleepy Hollow Road for school bus and emergency vehicle access. This proposed new rear access into the school property will be gated and controlled by the school district, to be utilized primarily on school days during morning drop-off and afternoon pick-up times.

Due to the access to the school, the intersection of Stonegate and Street D should have multidirectional crosswalks as this will be a major pedestrian crossing area. In addition, a 4-way stop may need to be considered at this location.

The developer's traffic study suggested considering various forms of traffic calming along Stonegate Road. To start with, the developer is already proposing lane striping on both sides of the roadway to visually narrow the drive aisles on each side, similar to Stonegate north of County Line Road. In addition, staff recommends the developer's design team explore the incorporation of roundabouts on Stonegate at the intersections of Street D and Street B, to provide controlled intersections that could also accommodate pedestrian crossing. In particular, the intersection of Stonegate and Street B, serving the retail area and entertainment hub, should be considered for a roundabout. This will alleviate any traffic backups from turning movements and allow safe pedestrian movements through the intersection.

Additionally, Public Works has recommended a Rectangular Rapid Flash Beacon on the north side of the Street F intersection, as Stonegate then transitions to the north into the existing Country Homes townhome development and Willoughby Farms Park.

Due to the level of detail necessary, the design of pedestrian infrastructure at intersections and bus stop locations and details, are typically examined at the Final Plat and Final Engineering stage of development. At this point, all streets are wide enough and designed to accommodate multi-modal users of all sorts, now and in the future. Staff is confident with the implementation of the Complete Streets Policy, with the handful of changes outlined above.

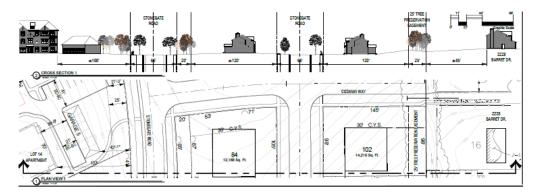
Proposed Zoning and Land Use

The overriding zoning for this development will be Planned Development, or PUD. Because of that, the land uses, lot sizes and layout, street locations, landscaping, building elevations, and other aspects of the development are ultimately controlled by the Plan and related documents that are approved by the Village. Any changes in land uses or major changes in layout would have to come back through the rezoning process as an amendment to the PUD. In fact, part of this request includes an amendment to the approved PUD for Aspen Village, which provided for a different lot layout and mix of townhomes and single family detached homes. The new plan calls for a different layout, a reduction in the number of single family detached and townhome units, and the inclusion of multiple family dwellings. In the end, the Plan that may be approved by the Board becomes the zoning for the property.

Underlying the PUD is the typical "Euclidean Zoning", which separates land uses by categories and densities. In this case, the requested zoning includes R-1 Single Family zoning for the single family detached lots, R-5 Multiple Family Residential zoning for the townhomes and multiple-family complex, and B-2 Business for the retail area and entertainment hub. These zoning districts are rational for the proposed land uses.

The proposed land uses are situated in order to provide a good land use transition from the highintensity retail uses near Randall Road to the low intensity single family homes located to the east. The apartment buildings in the multiple-family area are well landscaped and the setbacks from Stonegate assure that the 3-story height is not highly impactful on the two-story single family homes proposed east of Stonegate. The nearest multi-family building will be over 500 feet from the property lines of any existing homes. The townhomes are very residential in character and will provide a good land use buffer between the planned retail in the Galleria, and the single family homes to the east of Stonegate.

The developer has provided a cross-section view showing the height and bulk of the proposed development in order to relate the building heights, setbacks, and distances between land uses.



Conservation Design Zoning Requirements

Because the property is proposed as a PUD, the Village's Conservation Design requirements may apply, if certain thresholds are met as outlined in the Zoning Ordinance. The Subject Property meets the threshold for Conservation Design due to the high coverage (70%) of sensitive aquifer recharge area. Due to the location of the property within this area, several factors are taken into account.

The par acreage calculation is used to determine the anticipated net yield for density within the project. In this case, the par acreage calculation results in a net yield of 452 units, with a possible addition of about 60 more units through density bonus. The code outlines several factors that are possible to obtain a density bonus including the following:

- a. Internal trails and open spaces are connected with existing or potential open spaces and multi-use trails outside of the development and provide access to the public.
- b. The amount of open space provided exceeds the minimum required for the development by 10 percent or more (TBD).
- c. Open space within the development is placed into a conservation easement with a legally incorporated land conservation organization or donated to a public open space agency.
- Wetland restoration and/or enhancement are performed substantially in excess of the Village and U.S. Army Corps of Engineers permit requirements (TBD – may include offsite improvements).
- e. Remnant prairies, savannas, and woodlands are substantially restored prior to the turnover of the property to the homeowners' or property owners' association or land conservation organization. Such restoration will consist of the removal of invasive trees, brush, and herbaceous species and the establishment of native herbaceous species. (Note: the Village may want to discourage removal of the less desirable trees in the tree preservation area as it would negate the purpose of saving that buffer area)
- f. The development proposes a mix of housing types and price ranges
- g. All structures are built to LEED certification specifications, WaterSense and/or Energy Star certification (TBD).

To a degree the other criteria in the ordinance (such as preserving historic structures) would not apply in this circumstance. Staff would argue that the project meets the intent of the density bonus and the addition of the entertainment hub adds value in addition to the features of the development that are outlined above. In addition, the features include a retail layout and proposal that does not follow the standard "big box and outlots" format, but envelopes the community hub, and also that this is truly a mixed use walkable development.

One could review this ordinance line by line and argue that there are areas where this project does not comply with the exact provisions of every line. However, many obstacles prevent that. For example, the intersection of Stonegate at Longmeadow, and the location of Street A at Randall, are set points. The streets that will be extended to intersect at these locations cannot be moved, therefore, the intervening wetlands and/or hydric soils areas must be moved. While some environmentalists would claim that development is going to cause the ultimate destruction of the watershed, traffic engineers would claim the street locations cannot be adjusted and

gridlock will ensue if they are. Good planning and land use applications are always a balancing act between the environment, engineering standards, land use requirements, and the benefit to the community. It is Staff's opinion that the spirit and intent of this ordinance is upheld through this project.

Proceeding through the rest of the ordinance, the proposal meets the requirements for Conservation Design Layout, Conservation Design clustering standards, Street and Trail Standards, and Storm Water Best Practices requirements. The remaining provisions of the Conservation Design Ordinance pertain to issues found in the final plat and final engineering, as well as implementation and construction.

Economic and Fiscal Impact – Village and School District

The existing Aspen Village plan includes 120 townhomes and 105 single family homes. This would result in approximately 142 new students for District 300. Based upon an annual perstudent cost of about \$11,000, the net impact to the School District for that development would be **negative \$500,000** annually.

Even though the Colosseum project is over double the number of units (502 vs. 225), there are fewer children generated due to the reduction of the single family homes and the change in the type of housing. The Colosseum would be projected to generate approximately 127 students for the School District. In addition to fewer students, the net impact on operations would be **positive \$380,000** annually due to the higher overall values within the development.

In the same token, this project is economically advantageous to the Village. The higher densities result in a much higher EAV per lineal foot of street frontage, reducing the future financial burden upon the Village's Public Works operations. A recent study demonstrates that a 300-unit apartment complex generates \$5 Million in spending power for nearby businesses. The Village also needs a variety of housing to attract jobs to Corporate Campus, especially millennial-driven tech jobs with good salaries. Those housing opportunities are rare in our community, which creates a major concern for potential employers that are trying to build a workforce.

Lastly, more housing is needed to continue to support the retail and restaurant success the Village has had over the prior 30 years of careful growth.

Apartments and Rental Townhomes

Multi-family development, when done right, is Smart Growth. It uses land more efficiently and has less infrastructure and less long term maintenance costs to the Village. It creates a positive economic impact and increased buying power for local businesses. Changing demographics are increasing demand for more rental units. Millennials and empty-nesters alike appreciate the ability to call maintenance when something breaks down, rather than having to pay to replace a furnace or hot water heater. In addition, the ability to lock the door and head out on a new adventure is very appealing to potential renters.

High rents in quality developments automatically create a good tenant base, driving reinvestment and good maintenance in the project. Market demand is currently driving apartment construction, but only half of that demand is being constructed, despite the perception of overbuilding. Good quality apartment complexes are renting up quickly and consistently running above 98% occupancy rates - both Renew on Main (formerly Riverside) and Algonquin Square Apartments are completely full with waiting lists.

In the current marketplace, a developer needs at least 250-300 units for good on-site management to assure ongoing maintenance and good tenant screening, and offer a high level of amenities such as a clubhouse. These are key factors to maintaining long term quality in any apartment complex. In addition, assuring the units have long term quality from the start is a priority, so Staff recommends that the approval of this development include the same assurances of quality that the Village expected from Algonquin Square and Riverside, such as establishing a minimum standard for interior fixtures and finishes, as well as requiring the Crime Free Lease Addendum.

This project includes a high level of amenities, including a clubhouse, garage parking and the other enhancements outlined in the Developer's proposal. The clubhouse will include a leasing office for both the rental apartments and townhomes that would be jointly managed by one company. The rental management association would oversee on-site management and maintenance, similar to how Algonquin Square Apartments are operated west of Randall Road along Millbrook Drive.

Engineering Plans

The property is adequately serviced with public water mains and sanitary sewer mains, which would be extended by the developer to the proposed neighborhoods as development occurs. Stormwater control is also provided by storm sewers that flow into a variety of stormwater control ponds throughout the property. Many of these ponds will be naturalized and will serve as water features and visual open space amenities throughout the development.

The proposed street network and layout is very good. As noted above, Stonegate will be extended through the property as a collector street. Cosman Way is proposed to extend into the development, similar to the earlier Aspen Village development plan, providing appropriate connections between neighborhoods. The access locations to Longmeadow and Randall are in the correct locations pursuant to the agreement with the Village and Kane County Highway Department (KDOT), and Street E in the townhome neighborhood properly stubs to the westerly line of the adjoining property, providing a future connection through the Galleria Phase III parcel to Corporate Parkway.

One change that reflects a policy shift at KDOT is the provision for right-in access on Longmeadow and Randall. The traffic study demonstrates that these supplemental entries actually relieve congestion at the signalized intersections, and provide better traffic flow on the adjacent roadways. It should be noted that these accesses may require a subsequent amendment to the Village's access agreement with KDOT. KDOT has reviewed the proposed right-in/right-out access points and is comfortable with the locations as proposed, though the distance into the site prior to the first intersection may need to be adjusted to conform to the county's minimum "throat distance" standards to prevent stacking and back-ups onto Randall or Longmeadow.

Some of the interior street layout needs minor adjustment. Street E in the townhome area does not properly align with Court C at Stonegate, which could cause traffic conflicts. This requires some adjustment and is an excellent location for a traffic calming device. Some of the intersections interior to the retail area also need adjustment, and there are some traffic circles and traffic calming devices in the retail portion that provide no benefit due to nearby accesses and curb cuts that allow users to bypass the traffic calming altogether. Staff also recommends Streets A and B be private and labeled as such, since they essentially will function as a commercial frontage road system and do not provide a link between Village streets. All of the public streets will require street lighting in accordance with the Village public street light standards. No lighting plans have been provided for the retail, townhome or apartment areas, which are typically provided with the Final Plat and PUD Plan.

Traffic Study

The traffic impact study prepared by Gewalt Hamilton Associates has been reviewed by both the Village Engineer and KDOT. Both agencies are satisfied with the proposed site access, traffic flow and recommended street improvements. The developer has committed to constructing Stonegate Road through the property as one of the very first site improvements. Additionally, important, the developer will assume responsibility for adding a traffic light on Randall Road at the intersection of Street A. The Colosseum will install approximately 50% of the total cross section of the overall road construction, the remainder would be the responsibility of the Galleria Phase III developer. KDOT has provided the general requirements for the future build out of this intersection in their review letters.

A frequent question from surrounding residential neighbors is concern over the impact of traffic to the neighborhoods they currently live in to the north and east. Staff would note that a key finding of the traffic study is that the large majority of trips from the residential portion of the Colosseum would utilize the development's access points onto Randall Road and Longmeadow Parkway for entering / exiting the property. It is estimated that between the 7:00-8:00am weekday morning peak hour, a total of 140 vehicles will leave from the Colosseum development. Of those trips, 79% will exit the Colosseum property either via the new traffic signal at Randall Road (36 trips), the new full-access onto Longmeadow Parkway via Stonegate Road extended (75 trips). Only 29 vehicles are projected to drive north on Stonegate to County Line Road or Wynnfield Drive, or drive east on Cosman Way to Barrett Drive.

To document existing conditions, the traffic engineer conducted counts on both a weekday and weekend in November 2018, at peak traffic hours. For the 7:00-8:00am hour on a Thursday morning, the following vehicle counts were observed:

- > 117 vehicles approached Sleepy Hollow Road from the west on Wynnfield Drive
- > 30 vehicles approached Sleepy Hollow Road from the west on Barrett Drive
- > 26 vehicles approached Longmeadow Parkway from the north on Barrett Drive

Incorporating the projections of the Colosseum residents during the AM peak hour, additional vehicle trips at these same intersections were estimated at future build out to increase by 2 trips on

Wynnfield Drive, 6 new trips on Barrett Drive east toward Sleepy Hollow and 14 new trips on Barrett Drive south to Longmeadow Parkway.

The critical factor behind the traffic study's projections is explained on page 27 of the report, which stated for the Stonegate and Longmeadow intersection: *"future total traffic conditions assumed the implementation of...a traffic control signal upon the completion of the Longmeadow Parkway Bridge Project and development on-site. This signal should include coordination with the existing adjacent traffic control signals along Longmeadow Parkway at Randall Road and Sleepy Hollow Road to provide optimal progression." The developer therefore shall be required to install at his own expense, a traffic signal at the intersection of Stonegate Road and Longmeadow Parkway in coordination with appropriate timing as determined by the Village and KDOT.*

For a local representation of the type of traffic volume generated by a larger apartment complex, included with the developer plans and staff review memos in Dropbox are drone videos from earlier this year of the Algonquin Square Apartments on Millbrook Drive, just south of Corporate Parkway. Approximately 20 vehicles were observed entering or exiting onto Corporate Parkway from the apartment complex over a span of about 15 minutes, or about on average a little over one vehicle per minute. While not a precise correlation to the Colosseum which is also proposing townhomes and single family lots, the videos and traffic counts observed provide a general comparison for the apartments. There is a slow flow of cars, with obviously no gridlock in traffic, nor anything near it.

Parking

Commercial / Entertainment Hub

The development provides separate parking areas on site for the commercial / entertainment hub area, the apartment complex, and the townhomes. The developer followed the Village's standard parking requirements for commercial uses, at 4 spaces per 1,000 square feet of retail, 3 / 1,000sf for office and 15 / 1,000sf for restaurant. There are therefore a total of 1,047 spaces provided in the commercial areas, that would also be available for use by those visiting the entertainment hub plaza. Below is a breakdown of the projected uses as proposed by the developer:

- > 112,695 square feet of retail / restaurant (approx. ratio 60% retail / 40% restaurant)
- ➢ 33,175 square foot Fitness Center health club use
- > 10,900 square foot Clubhouse use with option to incorporate small e-gaming component

The proposed amount of parking for the commercial area would appear to satisfy the needs of the businesses and their customers, however some level of coordination will be necessary when programming events and activities in the entertainment hub plaza to determine peak demand times and needs of the business tenants that end up occupying the commercial spaces.

Apartments

Village Code requires 2.0 parking spaces for every residential dwelling unit in the community as a standard across all types (single-family, apartments, townhomes, etc.). The Colosseum

apartment component proposes a total of 566 spaces, including those in covered garages, for a ratio of 1.87 spaces per unit. The number of parking spaces therefore is 38 fewer than Village Code requires.

The developer's traffic engineer, Gewalt Hamilton Associates, analyzed the proposed number of parking spaces for the Colosseum and compared against other comparable residential apartment projects. Additionally, using parking demand projections from the Institute of Transportation Engineers (ITE), the traffic engineer put forth that based on the fact the Colosseum will have only studio, one- and two-bedroom units, the peak parking demand for the complex would be 444 parking spaces, or 160 fewer than required by Village Code.

Gewalt Hamilton's analysis was reviewed by both the Village Engineer Christopher Burke as well as Teska Associates, both of which supported the traffic engineer's conclusions that the proposed number of 566 spaces will be adequate for the apartment portion of the development.

Again, using as a local example Algonquin Square Apartments in Esplanade, behind the Hobby Lobby, the parking ratio for that development was 1.79 per unit (395 spaces for 220 garden apartment units).

Townhomes

The developer's team also provided information from another townhome development – Randall Highlands in North Aurora – to give some context to the parking layout proposed for the townhomes in the Colosseum project. Staff initially questioned whether there would be sufficient width in the garages as well as the surface driveway behind each garage, to accommodate multiple cars. Based on the analysis provided by the developer – which has not been reviewed yet by the Village Engineer – the Randall Highlands townhomes have identical garage and surface driveway sizes, and each unit is provided four spaces (2 garage and 2 surface).

While Staff will want to obtain input from Christopher Burke Engineering as well, one other concern is the relative lack of visitor parking spaces within the townhome area. Forty-two guest parking spaces are proposed, a number of which would be on-street via perpendicular parking spaces on Street D, which Staff does not support due to potential challenges for snow plowing and maintenance if that road was to be a public street. As noted in Public Works review memo, the pavement would need to be widened to accommodate standard parallel parking on both sides of Street D. Ultimately, the developer will need to explore other options for additional guest parking within the townhome areas.

Landscape Plan

The overall landscape plan is attractive and includes street trees, plantings within medians, substantial foundation landscaping around the apartment buildings and townhomes, as well as significant number of new trees proposed for the commercial / entertainment hub area. The developer is encouraged to evaluate opportunities for adding even more trees and shrubs, as the vast majority of existing trees on the property will be removed due to planned site improvements, including road infrastructure whose location is dictated by a need to align with pre-determined

access points. For example, the signalized intersection on Randall Road will require the existing tree line that divides the subject property from Galleria Phase III to be removed in order for the intersection and Street A to be constructed.

The developer is proposing to retain all trees located in the wetland area at the northeast corner of the 35-acre commercial parcel. Additionally, a 25-foot tree preservation area has been designated along the eastern edge of the property, from Longmeadow Parkway up to Cosman Way. Though it is understood most of the hundreds of existing trees in that corridor have low desirability – Boxelder, Buckthorn, etc. – they serve to provide a natural buffer to the existing residential homes to the east. The developer is encouraged to find out more about Public Works concerns about such a preservation area, however rather than an easement each homeowner would be responsible for on their lot, it is suggested the area be incorporated into the subdivision's common maintenance areas along with the stormwater ponds.

And provided underground electric, gas, cable and other similar utilities can be routed through the front yards, it is recommended the 25-foot preservation area be extended north of Cosman Way all the way along the shared boundary with Westfield School to the northern property line of the development. Residents of Lots 52-58, 83, and 95-102 would all be required to sign a Letter of Awareness acknowledging the tree preservation area and that accessory structures like sheds and pools would be prohibited within that easement.

HOA / SSA

There are considerations with the timing of improvements as the development will be built in phases. For example, all of Stonegate Road from the north boundary to Longmeadow Parkway shall be built as part of the first phase of any residential portion of the development, in order to provide adequate access to the development. Each additional phase will need to provide standalone connections to utilities and the street network, so that no future homeowner or resident is relying upon another phase of the development.

As noted above, there are several reasons the Village will require the provision for one or more Owners Association(s) to regulate and maintain elements of this development. The draft HOA and any covenants or other private understandings shall be provided for Village review and approval with the Final Plat and PUD Plan of any initial phase of the development. A backup Special Service Area (SSA) will be required, to provide funding for common area maintenance if the HOA fails to perform its duties.

Planning and Zoning Commission Consideration

On April 8, 2019, the Planning and Zoning Commission considered the case and unanimously recommended approval of the request for annexation and zoning of the 35.10-acre parcel for commercial uses, re-zoning of the 77.49-acre parcel for a mix of single- and multi-family uses, preliminary plat of subdivision and preliminary planned unit development, consistent with the development plans submitted by the petitioner, findings of fact outlined above, and with the following conditions:

- The Plat of Subdivision as prepared by Schoppe Design Associates with a latest revision date of June 14, 2019 shall be revised to incorporate comments from the July 19, 2019 Christopher Burke memo, the October 3, 2019 Public Works memo, the September 26, 2019 Teska Associates memo, and the July 23, 2019 KDOT memo. A plat note will be required that no lot shall have access to Stonegate Road.
- The Plat of Annexation as prepared by CEMCON with a latest revision date of June 18, 2019 shall be revised to incorporate comments from the July 19, 2019 Christopher Burke memo, the October 3, 2019 Public Works memo, the September 26, 2019 Teska Associates memo, and the July 23, 2019 KDOT memo.
- 3. The Site and Engineering Plans as prepared by CEMCON with a latest revision date of June 14, 2019 shall be revised to incorporate comments from the July 19, 2019 Christopher Burke memo, the October 3, 2019 Public Works memo, September 26, 2019 Teska Associates memo, the September 4, 2019 Fire Department email correspondence, the July 23, 2019 and August 14, 2019 KDOT memos, the July 12, 2019 Police Department email correspondence, and the April 3, 2019 School District 300 memo. Street E in the townhome area does not properly align with Court C at Stonegate Road and shall be adjusted. Streets A and B shall be private and labeled as such, since they essentially will function as a commercial frontage road system and do not provide a link between Village streets.
- 4. The developer shall construct Stonegate Road through the property prior to any building permits being issued for any phase of residential or commercial development.
- 5. The developer shall be required to install at his own expense, the traffic signal on Randall Road at the intersection of Street A.
- 6. The developer shall be required to install at his own expense, a traffic signal at the intersection of Stonegate Road and Longmeadow Parkway, in coordination with appropriate timing as determined by the Village and KDOT.
- 7. The perpendicular parking spaces on Street D shall be removed and the pavement would need to be widened to accommodate standard parallel parking on both sides of Street D.
- 8. The developer shall find additional alternatives for increasing guest parking within the townhome area.
- 9. The developer's design team shall explore the incorporation of roundabouts on Stonegate Road at the intersections of Street D and Street B, to provide controlled intersections that could also accommodate pedestrian crossing. Additionally, the developer shall incorporate Public Works recommendation that a Rectangular Rapid Flash Beacon be added on the north side of the Street F intersection, as Stonegate Road transitions to the north into the existing Country Homes townhome development and Willoughby Farms Park.
- 10. The Landscape Plans as prepared by Schoppe Design Associates with a latest revision date of June 14, 2019 shall be revised to incorporate comments from the July 19, 2019

Christopher Burke memo, the October 1, 2019 and October 3, 2019 Public Works memos, and September 26, 2019 Teska Associates memo. A unified landscape and fencing plan should be provided for the lots adjacent to Stonegate, to prevent the roadway from becoming "walled" on the east side by a variety of fencing heights, types and colors. Similar fencing provisions should be included for the south sides of Lots 78-83, and Lots 91-95, where they are adjacent to storm water management areas. The developer shall contact the owner of the farmland to the north of the 35-acre parcel – Galleria future Phase III – to determine whether there might be an opportunity to coordinate on an enhanced wetland plan for the natural area that overlaps both properties.

- 11. The proposed 25-foot tree preservation area along the development's eastern edge shall be extended to the northernmost property line, as well as be incorporated into the subdivision's future common maintenance areas under the jurisdiction of an HOA. Residents of Lots 52-58, 83, and 95-102 shall be required to sign a Letter of Awareness acknowledging the tree preservation area and that accessory structures like sheds and pools would be prohibited within it.
- 12. The developer shall come in for Final Plat of Subdivision and Final PUD review and approval prior to any construction taking place. The site plan, building elevations, density, landscaping, photometric plan and all development plans shall be reviewed as part of the PUD process, and the Village may add additional requirements at that time.
- 13. The Signage Plans as prepared by Schoppe Design Associates with a latest revision date of February 22, 2019 shall be further reviewed at the time of Final PUD prior to any construction taking place. Traditional multi-tenant panel ground signs shall be considered on Randall Road and Longmeadow Parkway, to accommodate signage for the commercial buildings but no businesses will be permitted individual monument signs. Village Code does not permit electronic message board signs and the proposed at the intersection or Randall and Longmeadow shall therefore be prohibited.
- 14. No use will be allowed a separate or individual access to Randall Road or Longmeadow Parkway.
- 15. Apartments shall be limited to studios, one- and two-bedroom units. No three-bedroom or greater apartment units shall be permitted. A crime free lease addendum is required for all leases.
- 16. Townhomes shall be limited to two- and three-bedroom units. No four-bedroom or greater townhome units shall be permitted. A crime free lease addendum is required for all leases.
- 17. The Village will require the provision for one or more Owners Association(s) to regulate and maintain the common elements of this development. The draft HOA and any covenants or other private understandings shall be provided for Village review and approval with the Final Plat and PUD Plan of any initial phase of the development.

- 18. All of the public streets will require street lighting in accordance with the Village public street light standards. The developer shall be required to submit lighting plans for the retail, townhome and apartment areas at the time of the Final Plat and PUD Plan review.
- 19. The developer shall submit detailed building elevations and architectural guidelines for both the commercial buildings as well as the residential single- and multi-family homes and buildings, at the time of Final PUD review.
- 20. The proposed elevations for the future multi-family residential apartment buildings shall be constructed with masonry (face brick or stone) as a major material. The color palette of the buildings shall be earth tone colors. The buildings shall have architectural features to break up the mass of the buildings, such as balconies, bump outs in the wall, mix of building materials and colors, full pitch roof with architectural grade shingles. The buildings shall be no more than 3 stories tall. All architectural elevations shall be reviewed as part of the Final PUD approval. Final details shall be evaluated at the time of Final PUD approval.

Annexation Agreement

The draft annexation agreement has been provided by the Developer, which will serve as the outline of all of the mutual obligations and understandings related to this project. Due to the changes and revisions to the development that are expected at the Committee, the Village Attorney has not prioritized the review and revision to this document. Once direction and consensus are achieved on moving this project forward, the Agreement will be revised accordingly and will be in final draft form when this project returns for Board approval.

Conclusions

Staff think this is a remarkable project that has a lot of merit and benefit to the community. The Planning and Zoning Commission concurs. The project fulfills the goals and objectives of the Comprehensive Plan, the Parks Recreation and Trails Plan, and the Complete Streets Policy. The project fulfills the intent of the Conservation Development zoning, while meeting the requirements of the KDOT IGA for access to Longmeadow and Randall Road and other provisions for the development of the property.

There are clear benefits to the community from this project. The proposed housing is in high demand, and is financially advantageous to the Village and the School District. The additional retail adds sales tax revenues to the Village. The open spaces create a useable expansion to Willoughby Farms Park and key programming opportunities at the Entertainment Hub with high visual impact at a key entrance to the Village. Stonegate Drive will be extended, completing the last missing link in this important north-south collector.

That being said, this will be the first time this project has been reviewed by the Committee of the Whole. It is understood that each of the Trustees have their own issues and concerns about the project. For this reason, Trustee input and direction on this proposal is requested. This project is not yet finalized, and Staff expect additional changes to come forth from the review by Committee. Once consensus is reached by the Committee on the changes necessary to move this project

forward, Staff and the Developer can work to make those revisions to the PUD and annexation agreement, and return to the Board for approval.

The extensive backup materials, plans, reports and other documents are on the Dropbox site for downloading:

- <u>Supplementary Materials (Dropbox)</u>
- <u>Traffic Count Video #1</u>
- Traffic Count Video #2

VILLAGE OF ALGONQUIN PLANNING AND ZONING COMMISSION Meeting Minutes April 8, 2019

AGENDA ITEM 1: Roll Call to Establish a Quorum

Present: Chairperson Patrician, Commissioners Hoferle, Szpekowski, Postelnick, Neuhalfen, Laipert, and Sturznickel.

Absent: None.

Staff Members Present: Russ Farnum, Community Development Director and Ben Mason, Senior Planner

AGENDA ITEM 2: Approval of Minutes from the March 11, 2019 Meeting.

Chair Patrician asked for a motion to approve the minutes of the March 11, 2019 meeting. Commissioner Hoferle made a motion to approve the minutes, second by Commissioner Neuhalfen. Motion was approved by voice vote.

AGENDA ITEM 3: Public Comment

There was no one wishing to make any public comment.

AGENDA ITEM 4: Request for Annexation, Zoning, Preliminary Plat of Subdivision and Preliminary Planned Unit Development for a Mixed-Use Residential and Commercial Development Located at the Northeast Corner of South Randall Road and Longmeadow Parkway

Case No. 2018-19Algonquin ColosseumPetitioner:Troy Mertz

OPEN PUBLIC HEARING AND ESTABLISH QUORUM

Chair Patrician opened the public hearing and asked to establish quorum. Commissers present: Hoferle, Neuhalfen, Laipert, Sturznickel, Szpekowski, Postelnick and Chair Patrician. A quorum was declared.

PETITIONER COMMENTS

Chair Patrician asked the petitioner to come forward and present his case. Troy Mertz approached and introduced his team, Carrie Hansen and Mike Schoppe from Schoppe Design, Kevin Serafin from Cemcon, Nick Standiford, Attorney from Schain Banks Kenney and Schwarz LTD, and himself. Kelly Cahill noted there was proper notice and swore in the petitioner and his team. Mertz introduced his project and noted he has been a resident of Algonquin for 22 years, and is a developer in the Chicago area. He is currently working on the Gilberts Conservancy and recently woked out the Creeks Crossing development in Algonquin. He owns the 80-acre former Aspen Village parcel and has a contract on the other 39 acre parcel of the property. He envisions creating a dynamic entertainment hub similar to Rosemont and the project would be a fiber optic networked community.

STAFF COMMENTS

Ben Mason thoroughly reviewed the Staff Report and noted this project complies with the Comprehensive Plan and the mixed use concepts found in the Plan and the Aspen Village project. Mason provided an overview of the development and the criteria for rezoning and PUD's. Mason noted that this was preliminary plat and plan, and many more details would be provided at the final plat and plan review stage. Mason summarized that Staff's recommendation was for approval with the conditions outlined in the Staff Report.

COMMISSION QUESTIONS/COMMENTS

Commissioner Hoferle noted the project had quite a few nice features. Hoferle noted the challenges of the Colosseum project and asked how the Village would control what goes in the entertainment hub. Mertz noted the Entertainment Hub would be built with the first phase of the project and the scope and size of the bands would be part of the programming of that public area by the Village.

Commissioner Szpekowski noted she was confused if that would be Park District or Village and now that is cleared up. She also noted the demand for apartments is exploding, and that the Village needs new projects to be competitive. Szpekowski wanted more division between the apartments and the existing single family homes and the tree lines enhanced.

Commissioner Postelnick noted that with only 500 units there wouldn't be much impact on Westfield or Jacobs for the School District. He noted that would be good for those schools as the enrollment had been dropping, and the revenue and tax benefits help the Village too.

Commissioner Neuhalfen thought the entertainment hub was a great concept but was curious if it was the right location due to the noise. Neuhalfen asked for more information on the school street connection requested for Westfield, and Mertz and Schoppe explained.

Commissioner Laipert asked how the rental units would be controlled. Mertz explained they would be part of the Owners Association which would have minimum standards. Laipert asked about the timeline and Mertz explained he'd like to break ground in 6-12 months and thought this could be built out by the end of 3 years.

Commissioner Sturznickel asked about the Aspen Village project timing being tied to the development in the Galleria. Farnum explained enough had been constructed in the Galleria that there were no more restrictions on this project, and there was even more retail being added with the Colosseum project.

Chair Patrician asked a number of questions about the Entertainment Hub and asked which way the bandshell faced. Mertz noted it was a small bandshell but the idea was it could face either way. Patrician noted pedestrian walkability was important but was concerned about the traffic flow from a major event. For the tree preservation area, who owned the trees? Mertz noted the HOA would own the trees.

PUBLIC COMMENT

Chair Patrician then opened the floor to Public Comment.

Janis Jasper of 2120 Tracy Lane noted that open land is dwindling and we had plenty of time to consider this project. This porject has 510 units compared to the previous 225 units in Aspen Village.

Cynthia Kanner, 920 Susan Court, stated apartment costs were too high and asked who could afford that rent? The road to Westfield School should be a path, and Prairie Crossing in Grayslake should be used as a model for development. Kanner questioned the need for more retail.

David Rodriguez of 1940 Cosman compared the R-1 zoning to R-5. He thought the Entertainment Hub was inconsistent with what was planned when residents moved into the area. Rodriguez thought there was enough empty buildings and apartments.

Arnold Klehm of 17N371 Binnie Lakes Trail asked if there was water and sewer.

Patrick Giancomino of 2234 Barrett Drive asked if other developments filling would drive rents down. Giacomino was very concerned about the security of school kids walking on the paths to Westfield. He noted concerns about the HOA taking care of the tree preservation area.

Scott DeMuth from 1460 Lancaster noted the Willoughby Farms Park Extension doesn't meet the Village Parks and Trails Plan.

Cindy Conomikes of 2228 Barrett wants to keep the R-1 zoning and objected to having rental townhomes. Comemikes noted that 300 apartments would need at least 1100 parking stalls. She is a teacher so she knows apartments generate a lot more students than houses.

Dean Conomikes said the land was already zoned and had concerns with apartments and increased traffic. He noted it is smarter to buy that rent and felt the entertainment hub should be down by the Fox River and not in their neighborhood. Nowhere in Algonquin are there apartments in a single family neighborhood.

Chris (last name not provided on comment form) of 2936 Talaga noted this was not like Rosemont and we didn't want to be like them, we should focus on jobs.

Steven Flesch, 940 Kensington, noted he just bought his house and if he had known apartments would be in his neighborhood he would have eliminated Algonquin as a choice.

Peggy Roberts of 12 Arbordale Court was concerned about that many rentals and Willoughby Country Homes was already 25% rentals and how much could we take?

Neil Davis 1870 Haverford noted Illinois was losing residents because of the high real estate taxes.

Amy Heading 2244 Barrett questioned the need for apartment buildings, especially without industry and jobs like in Schaumburg or Rosemont.

Kudus Badmus 1960 Cosman raised 4 children in Westview and did not plan on living in Algonquin, but the community is renting too much and the benefit is only 5% to the neighbors and no one considers about how it detracts from the neighbors.

Kathy Lossau of 4 Sheffield Court stated this land was inappropriate for a residential area and a battle of the bands would be an absolute nightmare.

Lisa Davis of 1870 Haverford Drive stated all these people would be more congestion and the Commons is insane now.

CLOSE PUBLIC COMMENT

That being the last person that wanted to speak, Chair Patrician closed the public hearing and asked for Commission comments and discussion.

Commissioner Hoferle stated he thought this plan was the best use of space. It had wetlands to refill the water tables and followed the Comprehensive Plan.

Commissioner Szpekowski noted she still had some concerns about the rental townhomes.

Commissioner Neuhalfen stated that the Village didn't allow LED signs and wanted to make a motion to remove the LED sign from the plan.

Commissioner Postelnick thought it was a great project and was going to be better than the Watermark at the Grove.

COMMISSION MOTION ON PETITION

Chairperson Patrician entertained a motion on the request.

Commissioner Sturznickel made a motion to approve the Request for Annexation, Zoning, Preliminary Plat of Subdivision and Preliminary Planned Unit Development for a Mixed-Use Residential and Commercial Development Located at the Northeast Corner of South Randall Road and Longmeadow Parkway, consistent with the plans submitted by the Petitioner, the findings of fact listed in the April 8, 2019 Community Development Memorandum, and with the conditions recommended by Staff. Second by Commissioner Postelnick. Chairperson Patrician called for a voice vote on the Motion: AYE: Hoferle, Szpekowski, Postelnick, Neuhalfen, Laipert, Sturznickel and Patrician. NAY: None. Motion passed, 7-0.

AGENDA ITEM 5: New/Old Business None.

AGENDA ITEM 6: Adjournment

A motion to adjourn the meeting was seconded and a voice vote noted all ayes. The motion carried and the meeting was adjourned at 10:25p.m.

ANNEXATION AGREEMENT

(Northeast Corner of Randall Road and Longmeadow Parkway)

I. INTRODUCTION AND DEFINITIONS

A. INTRODUCTION

THIS ANNEXATION AGREEMENT ("Agreement") is made and entered into this _____ day of ______, 2019 among the VILLAGE OF ALGONQUIN, an Illinois municipal corporation (the "Village"), ALGONQUIN MEADOWS, LLC, an Illinois limited liability company (Owner of approximately 80 acres of the Property previously annexed to the Village, and RANDALL LONGMEADOW NEC LLC (Owner of approximately 37.57 acres located at the northeast corner of Randall Road and Longmeadow Parkway). Algonquin Meadows LLC and Randall Longmeadow NEC LLC are collectively referred to as "Owners". The Village and the Owners are collectively referred to herein as the "Parties."

B. DEFINITIONS

As used in this Agreement, the following terms shall have the following meanings:

- A. <u>Multiple Family Dwelling Parcel</u> The parcel legally described on Exhibit A-1 and depicted for approximately 302 residential apartment units and approximately 142 attached townhomes on the Preliminary Plan.
- B. <u>Commercial Parcel</u> The parcel legally described on Exhibit A-2 and depicted for commercial use with a commercial footprint of approximately 145,870 square feet on the Preliminary Plan.
- C. <u>Detached Single Family Dwelling Parcel</u> The parcel legally described on Exhibit A-3 and depicted for approximately 58 detached single-family lots on the Preliminary Plan.
- D. <u>Developer</u> The person or entity which engages in actual development of the Property or any portion thereof, it being anticipated that some of the Owners may act as a Developer but that the Property or portions thereof may be sold or transferred to a person or entity which would engage in the actual development of all or a portion of the Property so acquired. Section XXVII provides for the assumption by a transferee Developer of the obligations of this Agreement with respect to the transfer of rights and assumption of obligations of a transferee Developer with respect to the portion of the Property actually transferred. If an Owner engages in actual development of a portion of the Property, such Owner shall, for the purposes of this Agreement, be considered a Developer of the parcel actually developed by such Owner.
- E. <u>Development</u> The development of the Property as depicted in the Preliminary Plan.

- F. <u>Intersection Parcel</u>. The parcel legally described on Exhibit A-4 consisting of approximately 37.57 acres of unincorporated land located at the northeast corner of Randall Road and Longmeadow Parkway.
- G. <u>Property</u> Collectively, the multiple family (apartments and attached townhomes), the detached single family dwelling, and the commercial and entertainment hub parcels, consisting of approximately 117.57 acres and legally described on Exhibit A-5. The Property contains all the parcels of land that are the subject of this Agreement.

II. RECITALS

WITNESSETH:

WHEREAS, the Owners hold fee simple title to the Property legally described on Exhibit A-5, consisting of approximately 117.57 acres.

WHEREAS, the Property is the subject of this Annexation Agreement (the "Agreement").

WHEREAS, approximately 80 acres of the Property were previously annexed to the Village under Ordinance ______, in furtherance of Ordinance 2004-O-06, which Ordinance authorized execution of an Annexation Agreement ("Original Annexation Agreement") that involved the eastern portions of the Property.

WHEREAS, this Agreement authorizes annexation of the Intersection Parcel, not previously annexed to the Village, and this Agreement amends the Original Annexation Agreement insofar as it applies only to the 80-acre residential parcel that was the subject of the Original Annexation Agreement.

WHEREAS, the Owners propose for the Property to be developed for commercial (including entertainment uses), multiple family and single family uses.

WHEREAS, it is the desire of the Village to annex the Intersection Parcel and to facilitate development of the Property pursuant to the terms and conditions of this Agreement and the ordinances of the Village, and

WHEREAS, Village and Owners have or will perform and execute all acts required by law to effectuate such annexation, and

WHEREAS, the Intersection Parcel is situated in the unincorporated area of Kane County and is contiguous to the incorporated territory of the Village, and

WHEREAS, the corporate authorities of the Village have duly fixed the time for a public hearing on this Agreement and pursuant to legal notice have held such hearings thereon all as required by the provisions of the Illinois Statutes, and

WHEREAS, the Owners propose and the Parties desire that the Property be classified as follows:

- A. The commercial and entertainment hub parcel as a Planned Unit Development in the B-2 General Retail Business Zoning District,
- B. The detached single family dwelling parcel as a Planned Unit Development in the R-1 One-Family Dwelling Zoning District for detached single-family residential uses,
- C. The attached multiple family apartment and attached townhome parcel as a Planned Unit Development in the R-5 Multiple Family Zoning District

WHEREAS, the Parties desire that the Property be developed in accordance with the zoning districts proposed above, and

WHEREAS, in reliance upon the development of the Property in the manner proposed, Owners and the Village have executed all petitions and other documents that are necessary to accomplish the annexation of the Intersection Property to the Village, and the Village has adopted all of the ordinances necessary to develop the Property as proposed, and

WHEREAS, it is the desire of the Village and the Owners that the development of the Property proceed as soon as practical, subject to market conditions, and subject to the ordinances, codes and regulations as amended by the Village and as may be superseded by the terms of this Agreement, and

WHEREAS, in accordance with the powers granted to the Village by the provisions of the Illinois Compiled Statutes, 65 ILCS 5/11-15.1-1 through 5/15.1-5, inclusive relating to Annexation Agreements, the Parties hereto wish to enter into a binding agreement with respect to the annexation of the Intersection Property to the Village and to provide for various other matters related directly or indirectly to the annexation of the Property as authorized by the provisions of said statutes, and to amend the Original Annexation Agreement insofar as this Agreement relates to the residential parcel that was the subject of the original Annexation Agreement.

WHEREAS, pursuant to due notice and publication in the manner provided by law, the appropriate zoning authorities of the Village have held such public hearing and have taken all further action required by the provision of the Illinois Compiled Statutes, 65 ILCS 5/11-15.1-3 and the ordinances of the Village relating to the procedure for the authorization, approval and execution of this Agreement by the Village.

NOW, THEREFORE, in consideration of the mutual covenants, agreements and conditions herein contained, and by authority of and in accordance with the aforesaid statutes of the State of Illinois, the Parties hereto agree as follows:

III. ANNEXATION

Owners have filed with the Clerk of the Village a duly executed petition pursuant to and in accordance with the provisions of 65 ILCS 5/7-1-8 of the Illinois Compiled Statutes, to annex the Intersection Parcel to the Village subject to the approval of this Agreement. It is expressly

Kenny Draft 11/04/2019

understood that at Owners' election, this Agreement in its entirety, together with the aforesaid Petition for Annexation, shall be null, void and of no force and effect unless upon annexation, the Property is zoned and classified and approved for the Development specified in the Preliminary Plan and as provided in this Agreement by the adoption of ordinances by the Village contemporaneously with the execution of this Agreement by the Village.

IV. ZONING

- A. Contemporaneously with the annexation of the Intersection Property, the Village shall adopt all necessary ordinances, including but not limited to, amending the provisions of the Algonquin Zoning Ordinance to provide for the Property to be classified as: (1) B-2 General Retail Business District with a special use for the entertainment hub uses, to be developed as a Planned Unit Development for the commercial and entertainment hub uses, (2) R-1 One-Family Dwelling District to be developed as a Planned Unit Development for the detached single family dwellings, and (3) R-5 Multiple Family Dwelling District to be developed as a Planned Unit Development for the apartments and attached townhomes Unit Development.
- B. Further, the Village agrees that the Property shall be developed in substantial compliance with the Preliminary Plan and the bulk regulations as set forth on the Preliminary Plan. The Preliminary Plan, including the Preliminary Engineering, is hereby approved as the Preliminary Plan and Preliminary Engineering for the residential parcel, which residential parcel includes 58 single-family lots; 102 attached townhome units; and 302 apartment units; and for the commercial and entertainment hub parcel, which parcel includes a minimum footprint of 145,870 square feet of general retail uses. Prior to development of any portions of the Property, Owner shall obtain approval of the Planning and Zoning Commission and the Village Board for the final plat of subdivision and final Planned Unit Development. Such final approval shall be granted if the plans submitted are in substantial conformance to the terms of this Agreement and the Preliminary Development Plans.
- C. The Property shall be developed in accordance with the approved preliminary development plans which shall consist of the following:
 - 1. Preliminary Planned Unit Development and Subdivision Plat prepared by Schoppe Design Associates, dated November 8, 2018; last revised June 14, 2019.
 - 2. Preliminary Landscape Plan prepared by Schoppe Design Associates dated December 13, 2018; last revised June 11, 2019.
 - 3. Existing Tree Preservation Plan prepared by Schoppe Design Associates dated December 13, 2018; last revised June 14, 2019.
 - 4. Preliminary Engineering Plans prepared by Cemcon Ltd, Consulting Engineers dated _____; last revised _____.
 - 5. School Access Drive Alternative Plan prepared by Schoppe Design Associates dated April 30, 2019.

V. PLATS OF SUBDIVISION AND WETLAND

A. The Owners may submit final plans and/or plats of subdivision for portions of the Property at Developer's sole discretion, at any time during the term of this Agreement, and the Village shall consider the final plans and/or plats of subdivision so submitted, provided that such plans and/or plats substantially conform with the Preliminary Plan and otherwise meet all the requirements of the Village ordinances as such may be modified by this Agreement (it being agreed that the provisions of this Agreement shall supersede and take precedence over the general ordinances of the Village) provided all utilities necessary to serve the phase are in place or are planned to be installed as part of the approval Final Engineering with respect to such phase.

The Village agrees to execute applications for Illinois Environmental Protection Agency ("IEPA") permits for the extension of municipal utilities upon submittal by the Owners of final engineering plans with the understanding that the execution of said application shall not be considered an approval of final engineering.

- B. Any modification to the Preliminary Plan which may be hereinafter sought by an Owner and which is deemed minor by the Village Manager may be approved by the Village administratively without submitting the modification to the Planning and Zoning Commission or any committee of the Village Board. Any modification deemed by the Village Manager to be a major modification shall be submitted to the Planning and Zoning Commission and Village Board for review in accordance with the procedures outlined in applicable sections of the Village's ordinances in effect at the time that the major modification is submitted. Any changes, whether they are determined to be major or minor, shall not be considered revisions to this Agreement.
- C. An Owner shall not be required to seek final plat approval for the Property or any portion as one whole unit, but may seek separate approvals of final plats for a portion or portions of the Property to allow for the phasing of development of the Property in such manner so long as such phasing does not violate this Agreement or the Village's zoning and subdivision ordinances and provides for orderly installation of public improvements. Owner agrees to complete those portions of the public improvements which the Village requires in order to insure contiguity and proper service for the public improvements to each portion of the Property for which final plat approval is sought. The Village shall review and, if found to be in compliance, approve and accept the public improvements for each phase in the same manner as if each phase were a separate subdivision.

The portion of the public improvements that the Owners shall complete for each development phase for which final plat approval is sought shall also include completion of those portions of the off-site public improvements such as detention areas and streets and water main and sanitary sewer connections to the extent necessary as determined by the Village applying sound engineering practices to service the land for which final plat approval is sought. Notwithstanding the foregoing, the main entrance on Randall Road at the north end of the Intersection Parcel need not be installed until the Commercial Parcel on Route 47 is platted. Bonds or Letters of Credit, as determined by Owner in its sole

discretion ("Security"), shall be furnished by the applicable Owner for all off-site and onsite public improvements. The Village shall review and, if found to be in compliance, approve and accept the public improvements for each phase in the same manner as if each phase was a separate subdivision.

- D. The Village agrees that to the best of its knowledge, the only recapture agreements applicable to and recorded against any portions of the Property are as follows:
 - 1. The 80 acre residential parcel previously annexed to the Village is subject to recapture pursuant to a certain recapture agreement between the Village and Wynwood Builders, Inc., dated November 15, 1988, providing for a recapture cost of \$184.00 per acre within the residential parcel, collectible prior to the connection to, use of and/or further extension of the municipal utility facilities referenced therein,
 - 2. A portion of the Intersection parcel is subject to recapture pursuant to a recapture agreement between the Village and O & S Development dated March 18, 2003 and recorded July 7, 2003 with the McHenry County Recorder of Deeds, providing for a recapture from the benefited property defined therein in the amount of \$84,973.82 plus interest at the rate of 7% per annum, commencing on the date the Village Board approved the recapture agreement, which amount shall be due and payable not later than the recording of a plat of final subdivision including any portion of the benefited property as defined in said recapture agreement.
 - 3. The Intersection parcel is subject to recapture pursuant to an agreement between the Village and the Kane County Division of Transportation in the amount of \$195,758.00, which obligation shall be payable upon the issuance of the first building permit for any building located on the Intersection Parcel.
 - 4. The Property is subject to a pending recapture agreement with O & S Development for land acquisition costs and legal fees associated with the Cosman storm sewer easement acquisition in the amount of \$42,891.93.
- E. The Village acknowledges and agrees that certain expenses will be incurred by the Developer in connection with its construction of all of the public improvements required to connect the Property to Route 47, including but not limited to sidewalk, storm sewer, storm water detention, if any, all roadway segments and improvements including all signalization expense, modifications, restoration, grading, engineering and surveying fees, and permit fees ("Improvements") required for the construction of said Improvements as may benefit other adjacent parcels of real estate which are not a part of the Property.

Subsequent to the adoption of this Agreement and the Annexation and Rezoning of the Property as provided for herein, the Village and the Developer shall execute a written agreement substantially in the form as set forth in Exhibit B. At the Developer's expense, the fully signed Agreement shall be recorded with the Recorder of Deeds of Kane County, Illinois.

Kenny Draft 11/04/2019

- F. Upon submittal to the Village of an application for Final Plat of Subdivision approval, upon submittal of the detailed improvement plans and specifications relating to grading, soil erosion and siltation control to the Village Engineer, and upon posting of Security, mass grading, excavation, storm water retention and detention related to the construction of public improvements, Owner may proceed at Owners' sole risk.
- G. Construction of commercial buildings and dwelling units may proceed after approval and recording of final plat of subdivision for a particular phase.
- H. The Final Plat of Subdivision for any part of the residential parcels shall be accompanied by restrictive covenants, which provide for the formation of a homeowners association, which shall be responsible for the maintenance of common elements including storm water management, landscape, open space and signage. Such covenants shall be submitted to the Village Staff, Planning and Zoning Commission and Village Board as part of the final Planned Unit Development and plat approval process.
- I. The Owner of any of the residential parcels may amend the Preliminary Plan and/or Preliminary Plat for such parcel from time to time hereafter by reducing the number of residential dwelling units approved for in the Preliminary Plan, without replacing such dwelling units that have been eliminated, and may, increase the size or dimensions of the remaining lots, all without the need for a public hearing or a formal amendment of the Planned Unit Development for the residential parcel of the Property and with Village Manager approval only.
- J. The Village acknowledges wetlands are located on the Property. The Village may, upon submittal of plans, allow the filling of said wetlands and if said filling is allowed, Developer shall pay to the Village or other appropriate wetland banking entity \$65,000 per filled acre prior to the issuance of a site development permit for any portion of the Property.
- K. The Developer agrees that the Village-approved Preliminary PUD and Subdivision Plat depicts all of the approved access points along Randall Road.

VI. FEES

Developer or Owner shall pay the following fees:

- A. Building Permit, Certificate of Occupancy and Tap-On Fees Building permit fees, certificate of occupancy fees, and tap-on fees shall be those fees charged by the Village as of the date of this Agreement. Said fees shall remain in effect for a period of five (5) years from the date of this Agreement. At the end of five (5) years, the then current building permit fee structure shall apply for the next five (5) year period. Thereafter the building fees in effect at the time the permit is issued shall apply.
- B. Village Consultant Fees The Owners agree to reimburse the Village for any reasonable attorneys' fees, planning consultants, engineering consultants' costs and any other professional costs incurred by the Village in connection with the annexation, zoning, and

platting of the Property. Upon request by the Owners, the Village shall furnish detailed invoices for services provided by the Village's retained consultants. The Village herewith acknowledges the receipt and initial sufficiency of deposits paid by the Owners prior to the commencement of annexation and zoning proceedings to begin defraying the costs of engineering, planning, and legal services for the Village as reasonably incurred. Village shall notify the Owners in writing should deposits become depleted.

- C. The Developers and their successors and assigns shall be obligated to pay all sanitary sewer and water connection fees in effect as of the date of this Agreement. Upon payment of same by Developers or their successors or assigns, physical connections shall be allowed. The Village represents and warrants that the Village has sufficient capacity to properly handle the sanitary sewage effluent and has sufficient capacity to handle all potable water and other utility needs for development as proposed for the Property.
- D. The Village agrees that for the duration of this Agreement, it shall reserve capacity of not less than _____ million gallons per day in its sanitary sewer plants, in the sewer mains installed by the Village within the Property and in sewer mains from the Property back to the sanitary sewer plants for the exclusive benefit and use of the Property.
- E. No other fees of any kind, including those set forth in the 2014 Village Development Fee ordinance, shall be imposed against the Property.

VII. DONATIONS AND CONTRIBUTIONS

The Owners or Developers shall donate, or cause to be donated to the Village the open space multiuse turf field, which donation shall be free and clear of all construction debris and materials and shall be deemed to fully satisfy and constitute 100% of Owners' obligations with respect to the required school, park, any other required public land donations and cash in lieu payments.

In addition, the Owners or Developers shall construct the school access drive from the east property line at D Street to the parking area immediately south of the south wing of the Westfield Community school building. Construction is conditioned upon receiving all necessary approvals and rights required for construction access and activities. Construction of the school access drive shall occur at the time that Street D is being constructed.

Finally, the Owners or Developers shall donate, or cause to be donated to the Village clean title to the open space 1.026 acre park located at the northeast corner of the property, northeast of single family lot numbers 47 through 52.

VIII. SUBDIVISION IMPROVEMENTS

A. On-Site Public Improvements - Developers shall be responsible for the construction and installation of those public improvements and utilities consisting of storm sewers, sanitary sewers, water mains, streets and appurtenant structures, as are needed to adequately service all phases of the Property and to have facilities available for the use of adjacent properties

in accordance with applicable Village ordinances and requirements and the following additional standards.

- 1. Roadways, Right-of-Way and Pavement Width. Developers shall construct all streets and other public improvements in accordance with applicable Village ordinances and the Preliminary Engineering Plan may be modified by the Village's review and approval of the final engineering plans. Road construction for the Property will be phased and the roads will be constructed as each phase of the development is constructed. The Preliminary Plan and Plat approved by the Village within this Agreement shall be the required rights-of-way, the required pavement cross-actions and the pavement widths for this Property.
- 2. Sanitary Sewers. The Developers shall be permitted to construct sanitary sewer service lines for the individual residences or commercial structures that are at depths less than that necessary to drain the basement by means of gravity alone.
- 3. Subsurface Utilities. All new utilities to be installed in conjunction with the development of the Property, both off-site and on-site, to include storm and sanitary sewers, water mains, electric, gas, telephone and cable television shall be installed underground.
- B. Public Improvement Security Guarantees. It is understood that prior to the construction of any streets or other public improvements, Developers shall submit the required plans, final plat, specifications and engineer's estimate of probable cost for approval by the Village Engineer and Public Works Director, as provided herein, after which and upon providing the required Security and after final plat approval and the issuance of a site development permit, the Developers may proceed to construct said streets. Upon installation of the base and upon completion of other portions of the improvements thereafter, the Security may be reduced to an amount, which in the reasonable opinion of the Village Engineer is sufficient to ensure completion of the work yet to be performed.

The Developers shall make all public improvements in accordance with the applicable ordinances of the Village and pursuant to the terms of this Agreement. The Developers, its agents, assigns or successors shall guarantee the performance and fulfillment of any such requirements by submitting a Security in favor of the Village in the amount of 110 percent of the cost of the improvements (as approved by the Village Engineer).

The Village shall reduce such securities within 30 days after Developers' request upon approval by the Village Engineer and Public Works Director. Upon completion of the improvements and acceptance by the Village, the securities shall be released. A maintenance bond equal to 10 percent of the approved estimate cost shall be provided by Owner in accordance with the Village Subdivision Ordinance.

C. Easements and Access - The Village shall upon the request of the Owners or Developers grant to utility companies mutually satisfactory to the Parties which may provide utilities to any part of the Property, such construction and maintenance utility easements over,

under, across or through property owned or controlled by the Village as are necessary or appropriate for the development of the Property in accordance with the provisions of this Agreement, the Preliminary Development Plan, and the final plat for any development phase of the Property. The Owners and Developers agree to cooperate with the Village to see that the most aesthetic equipment offered by the utility companies is used but at no additional cost to the Owners or Developers. Owners or Developers agree to grant to the Village easements required from time to time at locations mutually satisfactory to the Village, Owners and Developers

The Village further agrees that in the event the Owners or Developers are unable to obtain utility easements over, under, across or through property not owned by or under the Village's control which may be necessary or appropriate for the development of the Property or conditions acceptable to the Owners or Developers, the Village shall use its powers of condemnation to acquire such easements. All reasonable costs and expenses incurred by the Village in the securing of such easements on behalf of the Owners or Developers shall be paid for by such Owner or Developer.

D. The Developers shall be responsible for the construction of all traffic related improvements along Randall Road, including all intersections, as required by the Kane County Division of Transportation, and the Village.

IX. TEMPORARY BUILDINGS, CONSTRUCTION AND SALES TRAILER/OFFFICES

Prior to commencement of construction and final plat approval for each phase, the Developers shall submit to the Village's Building Commissioner a plan showing the location of all proposed temporary construction office and sales trailers, including parking area, fencing, signage and landscape treatment. Said plan shall also indicate the one general location within such phase where all trailers, other than the trailers for construction and sales office, shall be located. There shall be a maximum of five trailers located on each of the product types for the residential parcels. For each phase, the Developers shall be permitted one temporary office trailer to serve as construction trailer and one trailer to serve as a sales office, in addition to necessary storage trailers. The Developers shall have the right to use said temporary facilities for the purpose of start-up construction and sales activities as depicted on the Preliminary Plan. Under no circumstances shall any park site be used for the storage of temporary sales or construction trailers. After the first model for each phase becomes usable for model home purposes, the sales trailer shall be removed (and the site restored to a presentable state) no later than 30 days after the sales office moves to such model home.

Construction of temporary facilities shall be in compliance with the provisions of the Village's Building Code except that sewer and water need not be connected to the temporary facilities. At a minimum, an asphalt driveway shall be provided to accommodate vehicular access to all temporary facilities. The Developers agree to hold the Village harmless for any liability associated with the installation and operation of the temporary facilities.

The Village agrees to issue building permits upon completion of the installation of gravel roads to the construction sites. In addition, foundations may be installed prior to installation of the binder course on roads serving the building sites.

Monument signage for the residential and commercial properties shall be in conformance with Sheet 11 of the Preliminary Landscape Plan.

X. MODEL HOME SITE

After final plat and engineering approval and prior to recording for any phase of the Property and in advance of completing the installation of sanitary, storm drainage system, water mains and roadway improvements, the Developers shall be permitted, at the Developers' sole risk to construct and maintain a model home area for each residential product line, and to construct and maintain other appurtenant facilities for said model home areas, including temporary sanitary facilities including but not limited to ADA compliant portable toilets, subject to permit from the Kane County Health Department, temporary parking area, temporary trap fencing, sales signage, temporary walkways, lighting, up to three flagpoles for each of the model areas and landscaping. A condition of approval shall be that the Village Building Commissioner or his designee is satisfied that access to the model homes is safe and adequate. Access via stone or aggregate drive shall not be permitted once the model home is utilized as a sales office or open to the public as a model home. The Village agrees to issue permits to authorized Developers to construct model units within a reasonable time after submission of a building permit request of the Village Building Commissioner or his designee has approved access to the model units. The Developers shall have the right to occupy and use said models as well as their garages, for sales, sales promotions and offices for sales personnel all as may be desirable or in any way connected with the sales of dwellings on the Property. Models may be lit (interior and exterior) until 10 p.m.

Construction of models shall be in compliance with the provisions of the Village's Building Code. Each model shall not be occupied for residential dwelling or sales purposes until such time as the public improvements are sufficiently complete for the Village to issue a Certificate of Occupancy.

As part of final plat of subdivision approval for each of the residential parcels, the Village shall review the sales area plan. Upon approval by the Building Commission or his designee, said sales area plan may be used for the selling of dwellings on the residential parcel.

XI. SIGNS

All permanent signs to be erected and maintained by the Owners or Developers shall be in accordance with a sign plan approved as part of the land entitlement process by the Village Board. The Village agrees that the Developer shall be allowed to erect two (2) illuminated 10-1/2' X 36' marketing signs on Randall Road and two (2) illuminated 10-1/2' X 36' marketing signs on Longmeadow Parkway for marketing the residential and commercial projects. Non-illuminated signs not to exceed 8' X 8' shall be allowed to identify each of the residential product types being built on the Property. In addition, the Developer shall be permitted to install temporary for sale/for rent signs known as "tracker" signs along Randall Road and Longmeadow Parkway frontage of

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the Property on the weekends in which the sales trailer or model home sales offices are open. The design of the signs shall be consistent with the Village of Algonquin Sign Code.

Permanent monument signs for the residential neighborhoods shall be permitted upon completion of the public improvements serving the residential properties on Longmeadow Parkway and one permanent monument sign for the apartment project shall be permitted on Randall Road upon completion of the intersection improvement at the northwest intersection of the Property and Randall Road.

XII. BUILDING PERMITS

The Village shall issue building permits for which the Owners or Developers apply within a reasonable time after all final engineering is approved, the final plat has been signed and recorded and a copy of the plat containing the recording data is returned to the Village, all fees have been paid and the required Security has been deposited with the Village. The Village agrees to issue foundation permits for the residential buildings prior to installation of the binder course for the roads servicing the residential units. If an application for a building permit is not approved, the Village shall provide applicant with a statement in writing specifying reasons for denial of the application, including a specification of the requirements of law, which the application and supporting documents fail to meet. Such statement may consist in whole or in part of legible and understandable notations on building plans. The Village shall thereafter issue such building permits upon applicant's compliance with those requirements of law specified by the Village so long as the application and supporting documents comply with all other requirements of the Village.

XIII. CERTIFICATES OF OCCUPANCY

The Village shall issue certificates of occupancy for any unit constructed on the Property within a reasonable time following its receipt of the last of the documents or information required to support such application. If an application is disapproved, the Village shall provide applicant with a statement in writing specifying the reasons for denial of applications, including specification of the requirements of law which the application and supporting documents fail to meet. The Village shall issue such certificate of occupancy upon applicant's compliance with those requirements of law specified by the Village in the Village's review letter.

Except as provided otherwise in this Agreement, no certificate of occupancy for a dwelling unit shall be issued by the Village until there is a substantial completion of the following public improvements which are intended to serve such dwelling unit: house numbers, street signs, storm and sanitary sewer systems, water improvements, and curb, stone and binder pavement, provided, however, that the Village may issue temporary certificates of occupancy and make other reasonable allowances for completion of the public improvements which cannot be completed due to adverse weather conditions. Specifically, the Village may issue temporary certificates of occupancy certificates of occupancy for dwelling and commercial units when adverse weather conditions do not permit outside painting, landscaping, driveway, sidewalk or service walk construction, or final grading of individual homes or commercial buildings, appurtenances or lots.

XIV. WINTER MAINTENANCE

Until the streets in any platted phase of the Property are accepted by the Village, the Village shall have no obligation to keep the same plowed of ice and snow. It is agreed however, that for any platted phase that shall be or is likely to be occupied in whole or in part between November 15 and April 30 of the following year, the Village shall furnish, subject to availability, complete labor and material necessary for the removal of snow and ice from the streets constructed within such phase provided the Developers and the Village have executed the Village's customary form of sub-agreement entitled "Winter Maintenance Agreement." In the event a Winter Maintenance Agreement is not executed by the Developers and the Village, the provisions of the Subdivision Ordinance (particularly Section 22.08-J-2) shall apply to the Winter maintenance of such streets.

XV. ACCEPTANCE OF PUBLIC IMPROVEMENTS

All public improvements installed by Owners or Developers shall upon inspection and approval by the Village, be accepted by and owned and maintained by the Village except storm water detention. Individual public improvements shall be accepted as they are completed within each phase then under development. Upon completion of the improvements and acceptance by the Village, the Security will be released or proportionately reduced. A maintenance bond shall be provided in accordance with the Village's Subdivision Ordinance. The Village's Public Works Director, within 30 days of receipt of notice from the Owners or Developers that certain public improvements have been completed, shall inspect such public improvements and issue a list of corrections, if any, required for the improvements to conform to the Agreement and Village ordinances and shall promptly review any corrections, as the same are made by Owners or Developers.

The Village agrees to approve the engineering design and construction of all areas intended for ponds and lakes prior to the filing of the same with water to their intended capacities. Such engineering approval shall be made upon submission of as-built plans therefore showing such plans and lakes were installed in conformity with the approved engineering plans therefore, regardless of water levels, if any. Thereafter, such ponds and lakes may be filled to their intended capacities and no further approvals of the ponds (i.e., grading or excavation) shall be necessary from the Village for acceptance of that portion of the public storm water system.

XVI. VILLAGE ORDINANCES

- A. Zoning and Subdivision The subdivision and zoning standards for public improvements on the Property shall be governed by the final engineering and final plat of subdivision as approved by the Village. In no event shall amendment to or modification of any ordinances, codes or regulations adopted after the date of this agreement apply to lot sizes shown on the Preliminary Plan or Plat or the bulk regulations, such as yards, building heights, floor/area ratio or the like.
- B. Codes Except as otherwise provided in this Agreement, the Village codes, as amended from time to time shall apply to the development of the Property.

- C. Amendments The Village and Owners, and its successors-in-interest may, by mutual consent, change, amplify or otherwise agree to terms and conditions other than those set forth in this Agreement by the adoption of an ordinance by the Village amending the terms of this Agreement and the acceptance of same by Owners, or its successors-in-interest, subject to the provisions of the Illinois Compiled Statutes, 65 ILCS 5/11-15 1-1. In such event, only the approval of the Owner of that portion of the Property seeking the amendment need execute or approve any amendment.
- D. Sale of Property No code or ordinance of the Village shall be applicable to the Property to the extent it imposes obligations on or restricts the conveyance of property, however, no portion of the Property may be developed prior to the approval of a final Planned Unit Development by the Village.

XVII. AGREEMENT TO PREVAIL OVER CODE AND ORDINANCES

In the event of any conflict between this Agreement and any codes or ordinances of the Village, the provisions of this Agreement shall prevail to the extent of any such conflict or inconsistency except for life safety matters.

XVIII. PARTIAL INVALIDITY OF THIS AGREEMENT

In the event any provision of this Agreement (except those provisions relating to annexation and re-zoning of the property identified herein and the ordinances adopted in connection therewith), or its, application to any person, entity or property is held invalid, such provision shall be deemed to be excised herefrom and the invalidity thereof shall not affect the application or validity of any other terms, conditions and provisions of this Agreement and, to that end, any terms, conditions and provisions of this Agreement are declared to be severable.

If, for any reason during the terms of this Agreement, any approval granted hereunder regarding plans or plats of subdivision or zoning isdeclared invalid, the Village agrees to take whatever action is necessary to reconfirm such plans and zoning ordinances effectuating the zoning, variations and plat approvals herein.

XIX. TIME IS OF THE ESSENCE

It is understood and agreed by the Parties that time is of the essence in this Agreement, and that all Parties will make every reasonable effort, including the calling of special meetings, to expedite the subject matter hereof.

XX. OBLIGATIONS

The Parties acknowledge that prior to the commencement of any development activities, each of the Owners would envision transferring ownership to portions of the Property to one or more Developers. The Village agrees that no Owner or such Owner's successors in interest as to a portion of the Property shall have any liability for the failure of any other Party to this Agreement to perform its obligations with respect to any other portions of the Property. By way of example, neither the

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commercial parcel Owner or Developer or any successor in interest to the commercial parcel shall have any liability for failure of the Owner of a residential parcel or its successor in interest to perform the obligations hereunder with respect to the residential parcel. The obligations of an Owner of any portion of the Property, including monetary obligations under this Agreement shall constitute separate covenants running with the portion of the Property owned by each respective Owner or successor in interest and such monetary obligations may also become a lien upon, and only upon, the portion of the Property owned by such Owner or successor-in-interest; however, such lien shall be created only if the Village records, within the applicable chain of title, a Notice of Lien identifying with particularity, the amount of lien claim and basis therefor which Notice of Lien claim may be filed only when the obligation owed is more than 90 days overdue. Such recorded lien shall not have retroactive application but shall exist only from the date of recording of the Notice of Lien. The Village agrees that the obligations of the respective Owners and their successors in interest with respect to each separate portion of the Property are separate and not joint. As provided for in Section XXVII and reiterated herein, upon assumption by a successor in interest, including a Developer, with respect to any portion of the Property conveyed to such person, the prior Owners of such portion of the Property shall automatically be released from performance of those obligations contained in this Agreement with respect to the portion of the Property so conveyed and furthermore, any lien created to enforce such obligations shall be recorded and burden only the portion of the Property owned by the Party alleged to have breached the terms of this Agreement and shall specifically not be a lien or encumber or burden any other portions of the Property.

The owners shall allow the Village of Algonquin, and its agents and subcontractors, to conduct water exploration tests on the residentially zoned portion of the property.

XXI. BINDING EFFECT, TERM AND SURVIVAL

This Agreement shall be binding upon and inure to the benefit of the Parties, their successors and assigns including, but not limited to, successor Owner of record, successor Developers, lessees and successor lessees and upon any successor municipal authority of the Village and successor municipalities for a period of 20 years from the later of the date of execution hereof and the date of adoption of the ordinances pursuant hereto. The provisions contained in this Agreement shall survive annexation of the Intersection Property and shall not be merged or expunged by the annexation of the Intersection Property to the Village.

XXII. VILLAGE APPROVALS

Whenever an approval, discretion, or consent of the Village, or of any of its boards, commissions, departments, officials or employees, is called for under this Agreement, the same shall not be unreasonably withheld, delayed or exercised.

XXIII. USE OF PROPERTY FOR FARMING/FARMHOUSE

Any portion of the Property, which is not under development as provided herein, may be used for farming purposes and for continuation of the present uses of all structures on the Property, regardless of the underlying zoning, until actual development of the portion of the Property currently devoted to such uses.

XXIV. NOTICES AND REMEDIES

Upon breach of this Agreement, any of the parties in any court of competent jurisdiction, by any action or proceeding at law or in equity, may exercise any remedy available at law or equity.

Before any failure of any Party to perform its obligations under this Agreement shall be deemed to be a breach of this Agreement, the Party claiming such failure shall notify, in writing, by certified mail/return receipt requested, the Party alleged to have failed to perform and performance shall be demanded and the Party alleged to have failed to perform shall have a period of 15 days within which to commence to rectify such failure unless an emergency condition is deemed to exist, in which event the notification letter shall so state and designate a cure period as necessary to avoid such emergency condition.

In the event any Party chooses to sue another Party in order to enforce the obligations hereunder, the prevailing Party shall pay all costs and expenses incurred by the prevailing Party, including, but not limited to, attorneys' fees and court costs, In addition, if an Owner does not pay any fees provided for herein, the Village may withhold the issuance of building permits to such Owner for only those residential units or commercial space being constructed by that Owner until payment is received, or if the appropriate security is not deposited, withhold approval of plat or subdivision for that specific portion of the Property being developed, until the appropriate security is delivered. Village may use any remedies available to it to collect such fees and charges as are due.

Notice shall be provided at the following addresses:

Village	Village Clerk and Village Manager Algonquin Village Hall 2200 Harnish Drive Algonquin, IL 60102
Village Attorney	Kelly Cahill, Esq. Zukowski, Rogers, Flood & McArdle 50 Virginia Street Crystal Lake, IL 60014
Village Engineer	Frank Cuda Scheflow Engineers 1814 Grandstand Place Elgin, IL 60123
Owner	Algonquin Meadows, LLC 340 W. Butterfield Road Unit 2D Elmhurst, IL 60126

Owner	Randall Longmeadow, NEC, LLC
Attorney	Robert C. Kenny Schain, Banks, Kenny & Schwartz 70 W. Madison Street, Suite 5300 Chicago, IL 60602

XXV. SCHEDULE OF DEVELOPMENT

If requested by the Village, Developer shall submit to the Village a schedule of development, but not more frequently than on a semi-annual basis, so that the Village can adequately plan for and provide municipal services to the Property. It is acknowledged that said schedules are anticipatory in nature, are subject to economic conditions, and will change from time to time as circumstances change and shall represent Owners' best reasonable estimate at the time of its intended schedule of development. It is further acknowledged that these development schedules are exclusive of the commercial parcel due to the uncertainty of the market demand for commercial uses. It will be the responsibility of the commercial parcel owner to keep the Village advised of development plans and timelines.

XXVI. SALE OF PROPERTY

It is expressly understood and agreed that any Owner and/or successor may sell or convey all or any part of the Property for the purposes of development, and upon each sale or conveyance, the purchase shall be bound by and entitled to the benefits of this Agreement with respect to the part of the Property sold or conveyed. When any such purchaser agrees to assume Owners' obligations hereunder with respect to the portion of the Property conveyed, the Village shall be notified of such purchase and agreement, and the Village hereby covenants and agrees that it shall release Owner and any successor from its respective obligations hereunder with respect to that part of the Property so purchased. However, a selling Owner, however, may only be released where:

- A. Provision has been made that all such public improvements required by this Agreement or Village ordinance for the development of the parcel being sold will be installed and guaranteed in accordance with this Agreement and the ordinance of the Village, and
- B. The Village has remaining in place some reasonable assurances of performance to assure the Village that any development responsibilities not yet satisfactorily completed by such Developer on the portion of the Property for which release is sought will be completed, and
- C. All monetary obligations of the Owner due to the Village as of the time of conveyance and attributable to the portion of the Property conveyed have been satisfied in full, and

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- D. The purchaser assumes all obligations of the selling Owner and Developer arising with respect to such portion of the Property acquired by such purchaser, and
- E. The Owner and purchaser comply with the Subdivision Ordinance.

Upon request by a prospective purchaser, the Village shall provide a written estoppel statement with regard to the portion of the Property to be transferred setting forth any circumstances which Village contends created a default under this Agreement as of the date of such estoppel statement.

When residential lots are sold to the end user and when commercial space is leased to the end user, said end users shall not be bound by any of the development terms or fees set forth in this Agreement, it being the intent that such responsibilities shall remain with the developers.

XXVII. CONDOMINIUM REGULATIONS

No ordinance now existing or hereinafter enacted, regulating condominiums shall be applicable to the Property to the extent that the requirements of such ordinance are more restrictive than those of the Illinois Condominium Property Act, as amended from time to time.

XXVIII. MUTUAL ASSISTANCE

The Parties shall do all things necessary or appropriate to carry out the terms and provisions of this Agreement and to aid and assist each other in carrying out the terms and objectives of this Agreement and the intentions of the parties as reflected by said terms, including, without limitation, the giving of such notices, the holding of such public hearings, the enactment by the Village of such resolutions and ordinances and the taking of such other actions as may be necessary to enable the Parties' compliance with the terms and provisions of this Agreement and the intentions of the Parties as reflected by said terms. The Parties shall cooperate fully with each other in seeking from any and all appropriate governmental bodies (whether Federal, State, County or local) financial or other aid and assistance required or useful for the construction or improvement of property and facilities in and on the Property or for the provision of services to residents or owners of occupants of the Property. It is further understood and agreed the successful consummation of this Agreement and the development of the Property is in the best interests of all the Parties and requires their continued cooperation; however, nothing contained in this Agreement shall affect any owner's right to mortgage, encumber or convey the Property as a whole separately to one or several third parties. The Village acknowledges that it shall not enact an ordinance establishing a development moratorium unless unforeseen circumstances arise that would prevent the safe and efficient construction and development of new residential and commercial structures.

XXIX. VILLAGE REPRESENTATIONS

Village represents and certifies as follows, which shall survive annexation of the Property.

- A. Wastewater Treatment The Village has a fully functional wastewater treatment facility with sufficient capacity to serve the proposed development on the Property. Payment of the tap-on fees shall be on a per unit basis payable at the time of issuance of individual building permits. The availability of wastewater treatment shall be subject to restrictions that apply generally to all developers within the Village and subject to the availability of IEPA permits.
- B. Water Supply The Village has a fully functional potable water supply system sufficient to serve the proposed development of the Property subject to restrictions that apply generally to all developers within the Village and subject to the availability of IEPA permits for water main extensions.
- C. The Property is within the Facilities Planning Area of the Village.

XXX. STRICT PERFORMANCE AND FORCE MAJEURE

The failure of any Party to insist upon the strict and prompt performance of the terms, covenants, agreements and conditions herein contained, or any of them, upon any other Party imposed, shall not constitute or be construed as a waiver or relinquishment of any Party's rights thereafter to enforce such term, covenant, agreement or condition but the same shall continue in full force and effect. If the performance of any covenant to be performed under this Agreement by any Party is delayed as a result of circumstances which are beyond the reasonable control of such Party (which circumstances may include acts of God, war, acts of civil disobedience, strikes or similar acts), the time for such performance shall be extended by the amount of time of such delay.

XXXI. APPROVED PLANS AND EXHIBITS

The Village agrees that the preliminary development plans listed in Section IV-C are hereby approved and made a part of this Agreement.

IN WITNESS THEREOF, the Parties have executed this Agreement the day and year first above written.

VILLAGE: THE VILLAGE OF ALGONQUIN By_____

Village President John Schmitt

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Attest

Village Clerk Gerald Kautz

ALGONQUIN MEADOWS, LLC

By_____ Manager

By_____

Manager

RANDALL LONGMEADOW NEC, LLC

By_____

Manager

By_____

Manager

By_____

Sole Member

No. ____

AN ORDINANCE PROVIDING FOR REIMBURSEMENT OF CERTAIN COSTS ASSOCIATED WITH THE CONSTRUCTION OF PUBLIC IMPROVEMENTS

WHEREAS, ______, hereinafter "Developer," will develop a tract of land in the Village of Algonquin, Kane County, Illinois, an Illinois municipal corporation, hereinafter "Village"; and

WHEREAS, Developer intends to construct all of the public improvements required to connect the Property to Route 47, including but not limited to sidewalk, storm sewer, storm water detention, if any, all roadway segments and improvements including all signalization expenses, modifications, restoration, grading, engineering and surveying fees, permit fees required for the construction of said public improvements, and sanitary sewer and potable water mains if required by the Village ("Improvements") as may benefit other adjacent parcels of real estate which are not a part of the Property.

WHEREAS, construction of the Improvements will be fully constructed and completed by Developer at its own expense, and said Improvements will benefit the adjacent parcel of land to the north of the Property; and

WHEREAS, the total expense of construction of the Improvements has been determined by the Village Engineer to be _____.

NOW, THEREFORE, be it ordained by the President and Board of Trustees of the Village of Algonquin, Kane County, Illinois as follows:

Section 1: The above Recitals are incorporated herein.

Section 2: The Improvements are hereby approved and accepted, being substantially in accord with the requirements of the Annexation Agreement between the parties, and with the plans and specifications therefor previously approved by the Village Engineer. The entire costs of construction of said Improvements has been determined by the Village to be ...

Section 3: In order to effect a fair and equitable allocation of the entire cost of the Improvements, between Developer and any others who might be benefited in the future, it is hereby determined that Developer shall be entitled to recover the aggregate principle sum of \$______ together with interest on the unpaid balance thereof at the rate of __% per annum from and after the date the Improvements are placed on maintenance bond status by the Village, from the person or persons from time to time owning the parcel of land immediately north of the portion of the Property fronting on Route 47, identified in the map attached hereto as Exhibit A, hereinafter "Benefitted Area" and made a part hereof.

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Section 4: Said recovery shall be limited to the proceeds of recapture fees collected from time to time by the Village, as hereinafter set forth.

Section 5: Before the Benefitted Area, or any part thereof, shall be approved for a building permit for construction on the Benefitted Property, the applicant for building permit shall first pay to the Village Treasurer the sewer recapture fee for the use, benefit and purposes hereinafter specified, \$______, together with the aforesaid prescribed interest charge of __% thereon for every month or any part of a month thereafter to and including the month in which the Improvement recapture fee and all interest charges are paid in full. No building permit shall be issued for any building within said Benefitted Area, or any part thereof, unless the fee hereinabove provided shall have been paid.

Section 6: The Village Treasurer shall deposit such sums in a separate account in an approved depository, and shall pay over to Developer all recapture fees and interest charges upon receipt thereof until Developer shall have recovered the aggregate sum of <u>dollars</u>, together with the interest charges thereon as hereinabove provided. Said fees and interest charges shall be paid by the Village to Developer as soon as practical after the first day of the month following the month of their receipt but, in any event, no later than the 30th day of the month following the month of that receipt. The Village shall also provide Developer, upon request, but no more than once every quarter, with a summary stating the fees and interest collected from all Owners and Developers paying such.

Section 7: Developer shall defend against any and all challenges, claims, demands, liabilities, and losses arising from this Recapture Agreement; and. further, shall indemnify and hold harmless the Village from any and all claims, demands, liabilities and loses arising from its participation in this Recapture Agreement.

Section 8: The Village shall make all reasonable efforts to make collection of the recapture fees described in this Ordinance, but shall not be obligated to bring any suit to enforce the collection of same, nor shall the Village or any of its officials be liable in any manner for failure to make such collection; but nothing shall prevent Developer from bringing such a suit to enforce the collection of same on the Village's behalf.

Section 9: Nothing herein shall limit or in any way affect the rights of the Village to collect other fees and charges pursuant to Village ordinances, resolutions, motions or policies, including but not limited to water connection and sewer connection charges.

Section 10: By reason of the completion of the installation of the Improvements, and approval and acceptance of the work, by the Village Engineer, the same has become the property of the Village; hereafter, the Village shall without cost to Developer maintain the Improvements pursuant to Village policies and ordinances in effect from time to time.

Section 11: To the extent permitted by law, the Village agrees that any annexation or amendment to any annexation agreement or any development agreement entered into, after the date of this Ordinance, with any Owner/Developer of property within the Benefitted Area that is not now within

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the corporate limits of the Village, shall contain a specific provision requiring said Owner/Developer to pay the fees and interest herein provided for.

Section 12: This Ordinance constitutes a contract between Developer and Village and may be amended by the parties from time to time without the consent of any other person owning land in the Benefitted Area, or paying or due to pay connection fees after the date of enactment hereof.

Section 13: If any provision of this Ordinance, or the application of a provision of this Ordinance to any person or circumstance, shall be held invalid, the remainder of this Ordinance, or the application of a provision of this Ordinance to a person or circumstance other than those as to which it is held invalid, shall not be affected.

Section 14: All. ordinances, resolutions, or motions in conflict with this Ordinance are to the extent of such conflict hereby repealed.

Section 15: This Ordinance shall be in full force and effect from and after its passage, approval, and publication according to law.

ADOPTED THIS _____ DAY OF ____2019.

AYES:

NAYS:

ABSENT:

APPROVED THIS _____ DAY OF _____, 2019.

Village President

ATTEST:

Village Clerk

DEVELOPER herein indicates its consent and approval of the attached Ordinance.

Dated this _____ day of _____, 201.

DEVELOPER

EXHIBIT 1 TO RECAPTURE AGREEMENT

LEGAL DESCRIPTION OF PROPERTY

EXHIBIT 2 TO RECAPTURE AGREEMENT

LEGAL DESCRIPTION OF BENEFITED PROPERTY



VILLAGE OF ALGONQUIN GENERAL SERVICES ADMINISTRATION

- M E M O R A N D U M -

DATE:	October 18, 2019
TO:	Tim Schloneger, Village Manager
FROM:	Parks and Recreation Master Plan RFP Evaluation Team
SUBJECT:	Comprehensive Parks and Recreation Plan Recommendation of Award

This past summer, the Village issued a request for proposals for development of a Comprehensive Parks and Recreation Master Plan (hereinafter "the plan"). The Plan will drive Village long-range planning, direct decision-making, and resources toward a clearly defined vision for its future, including development and redevelopment of the parks, facilities, open space, and recreation system, over the next ten (10) years.

Background

To guide the physical development of parks and operational aspects of recreation programming, the Village predominantly utilizes the Parks, Trails and Open Space Plan, which was developed by Village staff in 2008, and the Events and Recreation Evaluation Plan, which was developed by a consultant in 2009. The Illinois Association of Park Districts standard guideline for parks and recreation agencies is to have a Comprehensive Master Plan developed every ten (10) years, and is further a mandatory requirement for those agencies seeking formal accreditation.

As this service is atypical of Village procurement, a sealed cost request for proposals was issued so that the Village evaluation team could evaluate responses based purely on the firm's ability to meet the specifications of the proposal as opposed to seeking the lowest cost proposal. Accordingly, the Village budgeted \$80,000 as a placeholder in the FY 19/20 budget for this project.

Evaluation Team

To evaluate proposals, a cross-functional evaluation team was formed to review proposals and make a collective recommendation to the Village Board. The members of the team included:

Matthew Bajor, Management Intern Katie Gock, Recreation Superintendent Michael Kumbera, Assistant Village Manager Steve Ludwig, General Services Superintendent Robert Mitchard, Public Works Director Stacey VanEnkevort, Recreation Supervisor Michele Zimmerman, Assistant PW Director Janis Jasper, Village Trustee* Debby Sosine, Village Trustee*

Responses

The Village received three (3) responses from qualified firms to perform the work. These firms were all invited to interview with the evaluation team and included the following:

- 1. Hitchcock Design Group
- 2. Site Design
- 3. Planning Resources Incorporated

The proposals contained a variety of base and optional services (plus reimbursable expenses) and ranged from \$79,850 to \$139,700.

Recommendation

The Comprehensive Parks and Recreation Master Plan process is multifaceted and success requires a multidisciplinary consulting team that truly understands the Algonquin community. The consensus of the evaluation team was that Hitchcock Design Group (hereinafter "HDG") and their sub consultants would best meet the goals of the Village in this process. Specifically, the HDG was view strongly in the following categories:

Public Input – The proposed process is very thorough and the firm uses a variety of approaches to obtain critical stakeholder feedback. Additionally, ETC Institute performed the survey in the 2009 plan which provides additional familiarity of performance. The evaluation team viewed that quality of communication materials and engagement approaches favorably.

Ecologist – HDG was the only responding firm that included an Ecologist on the project team and one that has experience working with the Village. This was viewed favorably by the evaluation team as the firm understood the Village maintains a large amount of natural/open space areas and would effectively incorporate this area into the plan.

Design – The portfolio of HDG and their sub consultants is of high quality and consistent with the design and architecture standards in Algonquin. This was view favorably by the evaluation team.

Program Analysis – The Village's recreation programming has historically succeeded by offering unique experiences not found by overlapping agencies and leveraging partnerships with the library, schools, and private contractors. The solution employed in this setting far differs from that of larger agencies. HDG's proposal includes a very data-driven and innovate approach to programming that was viewed favorably by the evaluation team.

The HDG proposal was the highest of the three proposals. Accordingly, staff negotiated with HDG to seek alternatives for cost reduction. The base project cost has been reduced to \$104,000. Staff recommends the option of the \$3,200 to include the online survey to gather maximum public input to the process.

After discussion with HDG, the other two options (cross tabulation of data and conceptual plans of parks and facilities), are best to be determined once the project is a bit further along. The cross tabular data would be of benefit in the event there are patterns of differing results by geography or certain demographic data (+\$2,500). The conceptual plans would be completed after the Comprehensive Master Plan is complete and specific site recommendations are available (+\$10,500) and would further assist the Village in pursuit of external/grant funding such as the OSLAD grant program.

<u>Summary</u>

The Comprehensive Parks and Recreation Master Plan is an important policy document to align resident and community stakeholder demand with several million dollars of parks and recreation investment over the next decade.

Staff recommendation is to authorize the award of the Comprehensive Parks and Recreation Master Plan to Hitchcock Design Group for a not to exceed amount of \$120,200. Of this amount, we expect approximately \$60,000 to be expended in FY20 with the remainder of the balance to be appropriately budgeted in FY21. Staff will be available prior to and at the meeting for any questions.

Village of Algonquin

Request for Proposals

Comprehensive Parks and Recreation Master Plan



Issue Date: July 18, 2019

Submission Deadline: August 23, 2019 5:00 P.M. CST

PROPOSALS RECEIVED AFTER THE SUBMISSION DEADLINE WILL BE RETURNED UNOPENED

RFP Coordinator:

Michael Kumbera Assistant Village Manager 2200 Harnish Drive Algonquin, IL 60102-5995 Telephone: 847-658-2700 Fax: 847-658-4564 Email: michaelkumbera@algonquin.org

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General Information

Introduction

The Village of Algonquin (hereafter referred to as "Village") is requesting proposals (hereafter referred to as "RFP(s)") from qualified consulting firms (hereafter referred to as "Firm(s)") to provide professional services to the Village to develop a Comprehensive Parks and Recreation Master Plan (hereafter referred to as "Plan"). The selected firm will have proven experience and knowledge in park and recreation planning, project management and effective public involvement processes and work closely with Village staff in preparing the Plan.

The Plan will drive Village long-range planning, direct decision-making, and resources toward a clearly defined vision for its future, including development and redevelopment of the parks, facilities, open space, and recreation system, over the next ten (10) years. The planning process will consist of the following components: needs assessment, visioning, identifying, and evaluating community needs, priorities, and opportunities, and creating a phased implementation and financial plan. The firm will create a document which summarizes the planning process, data collected, the analysis of forecasted needs, and implementation strategies for review and approval by the Village Board following presentation.

Description of Village

The Village of Algonquin, a home rule community as defined by the Illinois Constitution, was incorporated in 1890 and is located approximately 45 miles northwest of the City of Chicago in McHenry and Kane Counties. Algonquin has a land area of 12 square miles and a population of 30,046 as certified in the 2010 Decennial Census.

Policy making and legislative authority are vested in the Village Board, which consists of the President and six trustees. The Village Board is responsible, among other things, for passing ordinances, adopting the budget, appointing committees and hiring the Village Manager and Village Attorney. The Village Manager is responsible for carrying out the policies and ordinances of the Village Board, for overseeing the day-to-day operations of the Village, and for appointing the heads of the Village's departments.

The Village provides a full range of services including police protection, construction and maintenance of streets and other infrastructure, parks and recreation, community development, general services administration, and the operating of the water and wastewater facilities.

The Village owns and maintains 21 active park sites (155 acres) plus an additional 512 acres of protected natural areas, naturalized storm water basins, and undeveloped park sites. Facilities include one (1) community center (Historic Village Hall) and one (1) outdoor swimming facility/splash pad. Recreation is staffed by 1.5 FTEs (not including seasonal staff at the Lions Armstrong Memorial Pool) in the General Services Administration Department and Parks and Forestry is staffed by 13.5 FTEs in the Public Works Department. The Village also partners with local school districts, library districts, churches, and private businesses to provide recreation and

leisure services to the community (approximately 1,000 courses offered annually).

In addition to being served by the Village of Algonquin for parks and recreation services, portions of the community are served by separate park districts including the Barrington Hills Park District, Dundee Township Park District, and Huntley Park District.

Background

The Village utilizes long-range planning to define a consistent future vision and strategic priorities as it forces the organization to imagine the desired future of its services, recognizing the realities of the external operating environment and developing an action plan to make the desired future a reality.

To provide the variety of facilities and programs to the Algonquin community and maintain a healthy financial condition, the Village's overall philosophy is to project revenues and expenses conservatively, and to use sound financial planning to achieve the strategic priorities, utilize existing reserves to maintain assets, take steps and allocate resources to address competition, attract and retain customers, and provide a balanced level of services and programs expected by the community. Furthermore, staff recognize that to ensure long-term financial sustainability, the Village must proactively divest in those programs/facilities with declining participation, and those that do not or cannot consistently reach established revenue benchmarks, while putting resources into areas with potential growth. As a result, the Village has had the fiscal agility to use reserves to address capital project needs, maximize and grow revenue, ensure adequate staffing, and undertake key strategic initiatives for long-term success.

To continue maintaining its aging infrastructure and offer the programs, services and new facilities and amenities the community desires, the Village Board and staff must continue to make measured decisions, balancing future community needs against the Village's sound fiscal condition, including implementing the cost recovery models developed during the program planning process, and determining realistic and financially feasible future priorities during the next comprehensive parks and recreation planning process. The key factors to all Village long-range planning process include the following:

- Engage stakeholders in the planning process to build consensus and support for the effective development and implementation of long-range plans;
- Conduct a needs assessment process to analyze community park and recreation needs and interests and identify the gaps to be addressed to meet those needs and interests;
- Assess the future vision of the organization and determine the strategic priorities to achieve that vision;
- > Foster an awareness of the organization's presence and impact on the community;
- Develop a "living document," which reflects the outcomes of the process and provides clear direction on actions to be taken to address strategy and provides a foundation for the development of all other planning and operating documents (e.g., budget, capital, community survey, facility, and marketing plans); and

Ensure the most effective use of the organization's resources by focusing decision making and spending on strategic priorities.

RFP Coordinator

Upon release of this RFP, all communications concerning this proposal request should be directed to the RFP Coordinator listed below. Unauthorized contact regarding this RFP may result in disqualification. Any oral communications will be considered unofficial and non-binding to the Village. The respondent should rely only on written statements issued by the RFP Coordinator.

Michael Kumbera Assistant Village Manager 2200 Harnish Drive Algonquin, IL 60102-5995 Telephone: 847-658-2700 Fax: 847-658-4564 Email: michaelkumbera@algonquin.org

Questions Regarding the RFP

Requests for clarification or additional information must be made in writing to the RFP Coordinator prior to the date specified in the RFP Schedule. Written responses to all requests will be furnished to all potential proposers as determined by the Village's receipt of a completed RFP Acknowledgement Form (Attachment A). The RFP Coordinator will be unable to respond to requests for additional information or clarification received after 5:00 p.m. CST, August 7, 2019.

RFP Amendments

In the event of a material modification, all potential proposers will be notified of an amendment to the RFP as determined by the Village's receipt of a completed RFP Acknowledgment Form (Attachment A). If deemed necessary by the Village, proposers will be given an opportunity to modify their proposal in the specific areas that are affected by the modification.

Scope of Services

The specific work to be undertaken by the successful firm for the comprehensive parks and recreation master planning process is described in this Section, and respondents should include in their proposals how they will assist the Village with completing this work. The work described in this Section is considered to be the minimum required to complete this process. In their submittals, firms should propose additions or edits to this scope that lend to the best process. Following the firm selection process, a meeting will be held with the successful firm to negotiate the final scope of work and a contract for services. Therefore, the Village reserves the right to make revisions to the final scope of work.

Project Kick-off

The first step in the project will be to hold an onsite meeting with Village staff to establish objectives for the project, including confirming roles and responsibilities and finalizing the project methodology, scope of services, timeline and format and content of deliverables.

Conduct a Needs Assessment

A key component in creating the Plan will be a needs assessment process that taps the opinions and ideas of community stakeholders, Village Board and staff, and includes a comprehensive inventory of the current state of the Village, including its financial condition, operations, park system, facilities, programs and services. The needs assessment also entails a review of current and projected demographics, current planning standards, regional and national trends and how facilities owned by other entities factor into the park and recreation needs of the community. It will provide the data and information necessary to evaluate how Village park and recreation facilities meet current and future needs and whether modifications and/or additions will be required. An overview of each facet of the needs assessment is as follows:

Develop & Implement Public Involvement Strategy

The planning process must result in a shared, clearly defined vision for the Village driven by input from the community. Pubic involvement is extremely important to the Village and informs decision making processes. The successful firm will propose a robust and innovative public outreach strategy that describes how the community, staff and Board will be provided opportunities to participate in the development of the Plan. In their submittals, firms should at a minimum provide the following:

- Identify and describe a comprehensive strategy and methodology for citizen, participant and stakeholder involvement (e.g. proposed outreach process, methods of outreach, outreach tools, and anticipated schedule);
- Ensure the residents, user groups and other stakeholders are provided an opportunity to participate in the development of the Plan;
- Act as professional facilitators to gather specific information about services, use, preferences, and any agency strengths, weaknesses, opportunities and threats;

- Provide well-organized and directed activities, techniques and formats that will ensure that a positive, open and proactive public participation process is achieved;
- Provide written records and summaries of the results of all public process and communication strategies;
- > Develop and manage any online public involvement tools and data; and
- Throughout the entire process, help to build consensus and agreement of the plan and if consensus is not possible, provide information for informed decision making for the staff and Village Board.

Collect & Analyze Data

- Review current long-range plans and related documents such as, but not limited to, 2019-2020 Annual Budget; 2017-2018 Comprehensive Annual Financial Report; 2018 Algonquin Community Survey; 2016 Fox River Corridor Plan; 2013 Downtown Planning Study; 2013 Woods Creek Watershed Plan; 2012 Jelkes Creek Fox River Watershed Plan; 2009 Events and Recreation Evaluation Plan; 2008 Parks, Trails, and Open Space Plan; and 2008 Comprehensive Plan;
- Develop and administer a Village-wide, statistically-valid, community needs assessment survey with a return rate that accurately represents a sampling of the community population to identify community needs and issues on the Village's facilities, programs and services. This survey will be used as a baseline to determine needs, desires and willingness to pay;
- Compile data on participation, operations, technology, programming, programming space and land use trends and acquisition opportunities;
- Compile an inventory of indoor and outdoor facilities, including capacity of each amenity found within the park system as well as its functionality, accessibility, condition and convenience, etc.;
- Review available funding and financing strategies that are options for funding future improvements;
- Develop Level of Service (LOS) standards to meet community needs (standards should consider geographic distribution of indoor and outdoor facilities and their amenities); and
- Provide usable and workable definitions and recommendations for designated park and open space with acreages and parameters defined as appropriate.

Analysis of Forecasted Needs to Determine Village's Strategic Direction

The firm will review needs assessment outcomes with Village staff and facilitate a review of the Village's strategic direction to identify and affirm the long-range vision for the Village. This step of the Plan process is vital for clarifying the Village's organizational direction for action planning, decision making, and resource allocation. To determine the Village's strategic direction, the firm will assist the Village with accomplishing the following:

- Review the Village's purpose, aspiration, and organizational values;
- Conduct a situational analysis and environmental scan utilizing the needs assessment data to determine gaps in what is being provided versus the needs and interests identified; and
- Develop a list of critical issues and opportunities based on the results of the situational analysis and environmental scan.

Develop Recommendations & Implementation Strategies

To ensure that the Plan is implementable upon its adoption by the Village Board, it must include realistic, feasible, and clearly-defined planning scenarios. Based on the outcomes of the needs assessment and the Village's strategic direction, the firm will be expected to develop the following:

- Prioritized recommendations to meet current and future needs through, but not limited to, land acquisition, construction or redevelopment of indoor and outdoor facilities, development of additional recreational amenities, park maintenance, etc.;
- Estimates of the capital and operational costs for land acquisition, construction, or redevelopment of indoor and outdoor facilities, development of additional recreational amenities, park maintenance, etc. The analysis should be designed to connect with any Village plans of capital improvement;
- Conceptual plans for any facility with recommended improvements in the Plan time horizon.
- Recommendations for addressing operations, staffing, maintenance, technology, programming, services, and funding need to support implementation of this Plan; and
- Evaluation of the feasibility, cost-effectiveness/return on investment of suggested strategies and recommendations.

Create Action Plan: Strategic, Capital & Financial

The firm must develop an action plan which includes strategies, priorities, budget support, and funding mechanisms for the short term, mid-term, and long term, which were developed during the previous stage in the process. The Action Plan must be a phased with prioritized recommendations and a capital projects prioritization process/ranking system for future strategic investments and level-of-service/reoccurring capital needs.

Final Report & Presentation

The selected firm shall submit a draft and final report which summarizes the findings and conclusions and includes a clear demonstration that the firm has fulfilled all of the elements contained in the agreed upon scope of work. The Plan must include written goals, plans, objectives, and policy statements that articulate a clear vision and "road map" for the Village's future.

The firm will make two (2) on-site presentation to report and summarize findings to the Village Board and staff. The reports must be in an easy-to-understand format with charts, graphs, maps and other data as needed to support the plan and its presentation to the appropriate audiences. The final report must be submitted as follows:

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- A color version of the draft Master Plan document consisting of one (1) printed and bound color copy and an electronic copy in an Adobe Portable Document Format (PDF).
- A color version of the final Master Plan document consisting of fifteen (15) printed and bound color copies, one (1) printed and unbound copy and an electronic copy in an Adobe Portable Document Format (PDF).

Staff Services & Progress Reporting

Services Provided by Staff

The Village of Algonquin will assist the firm in managing the operational aspects of the project and coordinating work with the relevant parties. The Village will provide overall support for project tasks and assign the Recreation Superintendent to serve as the lead liaison for the project. The Recreation Superintendent will provide all existing documentation (as requested by the consultant during final scope review) and compile contact information for staff and local organizations. Village staff, primarily the Recreation Superintendent, will also schedule, coordinate the availability of staff based on their work schedules and make all necessary arrangements for meetings and interviews conducted by the consultant during the course of this project.

The firm and the Recreation Superintendent will hold progress meetings in person or over the phone as often as necessary, but in no case less than once per month until a final plan is approved by the Village Board. The Recreation Superintendent shall schedule the progress meetings, as necessary, at key times during the development of the Plan. The firm shall provide the Recreation Superintendent with at least one (1) copy of all completed or partially completed reports, studies, forecasts, maps or plan as deemed necessary by the Recreation Superintendent.

Proposal Content & Submission Information

Submitting Proposal, Proposal Components & Evaluation Criteria

All respondents to the RFP must include the items provided in the following list. All the listed items should be addressed completely and should follow, as closely as possible, the order and format in which it is listed below. These categories and criteria will be major considerations in the evaluation and determination of the most qualified and capable firm(s). The sequence of the listing is not intended to reflect the relative weight of each category.

- 1. Letter of transmittal
 - a. Statement indicating an understanding of the work to be performed and interest in performing the scope of work;
 - b. Discuss consultants' availability over the next 6-12 months; and
 - c. Identify one (1) key contact person for communicating with the Village on the proposal and all project-related matters.
- 2. Qualifications/Project Portfolio
 - a. Areas of specialization;
 - b. Practice philosophy;
 - c. Years in the business and history of firm; and
 - d. Examples of three (3) to five (5) projects the firm took a lead role in the preparation of a Comprehensive Master Plan and a community-wide scientific survey. The projects should be comparable in complexity, size, scope, and discipline (as described in the Scope of Work section) and been undertaken during the past five (5) years.
- 3. Project Management
 - Introduction to the team (all firm staff and sub-consultants assigned to complete work on the project), including resumes for all the key personnel, which provide educational background/training, experience and detailed descriptions of roles played on past projects;
 - b. Services/functional roles to be performed by each team member (including all subconsultants);
 - c. Location of each team member;
 - d. Availability and commitment of assigned professionals who will undertake the scope of work; and
 - e. Technical resources of the firm and any sub-consultants.
- 4. Methodology and Process to Complete all Phase of Project
 - a. Describe the vision, strategic overview and approach to the project;

Village of Algonquin Comprehensive Parks and Recreation Master Plan RFP

- b. Express how the components above reflect your qualifications for this project;
- c. Discuss what parameters you will engage to develop a project that will be creative, logical, and engaging;
- d. Include detailed descriptions of the procedures and methods you propose to use to complete all tasks within the scope of work;
- e. Discuss tasks, timelines and anticipated deliverables for each phase of the project;
- f. Include the proposed process and methods to assure quality, cost, and schedule control; and
- g. Explain in the proposal all supporting studies, models, and assumptions that will be developed or used as part of the study.
- 5. References
 - a. List at least three (3) to five (5) references we may contact (preferably from the projects provided in 2(d) of this section that have been undertaken during the past five (5) years) with client contact information (current email and telephone).
 - b. Indicate project names and the personnel assigned to this project (including all subconsultants) roles and involvement in each project.
- 6. Schedule
 - a. Provide a proposed detailed project work schedule with a start date on or about **OCTOBER 21, 2019** (contingent upon negotiation of a final scope of work); all meetings that need to be scheduled should be built into the timeline (e.g., initial meeting with staff to review project schedule, strategic direction review, presentations of the final report, etc.).
 - b. Include time frames for each major component of the scope of work and target dates for completing each phase of the project.
- 7. Fee Proposal one (1) copy in a sealed envelope (see also Fee Proposal section following this list)
 - a. Include a total "not to exceed" figure for the scope of work (based on the estimated level of effort to be spent on each task);
 - b. Include itemized schedule of all expenses by phase (reimbursable expenses listed separately), including a composite schedule of hours estimated for included tasks;
 - c. Provide hourly rates for all team members, sub-consultants and staff levels;
 - d. Describe the methodology for billing reimbursable expenses (such as travel, production of documents, purchase of data, etc.); and
 - e. Describe method for billing additional services beyond the initial scope of work (beyond approved not-to-exceed amount).

Fee Proposal and RFP Response

One (1) copy of the cost of services must be included in a separate, clearly marked, sealed envelope with appropriate detail reflecting all costs. The firm is required to separate cost by the major phases of the process. Do not include any reference to fees in the body of your RFP response. Failure to comply with this provision will result in disqualification of your firm. The Village reserves the right not to fund any portion of the firm's proposal.

RFP responses shall be sent to the RFP Coordinator by email or U.S. Mail (digital copy required, hard copy optional) prior to the submission deadline.

Understanding & Approach of Scope of Work

Proposal shall describe the approach to the scope of work described in the Scope of Work section of this RFP, including process and schedule. Firms are encouraged to make suggestions to amend the scope of work to achieve the project goals. This criterion will be evaluated based on the proposer's understanding of the project objectives and ability to demonstrate a process that efficiently and effectively achieves the desired outcomes. Reasoned creativity is encouraged. The Village anticipates modifying, where appropriate, the objectives and/or scope of work listed in this RFP based on the firm's experience and expertise in completing similar projects.

Disclosure

Proposal will disclose any professional or personal financial interest which could be a possible conflict of interest in contracting with the Village. Consultant shall further disclose arrangements to derive additional compensation from various products or services, including financial. The firm must also list all current and unresolved litigations, arbitrations, or mediations of the firm in its proposal.

Selection of Consultant

Selection Process

The Village will select a firm on the basis of its ability to respond to the RFP requirements, the qualifications and expertise of the team working on this project, past performance on similar projects, the time required to complete project, methodology, firm resources and the firm's willingness to negotiate and execute an acceptable written agreement.

After a thorough review by Village staff of the proposals submitted by respondents to this RFP, a short list will be created of the firms that meet the requirements outlined in this RFP and those firms will be required to make a presentation on their qualifications and proposals to the staff. Based on these interviews, the staff will recommend to the Village Board the firm that are the best fit for the Village and this project.

All proposals will be afforded fair and equal treatment with respect to any opportunity for discussion and revision. Any such revision may be permitted after submission and prior to award for the purpose of obtaining the best and final offer at the discretion of the Village. When conducting negotiations, the Village will not disclose information from proposals submitted by competing firms.

Timeline of Selection Process & Project

The timeline for selecting a firm and anticipated project schedule is as follows:

Item of Action	Date
Request for Proposal Issued	JULY 18, 2019
Questions on Request for Proposal Due	AUGUST 7, 2019
Responses to Questions Issued	AUGUST 14, 2019
Deadline for Proposal Submission:	AUGUST 23, 2019
Firm Oral Presentation/Interviews with Village Staff:	SEPTEMBER 12 – 18, 2019
Contract Finalized	SEPTEMBER 30, 2019
Potential Approval of Firm by Village Board:	OCTOBER 15, 2019
Anticipated Project Start:	OCTOBER 21, 2019
Anticipated Completion:	SUMMER/FALL 2020

Terms and Conditions

The selected proposing firm must follow the following general requirements to be hired by the Village:

Reservation of Rights

The Village reserves the right to amend the RFP schedule or issue amendments to the RFP at any time. The Village also reserves the right to cancel or reissue the RFP, to reject any or all proposals, to waive any irregularities or informalities in the selection process, and to accept or reject any item or combination of items. The Village reserves the right to request clarification of information from any proposer or to request supplemental material deemed necessary to assist in the evaluation of the proposal. The Village reserves the right to effect any agreement deemed by the Village to be in its best interest. This RFP does not obligate the Village to accept or contract for any expressed or implied services. <u>The Village reserves the right to award the services, as described in the section titles "Scope of Services," in total or in part, to any combination of proposers.</u>

Contract

In the event that the proposer to whom any services are awarded does not execute a contract within thirty (30) calendar days after Village Board approval, the Village may give notice to such proposer of intent to award the contract to the next most qualified proposer or to call for new proposals and may proceed to act accordingly. The executed contract may be terminated by the Village in the event the successful bidder:

- ➢ Fails to meet delivery schedules;
- > Fails to perform in accordance with this contract; and/or
- > Becomes insolvent and/or files for protection under the bankruptcy laws.

The vendor shall be entitled to just and equitable compensation for any satisfactory work completed through the termination date. Under no circumstances will any damages be paid as a result of the termination of this contract. If the Village exercises the right to terminate the contract early, the vendor may be prohibited from submitting future proposals to the Village for a specified period.

This document and the response shall serve as or be referenced in the final agreement between the Village and Firm. Should a conflict arise between the RFP submission and the formal agreement, the RFP submission shall take precedence.

Costs of Response

The Village will not reimburse any proposer for any of the costs involved in the preparation and submission of responses to this RFP or in the preparation for and attendance at subsequent interviews.

Proposer Responsibilities

Proposers shall thoroughly examine and be familiar with these specifications. The failure or omission of any proposer to receive or examine this document shall in no way relieve any proposer of obligations with respect to this proposal or the subsequent contract.

Insurance

Proposers shall submit proof of Professional Liability Insurance coverage in a minimum amount of \$1,000,000 and shall name the Owner as an additional insured on its commercial liability insurance policies, and further provide proof of Worker's Compensation Insurance sufficient to meet statutory requirements. The awarded firm will be required to annually submit proof of insurance coverage of at least \$1,000,000.

Attachment A – RFP Acknowledgment Form

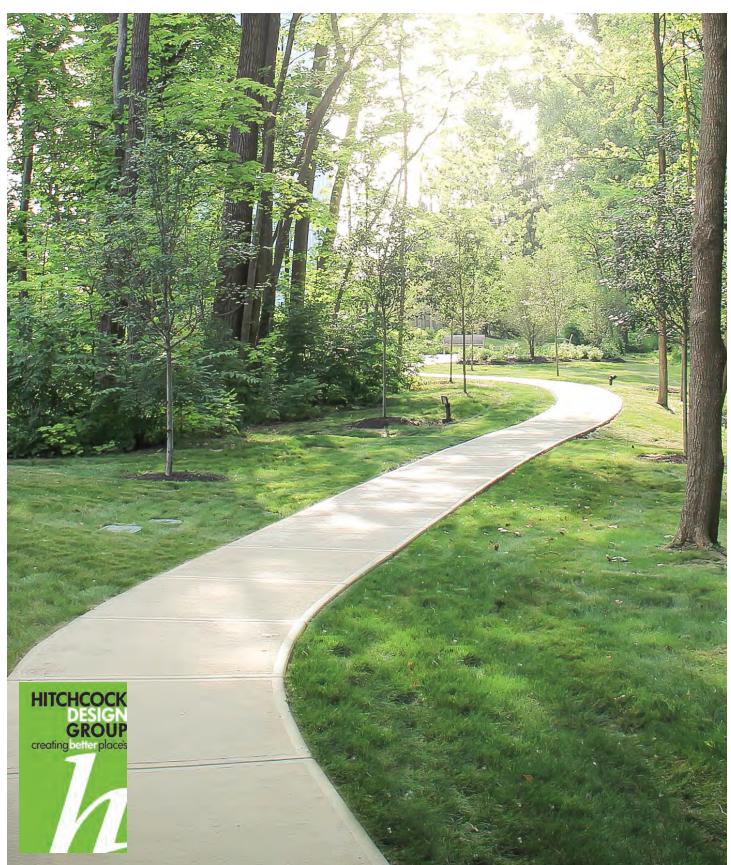
I hereby acknowledge receipt of the Village of Algonquin Request for Proposal for Comprehensive Parks and Recreation Master Plan and my firm's intent to submit a proposal in accordance with the RFP. Please send any and all communication regarding the RFP to the following individual:

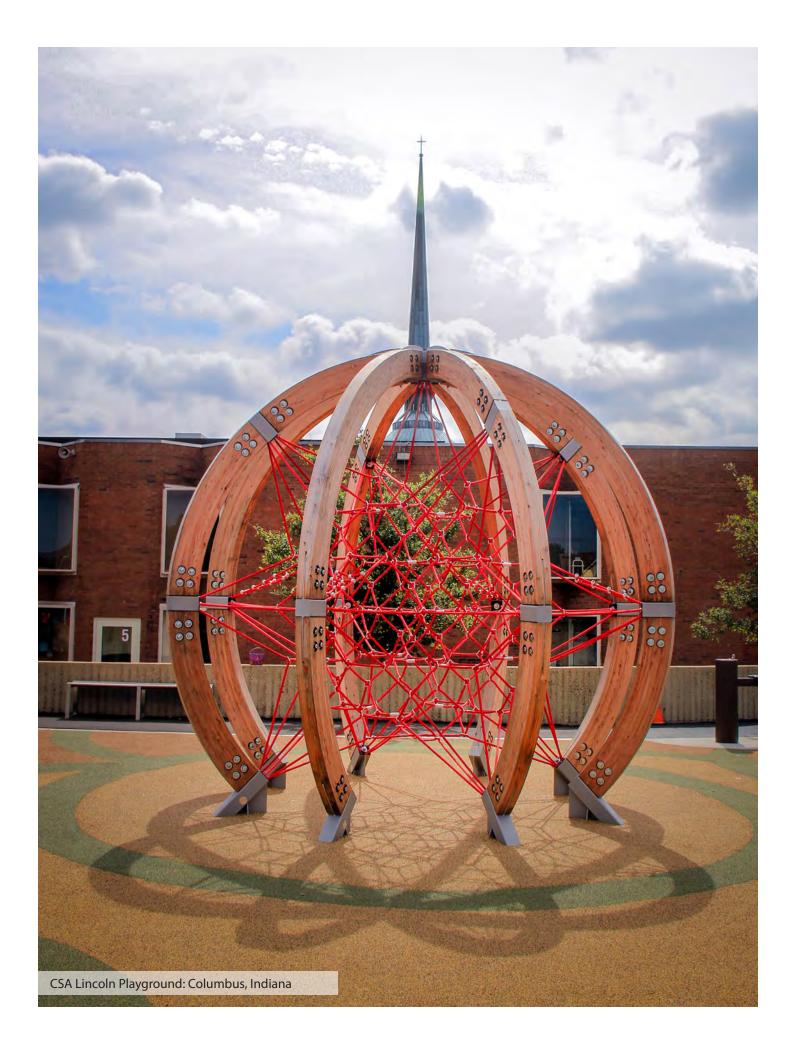
Name:			-
Address:			
Phone:			-
Fax:			-
E-Mail:			_
Signature		Date	
Please Remit A	Acknowledgment Forms to:		
Village of Alg Attn: Michael			

Attn: Michael J. Kumbera 2200 Harnish Drive Algonquin, IL 60102-5995 e-mail: <u>michaelkumbera@algonquin.org</u>

Please Note: Responses to questions received regarding the RFP will be released on AUGUST 14, 2019 to those firms which have submitted an RFP Acknowledgment Form.

Village of Algonquin Comprehensive Parks and Recreation Master Plan







August 23, 2019

Michael Kumbera Assistant Village Manager Village of Algonquin 2200 Harnish Drive Algonguin, Illinois 60102-5995

RE: Comprehensive Parks and Recreation Master Plan

Dear Michael,

Progressive park and recreation providers like the Algonquin Parks and Recreation Department challenge their leaders by asking, "Are we providing parks, facilities, and programs that best suit our customers?" Efficiently arriving at the answer requires a systematic approach that combines the scientific analyses of your assets and programs with a clear understanding of your customer's needs. The goal of this process will be to build consensus on strategies and develop an action plan that is attainable in the next ten years.

We want to help your leaders achieve this important goal! Consequently, we hope you will find that Hitchcock Design Group, in close coordination with Recreation Results and Hey and Associates, has the approach, resources, and experience necessary to accomplish your vision.

APPROACH

Our entire team is dedicated to Creating Better Places[®] for the Village of Algonquin! To that end, our approach is designed specifically to help you systematically improve your recreation offerings and the business model behind their management. We don't take a one-size-fits all approach. Every plan we do is custom-tailored, representing the unique characteristics and needs of the particular community. We want to help you create places, programs, and systems that are not only more attractive and user-friendly but that are genuinely sustainable – not just environmentally but functionally, culturally, and economically as well.

hitchcock**design**group.com

22 E. Chicago Avenue

Naperville, Illinois 60540

Suite 200A

630.961.1787

Our team has carefully studied the request for proposals, and it is our intention to create a Comprehensive Parks and Recreation Master Plan using both recently developed and time-tested techniques. To that end, we propose an incremental process that starts by evaluating your desired outcomes, your assets, program offerings, and your customer's preferences. Then, we will explore a variety of integrated opportunities and advance the most promising, alternative strategies in greater detail for discussion, refinement, and prioritization. We will remain flexible throughout the process, offering creative ideas to improve planning outcomes and respond to your specific needs during each phase.

Throughout the project, we will actively engage the diverse talent within our planning team, along with your professional staff, Board of Commissioners, affiliate groups, key stakeholders, and the broader community in order to gain perspective and generate significant support for implementation. Technology will be a key factor in our team's performance from digital mapping, national database querying, and virtual stakeholder engagement. However, our "street-level" attention to detail and customer service is the primary reason for repeat business.

Finally, we will conclude with user-friendly deliverables that will promote a systematic implementation. The entire process will be creative yet firmly grounded within your means in order to generate and sustain momentum. Our passion for Creating Better Places[®] will make us tireless advocates for the success of your plan throughout the process.



RESOURCES

We are prepared to dedicate substantial talent and supporting resources to your planning project.

Senior leaders, who have the talent and capacity to make this project a success, will closely collaborate with you throughout each phase of the engagement. As project leader, I will personally lead the team and actively participate in all aspects of the planning, including key meetings, public presentations, and alternative strategy development.

EXPERIENCE

Each of our team members has directly comparable client, project, and stakeholder experience. As you review our credentials, you will see that the Hitchcock Design Group team exclusively concentrates on serving park and recreation professionals. As a result, we have a keen understanding of the interests, challenges, and requirements of clients like the Village of Algonquin. Consequently, most of our collective experience is focused on comprehensive parks and recreation planning at all levels, including full-districtwide strategy implementation services.

In fact, many comparable projects are highlighted later in this proposal. Each of the example plans is unique to that particular agency's specific objectives. Our initial discussions with you will include refining our approach to achieve the desired results for your plan.

We encourage you to contact our references or any client listed on the enclosed project example sheets. In addition, we have the professional resources to complete this project in accordance to your schedule demands with our full attention.

Thanks, again, for considering the Hitchcock Design Group team for your Parks and Recreation Master Plan. We look forward to meeting with you in person to continue our discussions about your plan and our qualifications in much greater detail.

Sincerely, Hitchcock Design Group

Steve Konters Principal



Qualifications / Project Portfoli Areas of Specialization Practice Philosophy History of Firm Relevant Projects References	io 07
Project Management Your Team Organizational Chart Availability Technical Resources	19
Methodology and Process Scope of Services Schedule	33
Fee Proposal	(in separate, sealed envelope)



Qualifications / Project Portfolio





Areas of Specialization

RECREATION



During this time of limited capital and demanding expectations, how can recreation providers continue to enhance their offerings, add value to their assets, keep up with trends, and attract kids and families to their parks? Our collective mission is to get people outside to have fun, socialize, exercise, learn, and gain new experiences. The Recreation Studio at Hitchcock Design Group can help. We have a *proven approach*, *exceptional resources* and over 38 years of *specialized experience* **Creating Better Places**[®] to Play.

Services

- Planning
- Design
- Communications
- Construction Administration

COMP PLANNING

There is no time like the present to plan for the future. Comprehensive planning initiatives enable parks and recreation providers to understand their position in the marketplace, establish a vision for the future, and develop an action plan to systematically advance their mission. Our approach includes **analyzing** your resources, assets, programs, and services, **connecting** the planning process with your community via digital, traditional, and face-to-face public input techniques, **envisioning** your opportunities to improve your holistic business model and serve your constituents in contemporary, effective ways, **prioritizing** the objectives that most clearly help you accomplish your goals, and creating a detailed plan to **implement** the comprehensive master plan deliverable to document the process, inputs, and outcomes to effectively communicate your vision to your community.





Practice Philosophy

How do we create better places?

We love Creating Better Places[®], and it shows! Every person at **Hitchcock Design Group** is deeply committed to creating better places to *live, work, play, learn*, and *heal* by providing exceptional planning and landscape architectural services that connect people with the environment, and as a result, with each other. Through *specialized expertise, purposeful creativity, caring relationships*, and *responsible advocacy*, we help public, private, and institutional clients make the most of their unique and irreplaceable land resources.

FOCUS

With *specialized expertise*, our leaders connect with their clients, speak their clients' language, and understand their clients' missions and markets.

CREATE

Our *purposeful creativity* connects our clients with their resources, stakeholders, and market resulting in productive, distinctive places that grow better with time.

UNITE

Through *caring relationships* that connect us to our clients, communities, and colleagues, we stimulate thoughtful discussion and build respectful consensus.

EXCITE

Through tireless and *responsible advocacy*, we connect decision makers, promote exciting ideas, and advance our clients' missions.



Since 1980, Hitchcock Design Group has earned a reputation for client-focused planning and design. From our offices in Chicago, Naperville, Indianapolis, and Austin, our planners and landscape architects have produced an extensive portfolio of award-winning projects. We employ a sustainable approach to our work by creating places that are memorable, attractive, functional, maintainable, and environmentally sound as well as cost-effective. Our goal is to increase the value of our clients' land resources in ways that advance their missions and improve their communities. We are proud of the long-term relationships we have developed with our clients through creative and responsive advocacy and are pleased to share these success stories and insights through many presentations and publications.

By collaborating with other experienced professional firms, we offer a full range of large-scale, multidisciplinary project capabilities while maintaining the focused, personalized attention of a smaller firm.

Hitchcock Design Group has become one of the largest planning and landscape architecture firms in Illinois, providing clients with a superior level of creative and logistical expertise. We have the capacity to tackle challenging assignments within tight timeframes through our studios that align with our areas of focus: Recreation, Education, Healthcare / Life Care, Civic Design, and Real Estate Development.

OFFICE LOCATIONS

Austin

1601 Rio Grande, Suite 452 Austin, Texas 78701 512.770.4503

Chicago

100 S. Wacker Drive, Suite 700 Chicago, Illinois 60606 312.634.2100

Indianapolis

363 N. Illinois Street, Suite 2 Indianapolis, Indiana 317.536.6161

Naperville

22 E. Chicago Avenue, Suite 200A Naperville, Illinois 60540 630.961.1787



Glenview Park District Comprehensive Master Plan



CLIENT Glenview Park District

CONTACT

James Warnstedt, Superintendent of Park and Facility Services 847.657.3215

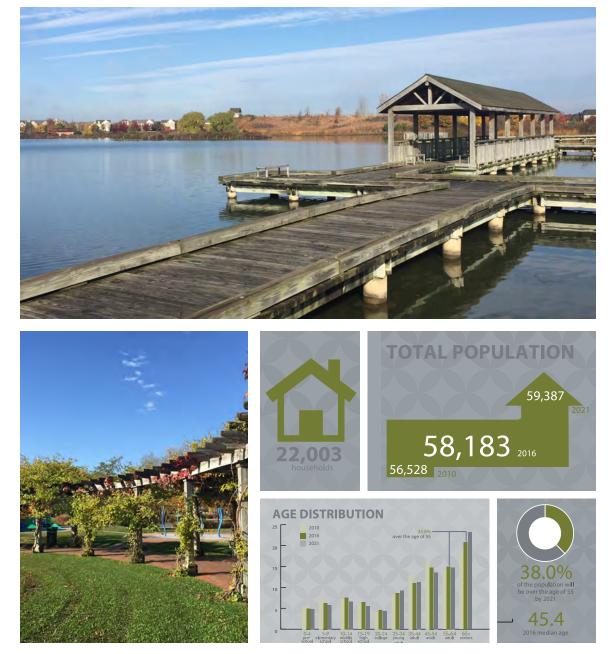
STATUS

Complete

SIZE 334.80 acres

PLANNING TEAM

Heller and Heller Consulting; Dewberry Architects



As a continuation of their mission to provide "quality recreational programs, facilities and open space", the Glenview Park District engaged Hitchcock Design Group and the planning team to create a master plan that would guide their operations and growth for the next ten years. The park district's guiding principles include a commitment to continual improvement while also providing diverse programming and seeking public involvement and their new master plan needed to reflect these goals while also creating a plan that they could implement. In conjunction with performing a thorough review of all of the park district's existing properties and programming, the planning team also sought community input on their interests and worked closely with the board to develop a plan that encompassed everyone's vision. The resulting plan created an order criteria for the park district to follow as they implement the plan over the next ten years.



St. Charles River Corridor Master Plan

LOCATION St. Charles, Illinois

CLIENT City of St. Charles

CONTACT

Rita Tungare, Director of Community Development 630.377.4443

STATUS

Complete

DESIGN TEAM

Robert H. Anderson and Associates; HKG

AWARDS

Main Street Award for Excellence in Partnership Development, State of Illinois



In 2002, the City of St. Charles, the Downtown St. Charles Partnership and the St. Charles Park District engaged the team of Hitchcock Design Group, Robert H. Anderson & Associates, and HKGi to create a plan for the downtown Fox River corridor. The design team interviewed numerous community leaders, property and business owners, local officials, regulatory agencies and other interested citizens to determine the goals and objectives for the corridor plan. Implementation of the master plan will create improved access to attractions and destinations such as the river, regional trails, retail stores, adjacent neighborhoods, public parks, and other buildings and parking areas. Through coordinated public and private sector investments, management, and promotion, this plan positions the river corridor as the place to live, work, shop, dine, and play for the citizens and visitors of St. Charles.



Urbandale Comprehensive Master Plan

LOCATION Urbandale, Iowa

CLIENT City of Urbandale

CONTACT

Jan Herke, Parks and Recreation Director 515.278.3963

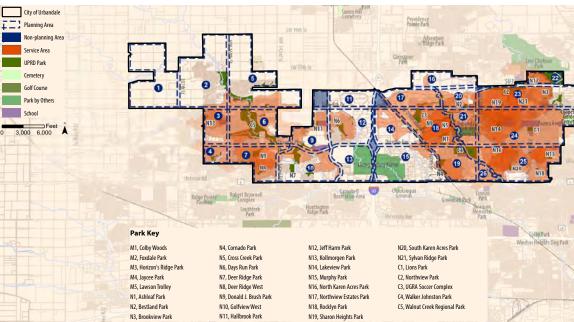
> STATUS In Progress





TOTAL POPULATION





Hitchcock Design Group was commissioned by the City of Urbandale Parks and Recreation Department to conduct a 20-year parks and recreation master planning process. Urbandale's success has included extensive growth, nearly doubling in size over the last decade to nearly 45,000 residents, and creating tremendous pressure on it's aging park and facility infrastructure. Hitchcock first conducted a detailed inventory of all park and facility assets, then conducted an intensive community engagement process that included an online survey, stakeholder interviews, staff workshops, citizen advisory input and a community meeting attended by 100+ residents. Key findings included the assessed need for a flagship indoor recreation center, the replacement of their indoor pool complex, the updating of their extremely popular senior center and the expansion of their already world-class trail system. The Parks and Recreation Department is now armed with a community-driven plan to compete for local and state funding to implement recreation improvements over the next 20-years.



Northbrook Park District Strategic Master Plan

LOCATION Northbrook, Illinois

CLIENT

Northbrook Park District

CONTACT

Molly Hamer, Executive Director 847.291.2960

STATUS Complete

PLANNINGTEAM

Heller and Heller Consulting; Dewberry



56

average household size

To further their goal of being recognized as a national leader in delivering innovative park and recreation services based on responsiveness, trust and accountability to their community, the Northbrook Park District engaged the Hitchcock Design Group planning team to create a master plan that would guide their growth and programming for the next ten (10) years. After conducting a thorough analysis of their existing parks, facilities and programs, the team then solicited community input from various stakeholders, staff and the community to determine their wants and goals for the park district. This information was then overlayed with a demographic study of Northbrook that factored in age of its population, average income and other factors that would influence who Northbrook could be in 10 years. The team carefully analyzed the results of all of the data from these various resources to create a plan with practical measurable steps that can be implemented over the next 10 years.

Relevant Projects *Hey and Associates, Inc.*

Community Natural Areas Vegetation Management Algonquin, Illinois



Services Provided

Client

Contact

Status On-going

Village of Algonquin

Michele Zimmerman 847-658-2754

michelezimmerman@algonquin.org

Ecological Restoration & Management Ecological Inventories/Surveys Natural Areas

Hey and Associates, Inc. (Hey) completed a Master Plan for over two dozen natural areas totaling several hundred acres within the Village of Algonquin . Subsequently, Hey has been contracted on an annual basis to implement management strategies outlined on the Master Plan as well as address new vegetation management needs within Village-owned properties.

Several significant in-stream enhancement projects were implemented in Algonquin. These areas include Rat Creek, Dixie Creek Riparian and Woods Creek. Field services include selective herbaceous and woody weed control activities to help promote vegetative diversity.

Project Highlights

Implementation of native landscape improvements

Prairie and wetland monitoring and management

Chicago Wilderness Conservation and Native Landscaping Award



References

JIM WARNSTEADT

Superintendent of Park and Facility Services Glenview Park District 1110 Roosevelt Avenue Glenview, Illinois 60025-3019 james.warnstedt@glenviewparks.org 224.521.2254

MOLLY HAMER

Executive Director Northbrook Park District 545 Academy Drive Northbrook, Illinois 60062 mhamer@nbparks.org 847.291.2960

JAN HERKE

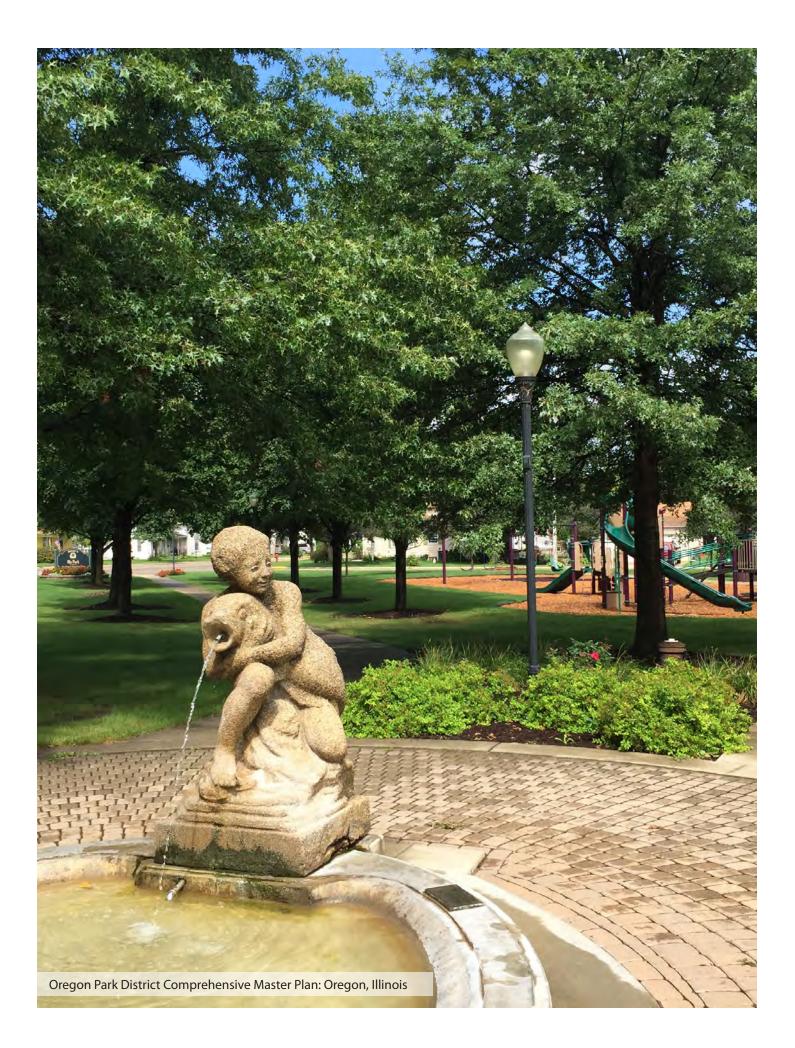
Director of Parks and Recreation City of Urbandale, Iowa 3600 86th Street Urbandale, Iowa 50322 jherke@urbandale.org 515.331.6793

DOUG DAMERY

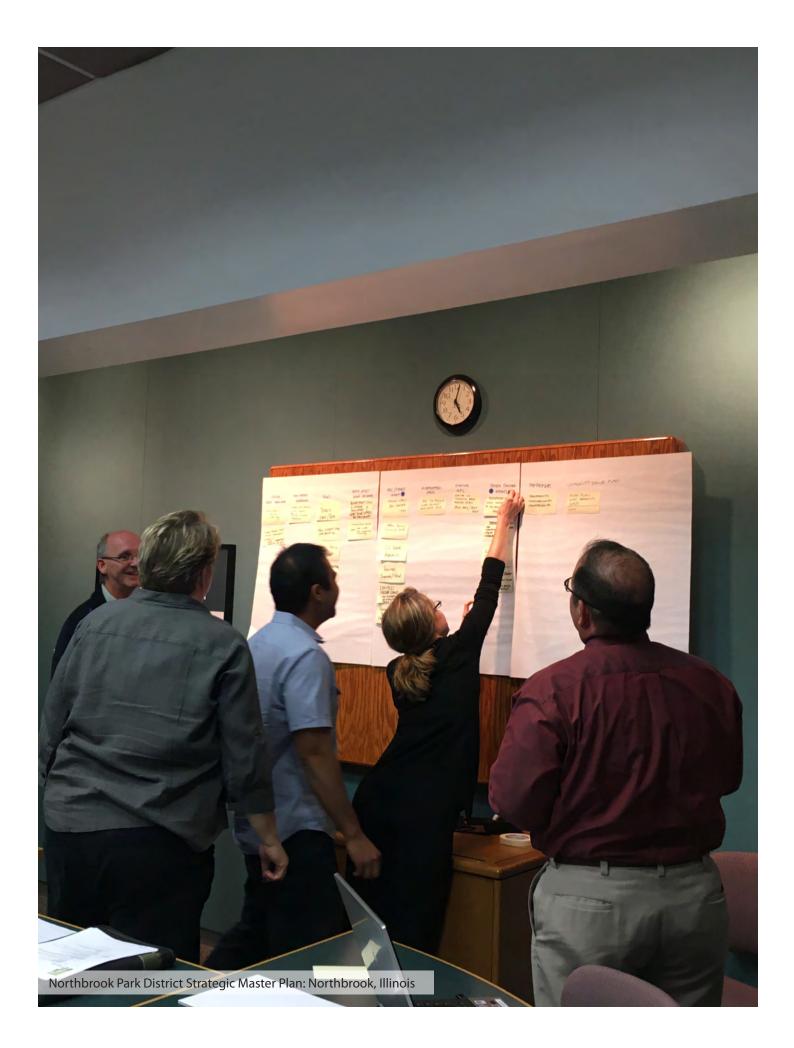
Director of Parks and Recreation Town of Normal, Illinois 611 S. Linden Street Normal, Illinois 61761-3809 ddamery@normal.org 309.454.9540

LAURA RUDOW

Superintendent of Parks and Planning St. Charles Park District 8 North Avenue St. Charles, Illinois 60174-1251 Irudow@stcparks.org 630.513.4344



Project Management





Senior leaders, who have the talent and capacity to make this project a success, will closely collaborate with you throughout each phase of the engagement. Project leader, Steve Konters will lead the team and actively participate in all aspects of the planning, including key meetings, public presentations, and alternative strategy development.

Bridget Deatrick, an Associate in our Recreation Studio, will be our project manager and lead project planner, responsible for our planning tasks and integration of our team's respective disciplines.

Our team will be supported by our Recreation Studio, an established group of experienced planners and designers that focus exclusively on recreation planning and design. This cohesive team of professionals has recently completed (in the last three years) several successful Comprehensive Park and Recreation Master Plans for midwestern agencies including:

- Glenview Park District
- Northbrook Park District
- Round Lake Park District
- Palatine Park District
- Oregon Park District
- Town of Normal Parks and Recreation
- City of Urbandale, Iowa Parks and Recreation Master Plan
- St. Charles Park District Comprehensive Parks and Recreation Master Plan

The Hitchcock Design Group team is also currently in the later phases of Comprehensive Parks and Recreation Master Planning for Elk Grove Park District.

Hitchcock Design Group, led from its Naperville location, proposes to be the prime consultant, team leader, and responsible party for the Village of Algonquin's Comprehensive Parks and Recreation Master Plan. We will be responsible for project coordination, data inventory and analysis, Alternative Strategy development, Action Plan development, and the Final Master Plan preparation phase.

Bobbi Nance from **Recreation Results**, a local yet nationally-recognized professional park and recreation management consulting firm, is part of the Hitchcock Design Group team. Bobbi will be responsible for recreation programming analysis and recommendations.

Daniel Atilano from **Dewberry Architects**, a highly regarded national facility master planner and architect, will also join our team. Daniel and his firm have worked on the Historic Village Hall and Community Library, giving them solid local knowledge of Algonquin's facilities, and they will be responsible for the analysis (and potential expansion) of your facilities and recommendations regarding physical condition, program accommodation, revenue generation, and expense management.

Tim Pollowy from **Hey and Associates**, local environmental science firm, will join our team. Hey and Associates is intimately familiar with Algonquin's expansive natural systems, making them uniquely qualified to integrate the Village's 512 acres of protected natural areas into this planning process.

Jason Morado from **ETC Institute**, a popular public survey provider, has been added to our fee structure to provide a Statistically Valid Community Survey as a reimbursable expense. We have also provided an option to upgrade this process and product, provided by Jeff Andreasen from aQuity. We have worked successfully with both firms and can discuss the merits of their respective approaches as appropriate.

In addition, the Hitchcock Design Group team has extensive experience working with agencies that are advancing a strategic vision, pursuing accreditation, considering a referendum, seeking grant dollars or reviewing opportunities brought about by community growth. We will assist with keeping these or other key criteria, that are determined by you and the Algonquin Village Board, at the forefront of the project at all times.



Team Organization





BRIDGET DEATRICK

Hitchcock Design Group



BOBBI NANCE Program Analysis

Recreation Results



DANIEL ATILANO Lead Architect

Dewberry Architects



TIM POLLOWY Landscape Architect

Hey and Associates



JEFF MENGLER

Hey and Associates



Steve Konters, PLA, ASLA

Recreation Studio Managing Principal | Principal-in-Charge



With over 20 years of experience in the recreation industry, Steve's experience in project management, design leadership, and construction administration has made him a valuable member of every project team that he has been involved with. As a principal at Hitchcock Design Group, he has been a key member in developing the HDG recreation studio's leadership in the comprehensive parks and recreation master plan practice, and he continues to seek out the best applications to serve clients in this area. Steve has the ability to assess complex data and solicit community and stakeholder input while also creating master plans that have given park and recreation professionals a plan that they can realistically implement according to a schedule that meets their goals. Due to this, Steve's talents have strengthened Hitchcock Design Group's position in the marketplace.

EDUCATION

Bachelor of Landscape Architecture, *cum laude,* University of Illinois, 1995

REGISTRATION

Licensed Landscape Architect: State of Illinois

AFFILIATIONS Illinois Association of Park Districts Illinois Park and Recreation Association National Recreation and Park Association

PROJECT EXPERIENCE

Baker-Koren Farm Master Plan, Manhattan, Illinois Barrington Park District Comprehensive Plan, Barrington, Illinois Cary Park District Comprehensive Plan Update, Cary, Illinois Centennial Park Master Plan, Champaign, Illinois Champaign Landfill Reuse Park Master Plan, Champaign, Illinois Charlie Brown Park Master Plan, Deer Park, Illinois Glendale Heights Park and Facilities Study, Glendale Heights, Illinois Glenview Park District Comprehensive Plan, Glenview, Illinois Lake Forest (City of) Strategic Plan, Lake Forest, Illinois Libertyville Parks Master Plan, Libertyville, Illinois Macon County Conservation District Master Plan Update, Decatur, Illinois Manhattan Park District Parks and Open Space Plan, Manhattan, Illinois McHenry County Conservation District Comprehensive Plan, McHenry County, Illinois Meadowhill North Park Master Plan, Northbrook, Illinois Northbrook Park District Comprehensive Master Plan, Northbrook, Illinois Palatine Park District Comprehensive Master Plan, Palatine, Illinois Plainfield Riverfront Master Plan, Plainfield, Illinois Olympia Fields Park District Comprehensive Plan, Olympia Fields, Illinois Oregon Park District Comprehensive Master Plan, Oregon, Illinois Round Lake Area Park District Comprehensive Master Plan, Round Lake, Illinois South Park Master Plan, Lake Forest, Illinois St. Charles Park District Comprehensive Plan, St. Charles, Illinois Town Center Master Plan, Deer Park, Illinois Urbandale Comprehensive Master Plan, Urbandale, Iowa Vehe Farm Park Master Plan, Deer Park, Illinois Village of Brookfield Open Space Master Plan, Brookfield, Illinois Village of Deer Park Parks and Open Space Master Plan, Deer Park, Illinois West Park Master Plan, Northbrook, Illinois Wood Oaks Park Master Plan, Northbrook, Illinois



Bridget Deatrick, PLA

Associate | Project Manager & Lead Planner



Throughout Bridget's educational and professional careers, she has been well known for being a committed member to every team she has been involved with. She consistently strives to help clients solve problems to arrive at design solutions that are purposefully creative and suit their unique needs. A graduate of Michigan State University, Bridget obtained her Masters of Arts in Environmental Design and Bachelor of Landscape Architecture degrees concurrently, which demonstrates her passion and drive for the profession of landscape architecture. This same enthusiasm is now an integral part of every project that Bridget has worked on since joining Hitchcock Design Group.

EDUCATION

Master of Arts, Environmental Design, Michigan State University, 2015

> Bachelor of Landscape Architecture, Michigan State University, 2015

REGISTRATION

Licensed Landscape Architect: State of Illinois

AFFILIATIONS

Illinois Association of Park Districts Illinois Park and Recreation Association Indiana Park and Recreation Association National Recreation and Park Association Texas Recreation and Parks Society

PROJECT EXPERIENCE

Anderson Park Redevelopment, Hometown, Illinois Barrington Park District Comprehensive Master Plan, Barrington, Illinois Conservation Park, Romeoville, Illinois Discovery Park, Romeoville, Illinois Everts Park Master Plan, Highwood, Illinois Glencoe Park District Melvin Berlin Park Redevelopment, Glencoe, Illinois Glencoe Park District Shelton and Kalk Park Renovations, Glencoe, Illinois Glenview Park District Comprehensive Master Plan, Glenview, Illinois Jewett Park, Deerfield, Illinois Lake Forest Parks and Recreation 10-Year Strategic Master Plan, Lake Forest, Illinois Larchtree Reserve Master Plan, Miami, Ohio O.A Thorp Scholastic Academy Master Plan, Chicago, Illinois Pioneer Park Improvements, West Chicago, Illinois Ray Franzen Park, Itasca, Illinois Reed Keppler Outdoor Music and Arts Facility, West Chicago, Illinois Riverside Center for Imaginative Learning Master Plan, Big Rock, Illinois St. Charles Park District Comprehensive Master Plan, St. Charles, Illinois Toucan's Hideaway Playground and Splash Pad, West Chicago, Illinois Urbandale Parks and Recreation Comprehensive Master Plan, Urbandale, Iowa Whispering Willows Final Design, Bourbonnais, Illinois



Bobbi Nance Program Analysis



With over 10 years of experience working as a facilitator, trainer, and consultant, Bobbi Nance is the founder and President of Recreation Results LLC. Recognized as an industry leader in performance measurement and innovation, she partners with parks, open space, recreation, sports, and fitness organizations across the country to use data, trends, and strategy to drive real change within teams whose mission it is to change the world.

Before starting Recreation Results, Bobbi spent 15 years working in the field of parks and recreation in the areas of recreation programming, facility management, project management, data & analytics, and innovation. It was there that she had the opportunity to build data-driven systems and innovation initiatives from the ground up, which were featured in national publications, resulted in the Havlick Award for Innovation in Local Government, and contributed to her organization's National Gold Medal Award. These initiatives were all noted for their success in combining technical tools with peoplecentered processes, which led to increases in adoption, engagement, and results.

After witnessing first-hand the potential for these efforts to not only increase organizational performance, but also improve organizational culture, she decided to put her unique strengths to work on a broader scale. Since then, she's traveled across North America to provide training, project leadership, and process improvement designed to help teams work smarter, capitalize on trends, implement strategy & innovation efforts, and increase their impact in the communities where they work.

Bobbi has a Bachelor's Degree in Leisure Studies from the University of Illinois and a Certificate in Project Management from Northwestern University. Beyond that, she also is trained in GIS, SQL, HTML/CSS, and other techy-skills that give her the opportunity to get her geek on to help people-driven industries. (Don't let all those acronyms scare you though; Bobbi has a real knack for explaining the important stuff without all of the technical jargon.)

INDUSTRY INVOLVEMENT

- Beyond her speaking appearances at national, regional, and state events, Bobbi is actively involved in the park & recreation industry including:
- Regent / Instructor for NC State University / NRPA's Revenue Development & Management School
- Board Member / Instructor for NRPA's Director School
- President of the Women in Leisure Services (WILS) Chicagoland chapter
- Secretary of the WILS national organization
- Certified Park & Recreation Professional (CPRP)
- Past CAPRA Accreditation Visitor

MAKING AN IMPACT

Bobbi doesn't just believe in making an impact with her business - it's a part of who she is. In her free time, she volunteers with inner-city teens to expose them to life skills through experiences in outdoor recreation including camping, hiking, canoeing and wilderness trips to the Boundary Waters. She helped found a 5K in her brother's memory which has raised over \$100,000 for youth programs and organ & tissue donation awareness. Utilizing her presentation skills, she has been a volunteer speaker at high schools and events, sharing her perspective as an organ donor family member and recently had the incredible opportunity to give back on a new level as a bone marrow donor.

Dewberry Background



WHO WE ARE

Dewberry is a leading architectural, engineering, and consulting firm that specializes in the design of facilities that anchor and create communities. Our mission is to make communities healthier, stronger and better places. A national firm that is regularly included in both *Building Design & Construction* and *Engineering News-Record's* lists of the top A/E firms in the country, we remain committed to providing local, personalized service to each of our clients.

MISSION

Imagine a professional services firm with vision beyond "the ordinary." A firm with deep subject-matter expertise as well as deep national resources. A firm committed to putting clients at the center of everything it does. That firm is Dewberry. And those qualities are among the pillars of what we call "Dewberry at Work"—a set of guiding principles and values that govern the way we've done business for more than a half-century.

MUNICIPAL FACILITY EXPERIENCE

Since 1987, we have been involved in the design of over 120 recreation, fitness and wellness facilities throughout the U.S., comprising over 4 million SF of built projects. In addition to the design and construction of these buildings, Dewberry is recognized as a national leader in wellness and recreation architecture, regularly exhibiting our work, as well as presenting papers and seminars, at educational conferences in the areas of fitness, recreation, and wellness.

LOCAL SERVICE

Illinois is home to Dewberry's largest staff of architects and civic designers. With 60 Illinois employees, Dewberry provides full-service design, engineering, estimating, and consulting services. **Our team works, lives, and volunteers time throughout Illinois and is committed to transforming our communities through design.** Beyond any particular project, Dewberry stands ready to serve the lifecycle of facility demands.



FIRM: Dewberry

EDUCATION: MS Architecture, University of Michigan

BAS Architectural Studies, University of Illinois

REGISTRATION: Registered Architect: IL, IN LEED Accredited Professional

YEARS OF EXPERIENCE:

Dewberry: 31 Prior: 5

PROFESSIONAL AFFILIATIONS:

Illinois Parks & Recreation Association

American Institute of Architects

National Recreation and Park Association

Illinois Association of Park Districts

PRESENTATIONS:

2018 IAPD/IPRA Conference, Revolution! Small is the New Big

2017 Athletic Business Show, Takin' Care of Business

2017 IN IPRA Conference, Facility Improvements: Reaching for Non-Users by Offering More Value at Less Cost

2016 NRPA Conference, Takin' Care of Business

2014 NRPA Conference, Rec Centers – The New Anchor for Redevelopment

Daniel Atilano, AIA, LEED AP Architect

Daniel is a practice segment leader for recreation projects at Dewberry, with a particular focus on municipal recreation and has worked with over 45 agencies on more than 120 recreation projects. He has presented on recreation and community center topics at industry conferences throughout the country including the National Park and Recreation Association, Illinois Park and Recreation Association, Texas Recreation and Park Society, Virginia Recreation and Park Society and Indiana Park and Recreation Association.

Selected Experience

Dellwood Park Community Center, Lockport, IL Nowell Park Recreation Center, Joliet, IL Elmhurst Park District, Concession Stand, Elmhurst, IL City of McHenry Aquatics + Recreation Center Feasibility Study, McHenry, IL Prairie View Community Center, Morton Grove, IL Lincoln Community Center Phase 1, Highland, IN Lincoln Community Center Phase 2, Highland, IN **Glenview Maintenance Facility East, Glenview, IL** Senior Center Adaptive Reuse, Cicero, IL Athletic & Events Center, Romeoville, IL Randall Oaks Recreation Center, Dundee, IL Phil's Beach Facility Improvements, Wauconda Park District, Wauconda, IL **Recreation & Wellness Center, Crestwood, IL** Heritage Crossing Fieldhouse, Channahon, IL Inwood Athletic Club, Joliet, IL Challenge Fitness, Lockport, IL **Recreation Center, Itasca, IL** Family Wellness Center, Niles, IL MultiPurpose Center Remodel, Joliet, IL Community Recreation Center Improvements, Addison, IL Community Center, Washington, IL

Hey and Associates, Inc.



SERVICE AREAS

Engineering Civil Engineering Stormwater & Floodplain Management Water Quality Planning Soil Erosion & Sediment Control Construction Engineering

Ecology

Wetland Delineation & Permitting Ecological Restoration & Management Wetland Mitigation Design Lake Assessment & Management Ecological Inventories/Surveys

Landscape Architecture

Site Design Green Infrastructure Natural Areas Transportation Parks and Recreation

Support Services

Subsurface Drainage Analysis & Design Certified Arborist Services Unmanned Aerial Reconnaissance Topographic & Bathymetric Studies Presentation Graphics

ABOUT HEY AND ASSOCIATES, INC.

Hey and Associates, Inc. (Hey) is a professional engineering, ecological consulting, and landscape architecture firm founded in 1976 to deliver comprehensive solutions to complex water resources and natural resources challenges. Over the last 40 years, the firm has grown to offer a full range of professional services.

Hey's multi-disciplinary staff of engineers, scientists, landscape architects and support staff collaborate to identify opportunities, design creative solutions, and implement projects that are grounded in the fundamental principles of water resources, environmental science, and sustainability. Regulatory requirements, constructability, cost effectiveness, and long-term management requirements are thoughtfully considered for all projects to ensure we meet our clients' expectations.

ENGINEERING

Our talented engineers are trained in traditional civil, ecological, and water resources engineering. Experienced in planning and designing stormwater management and flood control projects, green infrastructure, streambank and shoreline projects, conveyance improvements, site improvements, and utilities, Hey's engineering staff provides civil engineering services for institutional, public, and private sectors.

ECOLOGY

Staff ecologists and environmental scientists have an excellent working knowledge of the wetland and water quality regulations of the federal, state and local governments and are some of the most experienced practitioners in the Midwest. They continually strive to be at the forefront of ecological restoration principles in order to deliver superior results. We work closely with our clients to identify restoration goals, and then tailor restoration plans to meet specific site opportunities, constraints, budgets, and schedules.

LANDSCAPE ARCHITECTURE

Parks and recreation, green infrastructure and resilient design, streetscapes and transportation, habitat restoration, and hardscape and landscape design are specialties of Hey's landscape architects. We address our clients' diverse needs throughout the analysis, planning, design, implementation, and maintenance stages of each project to create unique and consistently successful design solutions that are comprehensive, cost-effective, and environmentally sound.

SPECIALTY AND SUPPORT SERVICES

Additional specialty staff round out our team. These specialty departments include surveying, lakes management, erosion and sediment control planning, GIS, drain tile services, and CAD.

PREQUALIFICATIONS

Hey is prequalified by the Illinois Department of Transportation in the following categories: Roads and Streets, Location Drainage Studies, Waterways Typical, Waterways Complex, Pump Stations, Landscape Architecture, and Construction Inspection. Other prequalifications include the City of Chicago, Cook County, DuPage County, KCDOT, Illinois CDB, InDOT, WisDOT, and the Illinois State Toll Highway Authority.

Hey and Associates, Inc. Landscape Architecture

Education & Previous Employment

Master of Landscape Architecture, University of Illinois, 1992 Bachelor of Landscape Architecture, University of Illinois, 1990

Consulting and Design Manager, Landscape Resources, Inc., Montgomery, IL, 1999-2003

Staff Ecologist, Applied Ecological Services, Inc., Brodhead, WI, 1996-1999

> Associate Staff, Otis Associates, Inc., Schaumburg, IL, 1994-1996

Landscape Planner, Village of Schaumburg, Schaumburg, IL, 1993-1994

Associate Staff, Johnson Johnson & Roy, Chicago, IL, 1992

Registration & Certification

Illinois Registered Landscape Architect 157001200 Wisconsin Registered Landscape Architect 594-014

IDOT Documentation of Contract Quantities (S-14) IDOT Context Sensitive Solutions (CSS)

Representative Projects

Village of Orland Park – Landscape Review and Design Services, Orland Park, Illinois. Review plan submittals, inspect stormwater management facilities, and provide landscape design and ecological consulting services.

Village of Schaumburg – Municipal Center Woodland Restoration and Creek Stabilization, Schaumburg, Illinois. Prepared plans and provided construction engineering services for a 6-acre woodland restoration and stabilization of 1,200 lineal feet of creek using natural channel design and riffle-pool structures.

City of Aurora – Mastodon Island, Aurora, Illinois. Prepared plans to restore the shoreline of Mastodon Island, a 4-acre island at Phillips Park, including removal of invasive trees and brush, herbaceous weed control, a seeding and planting program, and on-going maintenance to maintain ecological quality, improve visibility and public safety, and enhance visitor enjoyment at this site.

Park District of Highland Park – Skokie River Woods, Highland Park, Illinois. Project manager during preparation of restoration plan for the high quality Skokie River Woods natural area including preparation of an application that resulted in receipt of local grant funding to implement the project.

Village of Algonquin – Natural Areas Management Plan, Algonquin, Illinois. An inventory and assessment of over two dozen natural areas was conducted, which resulted in a master plan for managing these areas including recommendations for weed control, habitat enhancement, passive recreation opportunities, and building public appreciation.

Sun City Huntley by Del Webb – Wildflower Lake, Huntley, Illinois. Completed several phases of shoreline stabilization and shoreline access improvements at the very popular Wildflower Lake Park at the Sun City retirement community in Huntley.

MWRDGC – Addison Creek Channel Improvements, Cook County, Illinois. Work included design of several miles of biotechnical streambank stabilization, riparian buffer plantings, in-stream habitat improvements, and related work.

Village of Glenview – Reach 1 Habitat Restoration, Glenview, Illinois. Prepared design documents for stream meandering, riffle-pool structures, and stream-side wetland restoration for an over one-half mile reach of the West Fork of the North Branch Chicago River.

Cook County Department of Transportation and Highways – Joe Orr Road Extension Wetland Mitigation, Cook County, Illinois: Managed project to identify 22 acres of wetland mitigation credit on Cook County Forest Preserve District holdings for county road extension project.

Park District of Highland Park – Highland Park Country Club Conversion, Highland Park, Illinois. Project manager during conversion of a public golf course to a passive recreation natural area with trails and related site amenities.

Chicago Park District – Park 566 Framework Plan, Chicago, Illinois. Project manager during development of the master plan for a new 90-acre lakefront park that was previously part of the historic U.S. Steel (USX) facility on Chicago's south side.

City of Elgin – Hawthorne Hill Park Master Plan, Elgin, Illinois. Completed master planning for nature center including trails, a nature themed playground, outdoor classroom areas, ecological restoration, dredging of existing ponds, a pre-treatment wetland to enhance pond water quality, and expansion of the existing parking lot.

Timothy R. Pollowy, PLA, ASLA Senior Landscape Architect

Hey and Associates, Inc. Ecology

Jeffrey L. Mengler, PWS Senior Project Scientist



Education & Previous Employment

M.S., Biological Science, Northern Illinois University, Dekalb, Illinois, 1985 B.S., Biology (Major), Chemistry (Minor) Northern Illinois University, DeKalb, Illinois, 1982

Senior Project Scientist/Botanist/Wetland Ecologist, Cardno ENTRIX, 2010-2013

Botanist/Wetland Ecologist, U.S. Fish and Wildlife Service, 1992-2010

> Botanist/Senior Wetland Scientist, Environmental S/E, Inc., 1989-1992

Wetlands Biologist, Christopher B. Burke Engineering, Ltd., 1989

Research Assistant, The Morton Arboretum, 1986-1989

Field Ecologist, ENCAP, Inc., 1986

Registrations & Certifications

Professional Wetland Scientist #2478 Certified Wetland Specialist C-162, Lake County, Illinois Qualified Wetland Review Specialist W-096, Kane County, Illinois Certified Wetland Specialist, McHenry County, Illinois

Volo I Chicago I Milwaukee heyassoc.com

Representative Projects

Metropolitan Water Reclamation District of Greater Chicago - Buffalo Creek Preserve Reservoir Expansion. Permitting lead and ecological assessment/perspective for interdisciplinary team tasked with final design and permitting for 180-acre foot expansion of existing reservoir, realignment and expansion of trail system, and ecosystem restoration within Lake County Forest Preserve property.

Village of Carpentersville – Fox River Shoreline Parks Rehabilitation, Carpentersville, Illinois. Project manager for all permitting for 3 projects to stabilize banks, improve access, and native landscape Fox River shoreline in historic area of Carpentersville.

Metropolitan Water Reclamation District of Greater Chicago – Addison Creek Improvements, Cook County, Illinois. Provided all permitting support, including 401 antidegradation assessment, for a major flood damage reduction project on this highly degraded and urbanized stream.

Lake County Division of Transportation - Buffalo Creek Wetland Mitigation Bank, Lake County, Illinois. Project manager responsible for mitigation bank concept design, development of a bank prospectus, all permitting and Mitigation Bank Instrument, final engineering design, bid document preparation, and Phase 3 construction services for 65-acre wetland mitigation bank on forest preserve property.

Various clients - Rare and Protected Species Surveys and Consultation, northeastern Illinois. Conducted field surveys for rare and protected species including bald eagles, osprey, Blanding's turtle, piping plover, eastern prairie fringed orchid, leafy prairie clover, Indiana bat, northern long-eared bat, and other species for various landowners and provided consulting services on regulatory implications of positive findings.

U.S. Fish and Wildlife Service - ADID Wetland Studies, McHenry and Kane Counties, Illinois. As project manager directed the biological assessment project team for the ADvanced IDentification of significant wetlands in McHenry and Kane Counties in the Chicago region (Fox and Rock River basins) which included aerial screening of wetlands across both counties, coordinating field assessment teams, vegetation, and bird surveys, as well as, leading field teams.

Village of Volo – Pond Assessments, Volo, Illinois. Provided a detailed assessment and management recommendations with suggested scheduling and estimated costs for 24 naturalized stormwater ponds within the Village of Volo.

City of Prospect Heights — Hillcrest Lake and The Slough Assessment and Management Plan, Prospect Heights, Illinois. Project manager for an assessment of a 14-acre lake and 12-acre wetland complex which included a bathymetry survey and ecological assessment of conditions and management recommendations to address stakeholder issues.

DuPage County Stormwater Management - East Branch DuPage River Watershed and Resiliency Plan, DuPage County, Illinois. Served on the project team during the fast-paced data collection, public outreach and report development efforts for the East Branch DuPage River Watershed & Resiliency Plan including significant stakeholder coordination to develop a major plan that expanded the scope of potential watershed projects beyond the flood control focal point and into a broader watershed-wide plan for future resilience to extreme weather disasters.

Alliance for the Great Lakes/Chicago Wilderness - Green Infrastructure Planning, Michigan City, Indiana. Project Manager for a GLRI-funded project working with the Alliance for the Great Lakes, Delta Institute, the Field Museum, and the Michigan City Sanitary District to complete a local green infrastructure network plan that is a local prioritized and stepped-down version of the regional Chicago Wilderness Green Infrastructure Vision which also considers climate change adaptations and community resiliency that can be enhanced by implementation of this plan.



HITCHCOCK DESIGN GROUP

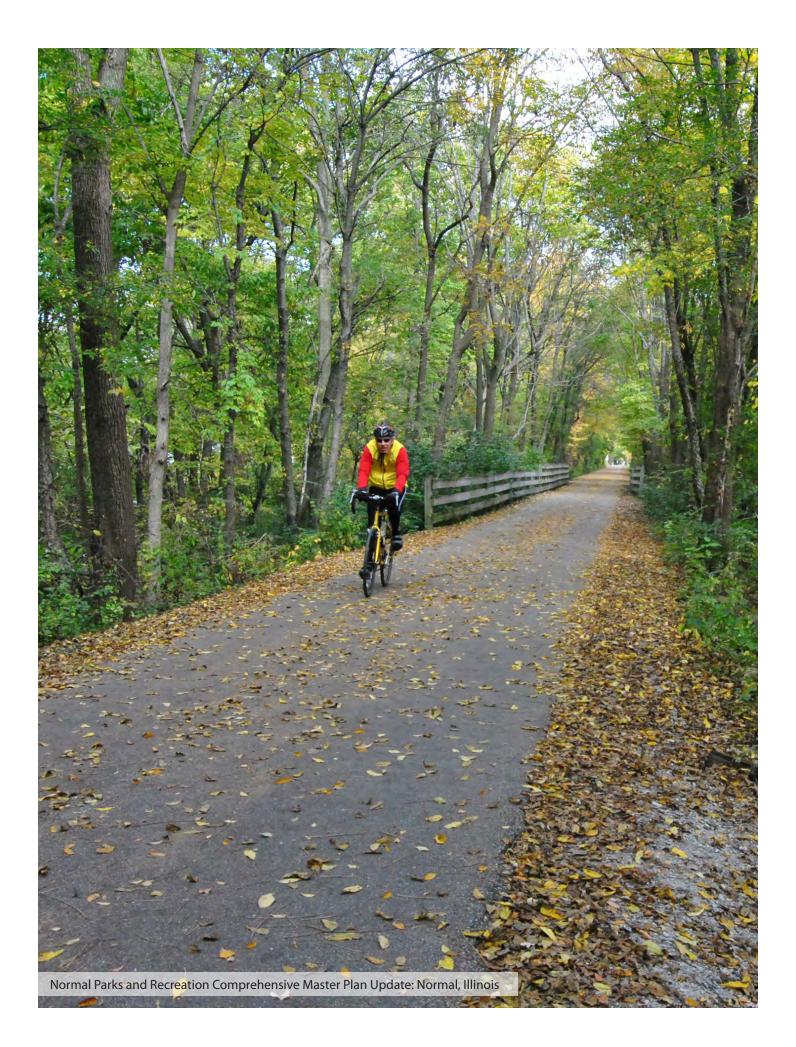
Currently, our Naperville Recreation Studio enjoys a healthy backlog of planning and design projects. Given the forecasted schedules and workload, we are confident that we have the capacity to work on the Parks and Recreation Master Plan project for the Village of Algonquin. We are able to start work on the project promptly, advance it systematically, and complete it in a reasonable time frame.



- 1. State-of-the-art PC work Stations
- 2. Contemporary Software Suite:
 - AutoCAD
 - Adobe CS6
 - SketchUp
 - Lumion
 - ArcGIS Pro
 - WordPress
 - Digital Rendering
- 3. Digital Subscriptions
 - ESRI
 - GIS Data
 - Wix web hosting
 - SurveyMonkey
- 4. Social Media Hosting
 - Facebook
 - LinkedIn
 - Twitter
 - Instagram



Methodology and Process



Scope of Services

The following methodology outline coverts the scope of services in the request for proposal to an easy to follow, 5-phase process to accomplish the Village's goals.



A. ANALYZE: Inventory and Analysis Phase

Process: The Hitchcock Design Group team will:

- 1. [STAFF MEETING #1] Meet with Staff and conduct an Administrative Kick-off Meeting and Staff Input Workshops:
 - a. Administrative Kick-off Meeting:
 - i. Team members
 - ii. Task force/advisory committee
 - iii. The goals and probable usage of the final product
 - iv. Public and stakeholder input protocol
 - v. Available existing data
 - vi. Preliminary schedule
 - b. Staff Input Workshop:
 - i. Participants: Department heads and key staff
 - ii. Method: Focus Group
- 2. Inventory current Trends, Demographics and Agency Data including:
 - a. Industry Trends
 - i. State Recreation Facilities Inventory
 - ii. Sports and Fitness Topline Report, by Sports & Fitness Industry Association (SFIA)
 - iii. Participation Report, by Physical Activity Council
 - iv. Participation Report, by National Sporting Goods Association
 - b. Demographics
 - i. Population, current and projected
 - ii. Gender, age and ethnicity
 - iii. Income
 - c. Agency Data
 - i. 2019-2020 Annual Budget
 - ii. 2017-2018 Comprehensive annual Financial Report
 - iii. 2018 Algonquin Community Survey
 - iv. 2016 Fox River Corridor Plan
 - v. 2013 Downtown Planning Study
 - vi. 2013 Woods Creek Watershed Plan
 - vii. 2012 Jelkes Creek-Fox River Watershed Plan
 - viii. 2009 Events and Recreation Evaluation Plan
 - ix. 2008 Parks, Trails, and Open Space Plan
 - x. 2008 Comprehensive Plan
 - xi. Park and Amenity inventory data
 - xii. Natural Area Assessment report(s)

3. Prepare new Comprehensive GIS Mapping that includes:

- a. Parks and Open Space:
 - i. Village-owned
 - ii. School district + County
- b. Boundaries:
 - i. Municipal
 - ii. Planning areas
- 4. Inventory and Analyze Operations Data including:
 - a. Inventory:



- i. Human resources
 - Staffing levels and organization
 - Departmental structure
 - Culture
 - Performance management
 - Organizational values
- ii. Technology
 - Data management
 - System review
- iii. Maintenance
 - Best practices
 - General operations
- iv. Finance
 - General overview
 - Challenges
- b. Analysis
 - i. Document preliminary observations
 - ii. Identify comparative and relevant national Best Practices
- 5. Inventory and Analyze Recreation Program Data including:
 - a. Inventory:
 - i. Existing programs offered
 - ii. Cost recovery strategy
 - iii. Program development process
 - iv. Equitable distribution information
 - v. Registration and financial performance of programs
 - vi. Lifecycle distribution and age-segmentation analysis
 - b. Analysis:
 - i. Compare results to demographics, trends inventory, and community input data
 - ii. Identify gaps in services based on demand
- 6. Inventory and Analyze architectural **Facility Data** including:
 - a. Inventory:
 - i. Physical condition (via facility visits to Historic Village Hall and Lions Memorial Park Swimming Pool):
 - General compliance with standards and guidelines
 - Functionality and aesthetics
 - Useful-life observations (structure, systems)
 - ii. Supporting data:
 - Document general photographic inventory
 - Indoor space square footages by use
 - b. Analysis:
 - i. Level of Service Analysis (table) based on total programmable square footage compared to current Regional benchmarks
- 7. Inventory and Analyze **Park Data** including:
 - a. General Inventory
 - i. Visit each active park site and review general conditions
 - ii. Update/create Amenity Matrix Inventory for park sites, based on:
 - Existing amenity matrix
 - Work completed since last master plan (if applicable)
 - Work identified in Agency's Capital Plan
 - Spot checks via park visits



- b. Analysis:
 - i. Update Acreage Level of Service Analysis (LOS, by asset class)
 - LOS of total owned, leased and managed acreage
 - Compared to national (NRPA) LOS standards and Park Metrics (NRPA) database benchmarks
 - ii. Asset Distribution
 - Mini (1/4 mi)
 - Neighborhood (1/2 mi)
 - Community (1 or 2 mi)
 - Natural Areas
 - Overall
 - iii. Quantity, Quality, and Distribution
 - Natural Area Ranking System and rank protected areas
 - Distribution of amenities
 - Deficiencies compared to recognized benchmarks (NRPA, State)
- 8. [STAFF MEETING #2] Meeting with staff to review ANALYZE: Inventory and Analysis Phase findings and deliverables.

B. CONNECT: Needs Assessment and Community Engagement Phase

Process: The Hitchcock Design Group Team will:

- 1. Develop Marketing logo and tagline for the Comprehensive Planning Event
- 2. OPTIONAL SERVICE #1: [COMMUNITY ENGAGEMENT EVENT #1] Conduct an Online Survey:
 - a. Preparation:
 - i. Establish web platform
 - ii. Prepare written survey tool:
 - Share examples and conduct discussion
 - Prepare draft
 - Make up to two (2) rounds of revisions
 - b. Participants:
 - i. Community-at-large
 - ii. Users and non-users
 - c. Method:
 - i. Online web-platform, linked to agency website
 - ii. Survey Monkey instrument (multiple choice)
 - iii. Survey promoted by agency
 - iv. Four-week post period
 - v. Tabulated response summary deliverable
- 3. [COMMUNITY ENGAGEMENT EVENT #2] Conduct Stakeholder Meetings during a one-half (1/2) day stakeholder interview session (at a location provided by you and with stakeholders invited by you) to mine constituent interests.
 - a. Participants:
 - i. Local business organization leaders
 - ii. Service organizations
 - iii. Specialized associations
 - iv. Local agencies
 - b. Method:
 - i. Interview with standardized questions
 - ii. Written summary deliverable





- 4. **[COMMUNITY ENGAGEMENT EVENT #3]** Conduct a **Community Input Meeting**, (at a location provided by you with participants invited by you) to facilitate mining constituent interests this could be accomplished in an interactive "booth" at a local community event.
 - a. Participants:
 - i. Community-at-large
 - b. Method:
 - i. Focus Group
 - ii. Focus-question banner and brainstorming wall exhibit
 - iii. Support tools (sign-in, notecards, stickers, pens) for meeting operation
 - iv. Written summary with ranked input deliverable
- 5. [COMMUNITY ENGAGEMENT EVENT #4] Conduct a Statistically Valid Survey:
 - a. Preparation:
 - i. Prepare written survey
 - Share examples and conduct discussion
 - Prepare draft
 - Make up to two (2) rounds of revisions
 - b. Participants:
 - i. Random sampling
 - ii. Distributed to reasonably reflect demographic composition (geographic dispersion, gender, race/ethnicity, etc.)
 - c. Method:
 - i. Custom survey instrument
 - ii. Designated sample quantity (TBD)
 - iii. Designated margin of error and level of confidence percentages (TBD)
 - iv. Tabulated report deliverable
 - d. OPTIONAL SERVICE #2: Add cross tabular data and geocoded GIS map of survey respondents.
- 6. Prepare written **Needs Assessment Summary** assembling results of individual community engagement events and apparent priorities.
- [BOARD MEETING #1] Conduct Board Workshop to review the ANALYZE: Inventory and Analysis Phase and CONNECT: Needs Assessment and Community Engagement Phase findings and deliverables and conduct focus group session / discuss priorities, thoughts and prioritized preferences.

C. ENVISION: Alternative Strategies Phase

Process: The Hitchcock Design Group Team will:

1. Conduct Internal Planning and Visioning Session

- a. Synthesize all of the data gathered to date and highlight agency's desired outcomes of the planning process
- b. Conduct workshop with consultant team and develop preliminary strategies
- 2. Develop preliminary Strategies for **Agency Operations** including best practices for:
 - a. Human resources (structure, performance management, culture, organizational values)
 - b. Systems (technology, data analysis, web, registration)
 - c. Maintenance
 - d. Finance (policy)
 - e. Further study and/or planning recommendations
- 3. Develop preliminary Strategies for **Recreation Programs and Services** including best practices for:





- a. New or expanded indoor programs
- b. New or expanded outdoor programs
- c. Marketing and outreach recommendations
- d. Program decommissioning
- e. Further study and/or planning recommendations
- 4. Develop preliminary Strategies for building **Facilities** including:
 - a. Modifications
 - b. Adaptive reuse / use-changes
 - c. Expansion or decommissioning
 - d. General maintenance
 - e. Further study and/or planning recommendations
- 5. Develop preliminary Strategies for Parks and Open Space including:
 - a. Additional amenities, features and infrastructure
 - b. Natural resource management
 - c. General accessibility recommendations (not transition planning)
 - d. General maintenance
 - e. Land acquisition due to level of service, service area or land-use deficiencies
 - f. Trail connectivity
 - g. Further study and/or planning recommendations
- 6. Prepare written preliminary **Strategies Summary** describing strategies, justification points and appropriate specifics.
- 7. **OPTIONAL SERVICE #3:** Prepare park and facility conceptual diagrams and cost estimates.
 - a. New facilities (including up to 2-conceptual diagrams and cost estimates)
 - b. New parks (including up to 4-conceptual diagrams and cost estimates)
- 8. [STAFF MEETING #3] Meet with Staff to review the ENVISION: Alternative Strategies Phase recommendations and deliverables.

D. PRIORITIZE: Preferred Strategies Phase

Process: The Hitchcock Design Group Team will:

- 1. Update written **Strategies Summary** incorporating Staff input refining descriptions and adding appropriate implementation strategies.
 - 2. Develop Action Plan
 - a. Narrative of preliminary Strategies and the steps necessary to achieve them
 - b. Prioritization, based on ENVISION Phase input
 - c. Timeline (short-term, mid-term, long-term)
- 3. Develop Preliminary Budgets for capital projects
 - a. Order of magnitude systems descriptions and estimated costs
 - b. Soft cost, contingency and escalation estimates
- 4. [STAFF MEETING #4] Meet with Staff to review the PRIORITIZE: Preferred Strategies Phase recommendations and deliverables. Deliver one hard copy and digital copy of deliverables.
- 5. [BOARD MEETING #2] Conduct Board Workshop to review the ENVISION: Alternative Strategies Phase and PRIORITIZE: Preferred Strategies Phase recommendations and deliverables.







E. IMPLEMENT: Final Comprehensive Master Plan Phase

Process: The Hitchcock Design Group Team will:

1. Develop the draft **Comprehensive Parks and Recreation Master Plan** deliverable by assembling all information from the planning process in a booklet format, following the following general format:

a.	Executive Summary:		process, primary goals and objectives
b.	Introduction		document description, credits
c.	Chapter One:	ENVISION:	Alternative Strategies
d.	Chapter Two:	PRIORITIZE:	Action Plan
e.	Chapter Three:	ANALYZE:	Inventory & Analysis
f.	Chapter Four:	CONNECT:	Community Engagement
g.	Chapter Five:	Appendix	Supporting Information

- [STAFF MEETING #5] Meet with Staff to review the IMPLEMENT: Final Comprehensive Master Plan Phase recommendations and deliverables. Deliver one hard copy and digital copy of deliverables.
- 3. OPTIONAL: [BOARD MEETING #3] Prepare for and conduct final Board presentation of the IMPLEMENT: Final Comprehensive Master Plan Phase recommendations and deliverables.
- 4. Receive comments from Staff and Board; make one round of **Final Revisions** to the Master Plan deliverable.
- 5. Print and deliver **Hard Copies** of the Final Master Plan deliverable (as a reimbursable expense) and deliver to Staff.

F. POST PLANNING SERVICES: Action Plan Review

1. **[STAFF MEETINGS]** At your request, conduct a **follow-up meeting each calendar year** following Master Plan adoption (up to three years) with Staff to review Action Plan, Agency's contextual changes, and Master Plan accomplishments. Make an update to the Action Plan and issue digital replacement.

Project Schedule

The following schedule follows the format outlined in the enclosed Scope of Services. The phases as listed may not be undertaken chronologically but rather concurrently, as the conclusion of each phase relies partially on the advancement of others.

Phase	Duration
ANALYZE: Inventory and Analysis Phase	4 weeks
CONNECT: Community Engagement Phase	12 weeks
ENVISION: Alternative Strategies Phase	6 weeks
PRIORITIZE: Preferred Strategies Phase	6 weeks
IMPLEMENT: Final Comprehensive Master Plan Phase	4 weeks
	8 months

A detailed schedule will be developed for your review at the initial kick-off meeting outlining all staff, Park Board, Community meeting dates, staff-review periods, and milestone completion dates.



Proprosed Professional Fee Structure and Project Schedule

The following Fee Structure follows the format outlined Approach and Scope of Services. The Phases as listed may not be undertaken chronologically, but rather concurrently, as the conclusion of each phase relies partially on the advancement of others. Based on a November/December 2019 project start, we estimate that the Analyze and Connect Phase would be completed and the Envision Phase in progress by the Village's April 30, 2020 fiscal year end.

Professional Fee Structure

Inventory and Analysis Phase	\$29,300
Community Engagement Phase	\$12,600
Alternative Strategies Phase	\$24,900
Preferred Strategies Phase	\$15,000
Action Plan Phase	\$9,500
	Subtotal: \$91,300
	Community Engagement Phase Alternative Strategies Phase Preferred Strategies Phase

Reimbursable Expenses:

• Statistically Valid Survey (provided by ETC Institute): Draft printing (materials for staff / board review meeting	\$11,500 s): \$500
Mileage (tours, site visits, meetings):	\$700
Printing of Final plans:	as requested, at cost
	Subtotal: \$12,700
	Total: \$104,000
Optional Services:	±\$3.200

Ι.	Conduct on Online Survey:	+\$3,200
2.	Add cross-tabular data and geocoded GIS map of survey respondents:	+\$2,500
3.	Prepare up to 4 conceptual park and 2 facility diagrams and cost estimates:	+\$10,500





1601 Rio Grande Street Suite 452 Austin, Texas 78701 512.770.4503

100 S. Wacker Drive Suite 700 Chicago, Illinois 60606 312.634.2100

363 N. Illinois Street Suite 2 Indianapolis, Indiana 46204 317.536.6161

> 22 E. Chicago Avenue Suite 200 Naperville, Illinois 60540 630.961.1787

hitchcock**design**group.com



Village of Algonquin

The Gem of the Fox River Valley

M E M O R A N D U M

TO:Tim Schloneger, Village ManagerFROM:Katie Gock, Recreation SuperintendentDATE:November 7, 2019SUBJECT:Miracle on Main – December 7, 2019

The Recreation Department is planning the first inaugural **Miracle on Main (Formally Rock on the Fox)** tree lighting to be held on The Plaza (2 S. Main Street) in old town Algonquin on Saturday, December 7, 2019 from 5:30-7:00pm. The event will include the lighting of the Village Tree, Santa arrival, high school choirs, live reindeer, ice sculptor, frozen characters, and vendor/sponsor booths. Downtown businesses were invited to participate in an open house inviting event attendees into their businesses and restaurants provide quick meals or discounts to encourage visitors to enjoy the newly redeveloped downtown.

Pursuant to the Algonquin Municipal Code section 31.04, Recreation staff, with Police recommendation is requesting approval to close South Main Street (between Algonquin Road and Washington Street) during the hours of 3:00pm until the conclusion of the event approximately 8:00pm, as needed for the event (map attached)

If you agree, please forward to the Village Board for approval to hold Miracle on Main at The Plaza (2 S. Main Street) on Saturday, December 7, 2019 from 5:30-7:00p. Thank you for your consideration.

C: Michael Kumbera, Assistant Village Manager John Bucci, Police Chief





Village of Algonquin

The Gem of the Fox River Valley

M E M O R A N D U M

TO:	Tim Schloneger, Village Manager
FROM:	Katie Gock, Recreation Superintendent
	Mike Reif, Internal Services Supervisor
DATE:	November 7, 2019
SUBJECT:	Lions Armstrong Memorial Pool Sand Filter Replacement RFP

This memo is to advise you of the recommendation for the RFP on the **Lions Armstrong Memorial Pool Sand Filter Replacement** project that the Village of Algonquin is proposing. Each RFP was reviewed to ensure conformance with the specifications (certification, security, cost, etc.). With that the following comments and recommendation.

Request for Purposal

In total 5 companies submitted information by the deadline of October 28 at 5pm for this project, below is a summary: Just in Time Pool & Spa Service – Total \$54,175.00 PJ's Pools - Total \$58,614.00 SEAR Corporation – Total \$62,689.08 Maverick Pools, Inc. – Total \$66,950.00 DeFranco Plumbing – Total \$78,900.00

Analysis

The current condition of the sand filters have deteriorated over the course of the years as they were installed in 1997, most notably this season with hairline cracks causing water to leak into the pump room. These type of filters have a useful life of 20 years, which we have exceeded by 2 years. This project also includes a new chemical controller that will allow Public Works staff the opportunity to view pool chemistry remotely. The new controller should help keep water balanced as this posed challenges during the 2019 pool season.

Recommendation

I highly recommend that this project be complete prior to the start of the 2020 pool season. Staff is recommending Just in Time Pool and Spa Service for this project. This company not only provided the best cost, but also are a reputable pool service company that has served many Park Districts, Villages, and private public pools. Please confirm this recommendation so that this project can move forward.

C: Michael Kumbera, Assistant Village Manager

Cost Proposal

Bidder/Contractor agrees to complete all work according to the above schedule for the following lump sum price(s):

Labor:\$	9,000.00		
Fiberglass Filters/Media/Fittings/Components:\$43,275.00			
Chemical Contr	oller:\$1,900.00		
Total Bidder Co	st:\$54,175.00		

Note: Bidder/Contractor to also submit hourly rates for proposed staff which will be completing this work scope. Lead Pipe Fitter \$55.00 per hour

Laborer x 2 @ \$45.00 per hour

Additional Information

Any additional information requests from Bidders/Contractors may be directed to the Recreation Superintendent, Katie Gock at katiegock@algonquin.org

Just In Time Pool & Spa Service Mike Butkovich 312/622-2223 cell 630/300-4420 office justintimepool@yahoo.com

Industry References:

James Laboy 773-407-2220 Lifetime Fitness Regional Manager Facilities Engineering

*Multiple pump, filter, chemical feeder, and piping replacements.

Shane Scheel 630-391-3051 Grand Bear Lodge General Manager

*Complete waterpark reconstruction after fire; includes mechanical and surface work.

Patrick Albrecht 630-668-9579 Xsport Fitness Regional Maintenance Manager

*Multiple pump room rebuilds and repairs

Estimate



ADDRESS Village of Algonquin 2200 Harnish Drive Algonquin, IL 60102					
	ESTIMATE #		DATE		
	4730		11/03/2019		
			PLEASE DET	ACH TOP PORTIC	ON AND R

PLEASE DETACH TOP PORTION AND RETURN WITH YOUR PAYMENT.

ACTIVITY	QTY	RATE	AMOUNT
Filter swap with filters, valves, and all piping -exact to drawing	1	35,950.00	35,950.00
Water controller installation -exact to drawing	1	2,900.00	2,900.00
Dumpster Rental	1	1,000.00	1,000.00
Filter swap extra using semi automatic dial turn backwash system.	1	14,325.00	14,325.00
Thank you for the opportunity to serve you!	TOT	AL	\$54,175.00

Accepted By

Accepted Date



VILLAGE OF ALGONQUIN GENERAL SERVICES ADMINISTRATION

- M E M O R A N D U M -

DATE:	October 25, 2019
TO:	Tim Schloneger, Village Manager
FROM:	Michael Kumbera, Assistant Village Manager
SUBJECT:	Municipal Compliance Report

Background:

Pursuant to House Bill 5088, attached please find the Municipal Compliance Report for the Algonquin Police Pension Fund. The Police Pension Board is required to report annually to the Board of Trustees on the condition of the pension fund at the end of each fiscal year for tax levy purposes.

Recommendation:

Staff recommends the Committee of the Whole forward this item to the Village Board for acceptance by resolution at their meeting on November 19.

C: Susan Skillman, Comptroller

THE VILLAGE OF ALGONQUIN, ILLINOIS POLICE PENSION FUND PUBLIC ACT 95-0950

MUNICIPAL COMPLIANCE REPORT

FOR THE FISCAL YEAR ENDED APRIL 30, 2019



668 NORTH RIVER RD. • NAPERVILLE, ILLINOIS 60563

PHONE 630.393.1483 • FAX 630.393.2516 www.lauterbachamen.com

October 18, 2019

Members of the Pension Board of Trustees Algonquin Police Pension Fund Algonquin, Illinois

Enclosed please find a copy of your Municipal Compliance Report for the Algonquin Police Pension Fund for the fiscal year ended April 30, 2019. We have prepared the report with the most recent information available at our office. Should you have more current information, or notice any inaccuracies, we are prepared to make any necessary revisions and return them to you.

The President and Secretary of the Pension Fund are required to sign the report on page 3. If not already included with the enclosed report, please also include a copy of the Pension Fund's most recent investment policy.

The signed Public Act 95-0950 - Municipal Compliance Report must be provided to the Municipality before the tax levy is filed on the last Tuesday in December. We are sending the report via email to promote an environmentally-friendly work atmosphere.

If you have any questions regarding this report, please contact your Client Manager or PSA.

Respectfully submitted,

hauterbach & amen, LLP

LAUTERBACH & AMEN, LLP

THE VILLAGE OF ALGONQUIN, ILLINOIS POLICE PENSION FUND

Public Act 95-950 - Municipal Compliance Report For the Fiscal Year Ending April 30, 2019

The Pension Board certifies to the Board of Trustees of the Village of Algonquin, Illinois on the condition of the Pension Fund at the end of its most recently completed fiscal year the following information:

1) The total cash and investments, including accrued interest, of the fund at market value and the total net position of the Pension Fund:

	Current Fiscal Year	Preceding Fiscal Year
Total Cash and Investments (including accrued interest)	\$31,767,438	\$28,453,853
Total Net Position	\$31,767,438	\$28,453,853

2) The estimated receipts during the next succeeding fiscal year from deductions from the salaries of police officers and from other sources:

Estimated Receipts - Employee Contributions	\$423,000
Estimated Receipts - All Other Sources	
Investment Earnings	\$2,144,300
Municipal Contributions	\$2,067,570

3) The estimated amount required during the next succeeding fiscal year to (a) pay all pensions and other obligations provided in Article 3 of the Illinois Pension Code, and (b) to meet the annual requirements of the fund as provided in Sections 3-125 and 3-127:

(a) Pay all Pensions and Other Obligations	\$1,514,700
(b) Annual Requirement of the Fund as Determined by:	
Illinois Department of Insurance	\$1,631,609
Private Actuary - Lauterbach & Amen, LLP	
Recommended Municipal Contribution	\$2,067,570
Statutory Municipal Contribution	\$1,340,147

THE VILLAGE OF ALGONQUIN, ILLINOIS POLICE PENSION FUND

Public Act 95-950 - Municipal Compliance Report For the Fiscal Year Ending April 30, 2019

4) The total net income received from investment of assets along with the assumed investment return and actual investment return received by the fund during its most recently completed fiscal year compared to the total net income, assumed investment return, and actual investment return received during the preceding fiscal year:

	Current Fiscal Year	Preceding Fiscal Year
Net Income Received from Investment of Assets	\$2,117,431	\$1,712,062
Assumed Investment Return		
Illinois Department of Insurance	6.50%	6.50%
Private Actuary - Lauterbach & Amen, LLP	6.75%	6.75%
Actual Investment Return	7.03%	6.33%

5) The total number of active employees who are financially contributing to the fund:

Number of Active Members	46

6) The total amount that was disbursed in benefits during the fiscal year, including the number of and total amount disbursed to (i) annuitants in receipt of a regular retirement pension, (ii) recipients being paid a disability pension, and (iii) survivors and children in receipt of benefits:

	Number of	Total Amount Disbursed
(i) Regular Retirement Pension	14	\$1,002,299
(ii) Disability Pension	4	\$166,091
(iii) Survivors and Child Benefits	0	\$0
Totals	18	\$1,168,390

THE VILLAGE OF ALGONQUIN, ILLINOIS POLICE PENSION FUND

Public Act 95-950 - Municipal Compliance Report For the Fiscal Year Ending April 30, 2019

7) The funded ratio of the fund:

	Current Fiscal Year	Preceding Fiscal Year
Illinois Department of Insurance	68.89%	68.58%
Private Actuary - Lauterbach & Amen, LLP	67.80%	65.58%

8) The unfunded liability carried by the fund, along with an actuarial explanation of the unfunded liability:

Unfunded Liability:

Illinois Department of Insurance	\$14,322,921
Private Actuary - Lauterbach & Amen, LLP	\$15,123,426

The accrued liability is the actuarial present value of the portion of the projected benefits that has been accrued as of the valuation date based upon the actuarial valuation method and the actuarial assumptions employed in the valuation. The unfunded accrued liability is the excess of the accrued liability over the actuarial value of assets.

9) The investment policy of the Pension Board under the statutory investment restrictions imposed on the fund.

Investment Policy - See Attached.

Please see Notes Page attached.

CERTIFICATION OF MUNICIPAL POLICE PENSION FUND COMPLIANCE REPORT

The Board of Trustees of the Pension Fund, based upon information and belief, and to the best of our knowledge, hereby certify pursuant to §3-143 of the Illinois Pension Code 40 ILCS 5/3-143, that the preceding report is true and accurate.

Adopted th	is	_ day of	, 2019		
President				Date	
Secretary				Date	

THE VILLAGE OF ALGONQUIN, ILLINOIS POLICE PENSION FUND

Public Act 95-950 - Municipal Compliance Report For the Fiscal Year Ending April 30, 2019

INDEX OF ASSUMPTIONS

1) Total Cash and Investments - as Reported at Market Value in the Audited Financial Statements for the Years Ended April 30, 2019 and 2018.

Total Net Position - as Reported in the Audited Financial Statements for the Years Ended April 30, 2019 and 2018.

 Estimated Receipts - Employee Contributions as Reported in the Audited Financial Statements for the Year Ended April 30, 2019 plus 4.8% Increase (Actuarial Salary Increase Assumption) Rounded to the Nearest \$100.

Estimated Receipts - All Other Sources:

Investment Earnings - Cash and Investments as Reported in the Audited Financial Statements for the Year Ended April 30, 2019, times 6.75% (Actuarial Investment Return Assumption) Rounded to the Nearest \$100.

- 3) (a) Pay all Pensions and Other Obligations Total Non-Investment Deductions as Reported in the Audited Financial Statements for the Year Ended April 30, 2019, plus a 25% Increase, Rounded to the Nearest \$100.
 - (b) Annual Requirement of the Fund as Determined by:

Illinois Department of Insurance - Suggested Amount of Tax Levy as Reported in the April 30, 2019 Actuarial Valuation.

Private Actuary - Lauterbach & Amen, LLP:

Recommended Amount of Tax Levy as Reported by Lauterbach & Amen, LLP in the April 30, 2019 Actuarial Valuation.

Statutorily Required Amount of Tax Levy as Reported by Lauterbach & Amen, LLP in the April 30, 2019 Actuarial Valuation.

Public Act 95-950 - Municipal Compliance Report For the Fiscal Year Ending April 30, 2019

INDEX OF ASSUMPTIONS - Continued

4) Net Income Received from Investment of Assets - Investment Income (Loss) net of Investment Expense, as Reported in the Audited Financial Statements for the Years Ended April 30, 2019 and 2018.

Assumed Investment Return:

Illinois Department of Insurance - Current and Preceding Fiscal Year Interest Rate Assumption as Reported in the April 30, 2019 and 2018 Actuarial Valuations.

Private Actuary - Current and Preceding Fiscal Year Interest Rate Assumption as Reported in the Lauterbach & Amen, LLP, April 30, 2019 and 2018 Actuarial Valuations.

Actual Investment Return -Net Income Received from Investments as Reported Above as a Percentage of the Average of the Beginning and Ending Balances of the Fiscal Year Cash Investments, Excluding Net Investment Income, Gains, and Losses for the Fiscal Year Return Being calculated, as Reported in the Audited Financial Statements for the Fiscal Years Ended April 30, 2019 and 2018.

- 5) Number of Active Members Illinois Department of Insurance Annual Statement for April 30, 2019 Schedule P.
- 6) (i) Regular Retirement Pension Illinois Department of Insurance Annual Statement for April 30, 2019 Schedule P for Number of Participants and Expense page 1 for Total Amount Disbursed.
 - (ii) Disability Pension Same as above.
 - (iii) Survivors and Child Benefits Same as above.

Public Act 95-950 - Municipal Compliance Report For the Fiscal Year Ending April 30, 2019

INDEX OF ASSUMPTIONS - Continued

7) The funded ratio of the fund:

Illinois Department of Insurance - Current and Preceding Fiscal Year Net Present Assets as a percentage of Total Assets as Reported in the April 30, 2019 and 2018 Actuarial Valuations.

Private Actuary - Current and Preceding Fiscal Year Net Present Assets as a percentage of Total Assets as Reported in the Lauterbach & Amen, LLP, April 30, 2019 and April 30, 2018 Actuarial Valuations.

8) Unfunded Liability:

Illinois Department of Insurance - Deferred Asset (Unfunded Accrued Liability) as Reported in the April 30, 2019 Actuarial Valuation.

Private Actuary - Deferred Asset (Unfunded Accrued Liability) as Reported by Lauterbach & Amen, LLP in the April 30, 2019 Actuarial Valuation.

VILLAGE OF ALGONQUIN

POLICE PENSION FUND INVESTMENT POLICY

1.0 **Policy**:

It is the policy of the Algonquin Police Pension Fund to invest pension funds in a manner which will preserve the actuarial soundness of the plan, while meeting the cash flow demands of the fund and conforming to all state statutes governing the investment of police pension funds.

2.0 **Scope:**

This investment policy applies to the assets of the Police Pension Fund of the Village of Algonquin.

3.0 **Prudence**:

Investments shall be made with care, skill, prudence and diligence that a prudent person acting in like capacity and familiar with such matters would use in the conduct of an enterprise of like character with like aims. (Prudent Expert Rule)

Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

4.0 Investment Principles:

- A. Investments shall be made solely in the interest of the beneficiaries of the Fund.
- B. Assets shall be invested in proportion to the present value of the Fund's liabilities.
- C. Investments shall be diversified to minimize the risk of large losses, unless under the circumstances it is clearly prudent to not do so.
- D. The Fund may employ one or more investment managers of varying styles and philosophies to attain the Fund's objectives.
- E. Cash is to be employed productively at all times, by investment in short term cash equivalents to provide safety, liquidity and return.

5.0 **Investment Objectives**:

In order to meet its needs, the investment strategy of the Fund is to emphasize total return; that is, the aggregated return from capital appreciation and dividend and interest income.

The Fund seeks long term growth of principal while avoiding excessive market risk. Short term volatility will be tolerated in as much as it is consistent with the volatility of a comparable market index.

6.0 Asset Allocation:

The following policy shall govern the overall equity/fixed commitment of the Fund:

Acceptable Ranges of Equity Commitment

Minimum	Target	Maximum
<u>45%</u>	<u>65%</u>	<u>65%</u>

Acceptable Ranges of Corporate Bonds within the Fixed Income Portfolio

Minimum	Target	Maximum
0%	None	<u>50%</u>

The balance to be in Fixed Income and cash equivalents. Guidelines describing permissible types of equities and fixed income investments are provided in Sections 10, 11 and 14 to follow.

6.1 Specific Investment Goals:

Over a 5-year investment horizon, it is the goal for the Plan to meet or exceed the return of a blend of benchmark indices that reflect the asset allocation of the Pension Fund Portfolio.

The above goals are the objectives of the aggregate Fund, and are not meant to be imposed on each investment account. The goal of each investment and or manager over the investment horizon, shall be to: Meet or exceed the market index or blended market index selected and agreed upon by the Trustees that most closely corresponds to the style of management.

6.2 Portfolio Rebalancing:

The portfolio will be reviewed quarterly and rebalanced at least annually using the market value of the portfolio.

7.0 **Delegation of Authority:**

Authority to manage the Village of Algonquin Police Pension Fund's investment program is derived from the following:

The establishment of investment policies is the responsibility of the Police Pension Board shall establish written procedures for the operation of the investment program consistent with this investment policy. Procedures should include references to: safekeeping, delivery vs. payment, investment accounting, wire transfer agreements and collateral/depository agreements. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Board. The Board shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials. The Board may from time to time amend the written procedures in a manner not inconsistent with this policy or with state statutes.

8.0 **Ethics and Conflicts of Interest:**

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Officers shall refrain from undertaking personal investment transaction with the same individual with whom business is conducted on behalf of their entity.

9.0 <u>Authorized Financial Dealers and Institutions</u>:

The Village Treasurer will maintain a list of financial institutions authorized to provide investment services. In addition, a list will also be maintained of approved security broker/dealers selected by credit worthiness. All authorized firms must be "primary" dealers or regional dealers that qualify under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule). No public deposit shall be made except on a qualified public depository as established by state statutes.

Unless transacted by the Investment Manager, all financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the Treasurer with the following:

- audited financial statements
- proof of Financial Industry Regulatory Agency(FINRA) certification
- proof of state registration
- completed broker/dealer questionnaire
- certification of having read the Village's investment policy
- depository contracts

An annual review of the financial condition and registration of qualified bidders will be conducted by the Treasurer.

A current audited financial statement is required to be on file for each financial institution and broker/dealer in which the village invests.

10.0 Investment Guidelines:

Investments of the Fund shall be made with a firm authorized to provide investment services (Section 9).

No more than 20% of the portfolio shall be invested in any issuer to the exclusion of U.S. Treasury Securities.

10.1 Liquidity:

The investment portfolio shall remain sufficiently liquid to meet all cash flow requirements that may be reasonably anticipated.

11.0 Authorized and Suitable Investments:

The Fund may invest in any type of security allowed for in Illinois Compiled Statutes (40 ILCS 5/1-113.1-1-113.4a) regarding the investment of pension funds. Approved investments include:

- A. Interest bearing direct obligations of the United States of America.
- B. Interest bearing obligations to the extent that they are fully guaranteed or insured as to payment of principal and interest by the United States of America.
- C. Interest bearing bonds, notes, debentures, or other similar obligations of agencies of the United States of America. For the purposes of this Section, "agencies of the United States of America" includes:
 - (i) The Federal National Mortgage Association
 - (ii) Federal land banks, federal intermediate credit banks, federal farm credit banks, and any other entity authorized to issue direct debt obligations of the United States of America under the Farm Credit Acts of 1971 or amendments to that Act
 - (iii) Federal home loan banks and the Federal Home Loan Mortgage Corporation; and
 - (iv) Any agency created by Act of Congress that is authorized to issue direct debt obligations of the United States of America.
- D. Interest bearing savings accounts or certificates of deposit, issued by federally chartered banks or savings and loan associations, to the extent that the deposits are insured by agencies or instrumentalities of the federal government.
- E. Interest bearing savings accounts or certificates of deposit, issued by State of Illinois chartered banks or savings and loan associations, to the extent that the deposits are insured by agencies or instrumentalities of the federal government.
- F. Investments in credit unions, to the extent that the investments are insured by agencies or instrumentalities of the federal government.
- G. Pooled interest bearing accounts managed by the Illinois Public Treasurer's Investment Pool (Illinois Funds) in accordance with the Deposit of State Moneys Act and interest bearing funds or pooled accounts of the Illinois Metropolitan Investment Funds, or funds managed, operated, and administered by banks, subsidiaries of banks, or subsidiaries of bank holding companies in accordance with the laws of the State of Illinois.
- H. Interest bearing bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois.
- I. Direct obligations of the State of Israel, subject to the conditions and limitations of item (5.1) of Section 1-113.
- J. Money market mutual funds managed by investment companies that are registered under the federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies; provided that the portfolio of the money market mutual fund is limited to the following:
 - (i) Bonds, notes certificates of indebtedness, treasury bills, or other securities that are guaranteed by the full faith and credit of the United States of America as to principal and interest.
 - (ii) Bonds, notes debentures, or other similar obligations of the United States of America or its agencies.
 - (iii) Short term obligations of corporations organized in the United States with assets exceeding \$400,000,000, provided that (A) the obligations mature no later than 180 days from the date of purchase, (B) at the time of purchase, the obligations are rated by at least 2 standard national rating services at one of their 3 highest classifications, and (C) the

obligations held by the mutual fund do not exceed 10% of the corporation's outstanding obligations.

- K. General accounts of life insurance companies authorized to transact business in Illinois.
- L. Any combination of the following, not to exceed 50% as of July 1, 2011 and 55% as of July 1, 2012, of the pension fund's net assets:
 - (i) Separate accounts that are managed by life insurance companies authorized to transact business in Illinois and are comprised of diversified portfolios consisting of common or preferred stocks, bonds, or money market instruments.
 - (ii) Separate accounts that are managed by insurance companies authorized to transact business in Illinois, and are comprised of real estate or loans upon real estate secured by first or second mortgages.
 - (iii) Mutual Funds that meet the following requirements: (a) the mutual fund is managed by an investment company and registered under the Federal Investment Company Act of 1940 and registered under the Illinois Securities Law of 1953; (b) the mutual fund has been in operation for at least 5 years; (c) the mutual fund has total net assets of \$250 million or more, and; (d) the mutual fund is comprised of diversified portfolio of common or preferred stocks, bonds, or money market instruments.
 - (iv) Through an appointed investment advisor, as defined under Sections 1-101.4 and 1-113.5, may, through that investment adviser, invest an additional portion of its assets in common and preferred stocks and mutual funds. The stocks must meet all of the following requirements: (a) the common stocks must be listed on a national securities exchange or board of trade (as defined in the Federal Securities Exchange Act of 1934 and set forth in paragraph G of Section 3 of the Illinois Securities Law of 1953) or quoted in the National Association of Securities Dealers Automated Quotation System National Market System;
 (b) the securities must be of a corporation in existence for at least 5 years; (c) The market value of stock in any one corporation may not exceed 5% of the cash and invested assets of the pension fund, and the investments in the stock of any one corporation may not exceed 5% of the total outstanding stock of that corporation; (d) The straight preferred stocks or convertible preferred stocks must be issued or guaranteed by a corporation whose common stock qualifies for investment by the board; and (e) ADR's are excluded.
- N. Corporate bonds managed through an investment advisor must meet all of the following requirements:
 - i) The bonds must be rated as investment grade by one of the two largest rating services at the time of purchase.
 - ii) If subsequently downgraded below investment grade, the bonds must be liquidated by the manager from the portfolio within 90 days after being downgraded.

The fund's total investment in separate accounts and mutual funds shall not exceed 65% of the market value of the pension fund's net present assets stated in its most recent annual report on file with the Illinois Department of Insurance.

Except for pecuniary interests permitted under subsection (f) of Section 3-14-4 of the Illinois Municipal Code or under Section 3.2 of the Public Officer Prohibited Practices Act, no person acting as treasurer or financial officer or who is employed in any similar capacity by or for a public agency may do any of the following:

- have any interest, directly or indirectly, in any investments in which the agency is authorized to invest.
- have any interest, directly or indirectly, in the sellers, sponsors, or managers of those investments.
- receive, in any manner, compensation of any kind from any investments in which the agency is authorized to invest.

Any public agency may also invest any public funds in a Public Treasurers' Investment Pool (Illinois Funds) created under Section 17 of the State Treasurer Act. Any public agency may also invest any public funds in a fund managed, operated, and administered by a bank, subsidiary of a bank, or subsidiary of a bank holding company or use the services of such an entity to hold and invest or advise regarding the investment of any public funds.

To the extent a public agency has custody of funds not owned by it or another public agency and does not otherwise have authority to invest such funds, the public agency may invest such funds as if they were its own. Such funds must be released to the appropriate person at the earliest reasonable time, but in no case exceeding 31 days, after the private person becomes entitled to the receipt of them. All earnings accruing on any investments or deposits made pursuant to the provisions of this Act shall be credited to the public agency by or for which such investments or deposits were made, except as provided otherwise in Section 4.1 of the State Finance Act or the Local Governmental Tax Collection Act, and except where by specific statutory provisions such earnings are directed to be credited to and paid to particular fund.

Investment advisers and consultants shall be fiduciaries, as defined in Section 1-101.2, with respect to the Pension Fund, and comply with the provisions of 40 ILCS 5/1-113.5.

12.0 <u>Collateralization</u>:

It is the policy of the Fund and in accordance with the GFOA's Recommended Practices on the Collateralization of Public Deposits, the Fund requires that funds on deposit in excess of FDIC limits be secured by some form of collateral. The Fund will accept any of the following assets as collateral:

- Government Securities
- Obligations of Federal Agencies
- Obligations of Federal Instrumentalities

(The Fund reserves the right to accept/reject any form of the above named securities.)

The Fund also requires that all depositories that hold the Fund's deposits in excess of the FDIC limit must provide and sign a Collateralization Agreement.

The amount of collateral provided will not be less than 110% of the fair market value of the net amount of public funds secured. The ratio of fair market value of collateral to the amount of funds secured will be reviewed monthly, and additional collateral will be required when the ratio declines below the level required and collateral will be released if the fair market value exceeds the required level. Pledged collateral will be held in safekeeping, by an independent third party depository, or the Federal Reserve Bank of Chicago, designated by the Fund and evidenced by a safekeeping agreement. Collateral agreements will preclude the release of the pledged assets without an authorized signature from the Fund.

13.0 Safekeeping and Custody:

When possible, security transactions entered into by the Fund shall be conducted on a delivery-versespayment (DVP) basis. Securities will be held by a third party custodian or qualified broker/dealer as defined by 40 ILCS 5/1-113.7 (A), be designated by the Fund and evidenced by safekeeping receipts and/or itemized statements.

14.0 **Diversification**:

In order to reduce the risk of default, the investment portfolio of the Fund shall not exceed the following diversification limits unless specifically authorized by the Board of Trustees:

- Monies deposited at a financial institution shall not exceed 75% of the capital stock and surplus of that institution.
- Commercial paper shall not exceed 10% of the Fund's investment portfolio.
- Deposits in the Illinois Public Treasurer's Investment Pool shall not exceed 50% of the Fund's investment portfolio.
- Brokered certificates of deposit shall not exceed 25% of the Fund's investment portfolio.

15.0 Maximum Maturities:

The Fund will attempt to match its investments with anticipated cash flow requirements and future liabilities.

16.0 Internal Controls:

The Treasurer is responsible for establishing and maintaining an internal control structure designed to insure that the assets of the Fund are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of the control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits require estimates and judgments by management.

Accordingly, the Treasurer shall establish a process for annual independent review by an external auditor to assure compliance with policies and procedures. The internal controls shall address the following points:

- Control of collusion
- Separation of transaction authority from accounting and record keeping
- Custodial safekeeping
- Avoidance of physical delivery securities
- Clear delegation of authority to subordinate staff members.
- Written confirmation of telephone transactions for investments and wire transfers
- Development of a procedure for making wire transfers

17.0 Investment Manager Performance Review and Evaluation:

Performance reports generated by the Investment Consultant shall be compiled at least quarterly and communicated to the Trustees for review. The investment performance of total portfolios as well as asset class components will be measured against commonly accepted performance benchmarks. Consideration shall be given to the investment objectives, goals and guidelines as set forth in this statement. The Trustees intend to evaluate the portfolio(s) over at least a three-year period, but reserve the right to terminate a manager for any reason including the following:

- Investment performance which is significantly less than anticipated given the discipline employed and the risk parameters established, or unacceptable justification of poor results.
- Failure to adhere to any aspect of this statement of investment policy, including communication and reporting requirements.
- Significant qualitative changes to the investment management organization.

Investment managers shall be reviewed regularly regarding performance, personnel, strategy, research capabilities, organizational and business matters, and other qualitative factors that may impact their ability to achieve the desired investment results.

18.0 **<u>Reporting</u>**:

The Treasurer or designated third party shall prepare an investment report at least quarterly, including a succinct management summary that provides a clear picture of the status of the current investment portfolio. This management summary will be prepared in a manner which will allow the entity to ascertain whether investment activities during the reporting period have conformed to the investment policy. The report should be provided to the Police Pension Board.

18.1 Marking to Market:

A statement of the market value of the portfolio shall be issued at least quarterly. This will ensure that the minimal amount of review has been performed on the investment portfolio in terms of value and subsequent price volatility. Review should be consistent with the GFOA Recommended Practice on Mark-to-Market Practices for State and Local Government Investment Portfolios and Investment Pools.

19.0 **Investment Policy Adoption:**

The Fund's investment policy shall be adopted by resolution of the Algonquin Police Pension Fund. This policy shall be reviewed on an annual basis by the President and any modifications made thereto must be approved by the Police Pension Board.

Amended: April 24, 2019

President Village of Algonquin Police Pension



VILLAGE OF ALGONQUIN GENERAL SERVICES ADMINISTRATION

- M E M O R A N D U M -

DATE:	October 25, 2019
TO:	Tim Schloneger, Village Manager
FROM:	Michael Kumbera, Assistant Village Manager
SUBJECT:	Police Pension Fund Tax Levy Request

Background:

The Algonquin Police Pension Fund Board of Trustees is requesting that the Village Board levy an amount \$2,067,570 (\$2,068,000 rounded) in accordance with the actuarial valuation results for the year beginning May 1, 2019. This is an increase of \$83,033 from last year's levy. A copy of the request and actuarial valuation from Lauterbach and Amen is attached.

The fund is 67.8 percent funded (up 2.22 percent) from the prior year and the amortization target remains 100 percent by 2033 (14 years). This recommendation has been tentatively placed in the 2019 tax levy resolution that the Committee of the Whole will consider on November 12.

Recommendation:

Staff recommends the Committee of the Whole forward this item to the Village Board for acceptance by motion at their meeting on November 19.

C: Susan Skillman, Comptroller

MEMORANDUM

- TO: Village President and Board of Trustees
- FROM: Stan W. Helgerson, President, Police Pension Fund
- **DATE:** July 31, 2019
- **RE:** 2019 Tax Levy Request

The Police Pension Fund Board is hereby requesting that the Village Board levy \$2,067,570 for the Police Pension Fund. The amount was determined by an actuary that was jointly hired by the Village and the Pension Board.

Thank you for your consideration.

cc: Algonquin Police Pension Board

Actuarial Funding Report



ALGONQUIN POLICE PENSION FUND

Actuarial Valuation as of May 1, 2019

For the Contribution Year May 1, 2019 to April 30, 2020

LAUTERBACH & AMEN, LLP

Actuarial Valuation – Funding Recommendation



Lauterbach & Amen, LLP

CERTIFIED PUBLIC ACCOUNTANTS

ALGONQUIN POLICE PENSION FUND

Contribution Year Ending: April 30, 2020 Actuarial Valuation Date: May 1, 2019 Utilizing Data as of April 30, 2019

Submitted by:

Lauterbach & Amen, LLP 668 N. River Road Naperville, IL 60563 Phone: 630.393.1483 www.lauterbachamen.com

Contact:

Todd A. Schroeder Director September 24, 2019

LAUTERBACH & AMEN, LLP



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ACTUARIAL CERTIFICATION

This report documents the results of the Actuarial Valuation for the Algonquin Police Pension Fund. The information was prepared for use by the Algonquin Police Pension Fund and the Village of Algonquin, Illinois for determining the Recommended Contributions, under the selected Funding Policy and Statutory Minimum guidelines, for the Contribution Year May 1, 2019 to April 30, 2020. It is not intended or suitable for other purposes. Determinations for purposes other than the Employer's Actuarial Recommended Contribution may be significantly different from the results herein.

The results in this report are based on the census data and financial information submitted by the Village of Algonquin, Illinois, and may include results from the prior Actuary. We did not prepare the Actuarial Valuations for the years prior to May 1, 2016. Those valuations were prepared by the prior Actuary whose reports have been furnished to us, and our disclosures are based on those reports. An audit of the prior Actuary's results was not performed, but high-level reviews were completed for general reasonableness, as appropriate, based on the purpose of this valuation. The accuracy of the results is dependent on the precision and completeness of the underlying information.

In addition, the results of the Actuarial Valuation involve certain risks and uncertainty as they are based on future assumptions, market conditions, and events that may never materialize as assumed. For this reason, certain assumptions and future results may be materially different than those presented in this report. See the *Management Summary* section of this report for a more detailed discussion of the Defined Benefit Plan Risks, as well as the limitations of this Actuarial Valuation on assessing those risks. We are not aware of any known events subsequent to the Actuarial Valuation Date, which are not reflected in this report but should be valued, that may materially impact the results.

The valuation results summarized in this report involve actuarial calculations that require assumptions about future events. The Village of Algonquin, Illinois selected certain assumptions, while others were the result of guidance and/or judgment from the Plan's Actuary or Advisors. We believe that the assumptions used in this valuation are reasonable and appropriate for the purposes for which they have been used. The selected assumptions represent our best estimate of the anticipated long-term experience of the Plan, and meet the guidelines set forth in the Actuarial Standards of Practice.





To the best of our knowledge, all calculations are in accordance with the applicable funding requirements, and the procedures followed and presentation of results conform to generally accepted actuarial principles and practices as prescribed by the Actuarial Standards Board. The undersigned of Lauterbach & Amen, LLP is an Associate of the Society of Actuaries and an Enrolled Actuary, and meets the Qualification Standards of the American Academy of Actuaries to render this Actuarial Certification. There is no relationship between the Village of Algonquin, Illinois and Lauterbach & Amen, LLP that impairs our objectivity.

Respectfully Submitted,

LAUTERBACH & AMEN, LLP

Todd A. School

Todd A. Schroeder, ASA, FCA, EA, MAAA





MANAGEMENT SUMMARY

Recommended Contribution Funded Status Management Summary – Comments and Analysis Actuarial Recommended Contribution – Reconciliation

RECOMMENDED CONTRIBUTION

	Prior Valuation	Current Valuation	The Decouver ded
Recommended Contribution	\$1,984,537	\$2,067,570	The Recommended Contribution has Increased by
Expected Payroll	\$4,157,150	\$4,327,911	Increased by \$83,033 from the Prior Valuation.
Recommended Contribution as a Percent of Expected Payroll	47.74%	47.77%	

FUNDED STATUS

	Prior	Current	
	Valuation	Valuation	
Normal Cost	\$987,120	\$1,018,221	
Market Value of Assets	\$28,453,853	\$31,767,438	
Actuarial Value of Assets	\$28,913,925	\$31,843,584	
Actuarial Accrued Liability	\$44,087,227	\$46,967,010	
Unfunded Actuarial Accrued Liability	\$15,173,302	\$15,123,426	
Percent Funded Actuarial Value of Assets	65.58%	67.80%	
Market Value of Assets	64.54%	67.64%	

The Percent Funded has Increased by 2.22% on an Actuarial Value of Assets Basis.



MANAGEMENT SUMMARY – COMMENTS AND ANALYSIS

Contribution Results

The Recommended Contribution is based on the selected Funding Policy and methods that are outlined in the *Actuarial Funding Policy* section of this report.

The Illinois State Statutes for Pension Funds contain parameters that are used to determine the Statutory Minimum Contribution to a public Pension Fund. Those parameters and the resulting Statutory Minimum Contribution are found in the *Illinois Statutory Minimum Contribution* section of this report.

"Contribution Risk" is defined by the Actuarial Standards of Practice as the potential for actual future contributions to deviate from expected future contributions. For example, when actual contributions are not made in accordance to the Plan's Funding Policy, or when future experience deviates materially from assumed. While it is essential for the Actuary and Plan Sponsor to collaborate on implementing a sound and financially feasible Funding Policy, it is important to note that the Actuary is not required, and is not in the position to, evaluate the ability or willingness of the Plan Sponsor to make the Recommended Contribution under the selected Funding Policy.

As a result, while Contribution Risk may be a significant source of risk for the Plan, this Actuarial Valuation makes no attempt to assess the impact of future contributions falling short of those recommended under the selected Funding Policy. Notwithstanding the above, see later in this section for the impact on the current Recommended Contribution of any contribution shortfalls or excesses from the prior year.

Defined Benefit Plan Risks

Asset Growth:

Pension funding involves preparing Plan assets to pay for benefits when Members retire. During their working careers, assets grow with contributions and investment earnings; and then, the Pension Fund distributes assets in retirement. Based on the Plan's current mix of Employees and funded status, the Plan should experience positive asset growth, on average, if the Recommended Contributions are made and expected investment earnings come in. In the current year, the Plan's asset growth was positive by approximately \$3,300,000.

Asset growth is important in the long-term. Long-term cash flow out of the Pension Fund is primarily benefit payments, and expenses are a smaller portion. The Plan should monitor the impact of expected benefit payments on future asset growth. In the next 5 years, benefit payments are anticipated to increase 60-65%, or approximately \$710,000. In the next 10 years, the expected increase in benefit payments is 160-165%, or approximately \$1,900,000.

Furthermore, Plans with a large number of retirees have an increased "Longevity Risk". Longevity Risk is the possibility that retirees may live longer than projected by the Plan's mortality assumption. As shown above, benefit payments are expected to increase over the next 5-year and 10-year horizons. The projected



increases assume that current retirees pass away according to the Plan's mortality assumption. To the extent that current retirees live longer than expected, the future 5-year and 10-year benefit projections may be larger than the amounts disclosed above. Higher levels of benefit payments, payable for a longer period of time, may cause a significant strain to the Plan's cash flow, future Recommended Contributions, and may lead to Plan insolvency.

Unfunded Liability:

Unfunded Liability represents the financial shortfall of the Actuarial Value of Assets compared to the Actuarial Accrued Liability. To the extent that Unfunded Liability exists, the Plan is losing potential investment earnings due to the financial shortfall. Contributions towards Unfunded Liability pay for the lost investment earnings, as well as the outstanding unfunded amount. If payments towards Unfunded Liability are not made, the Unfunded Liability will grow.

In the early 1990s, many Pension Funds in Illinois adopted an increasing payment towards Unfunded Liability due to a change in legislation. The initial payment decreased, and future payments are anticipated to increase annually after that. In many situations, payments early on were less than the interest on Unfunded Liability, which means that Unfunded Liability increased even though contributions were made at the recommended level.

The current Recommended Contribution includes a payment towards Unfunded Liability that is approximately \$420,000 greater than the interest on Unfunded Liability. All else being equal and contributions being made, Unfunded Liability is expected to decrease. The Employer and Fund should anticipate that improvement in the current Percent Funded will be mitigated in the short-term. The Employer and Fund should understand this impact as we progress forward to manage expectations.

Actuarial Value of Assets:

The Pension Fund smooths asset returns that vary from expectations over a five-year period. The intention over time is that asset returns for purposes of funding recommendations are a combination of several years. The impact is intended to smooth out the volatility of contribution recommendations over time, but not necessarily increase or decrease the level of contributions over the long-term.

When asset returns are smoothed, there are always gains or losses on the Market Value of Assets that are going to be deferred for current funding purposes, and recognized in future years. Currently, the Pension Fund is deferring approximately \$76,000 in losses on the Market Value of Assets. These are asset losses that will be recognized in upcoming periods, independent of the future performance of the Market Value of Assets.

Cash Flow Risk:

Assets, liabilities, and Funded Status are good metrics to monitor over time to assess the progress of the Funding Policy. However, these metrics may provide limited forward-looking insights. Specifically, the maturity of a pension fund can pose certain risks that often cannot be assessed with a point-in-time metric such as Funded Percentage.



For example, two different pension funds could have the same Funded Percentage, but have completely different risk profiles. One fund might mostly cover active employees with little to no benefits in pay status, whereas a second fund might mostly cover retirees with a significant level of annual benefit payments. The latter fund has a greater "Cash Flow Risk", i.e. a more significant chance that negative cash flows could lead to a deteriorating, rather than improving, Funded Percentage over time.

It is also important to note that, in general, positive net cash flows are good, but also need to be sufficient to cover the growth in the liabilities (i.e. the Normal Cost as well as interest on the Actuarial Accrued Liability). Typically, when cash flows are assumed to be insufficient to cover the growth in liabilities, the Funded Percentage will decline, while future contribution requirements will increase.

Benefit Payment Risk:

Ideally, a plan in good financial standing will have the ratio of annual benefits payments to the Market Value of Assets to be less than the Expected Return on Investments assumption (i.e. 6.75%). Theoretically, in this case it can be considered that investment returns will fully cover the annual benefit payments, and therefore, all Employer and Employee Contributions made to the Fund will be used to pay for future benefit accruals and pay down the existing Unfunded Liability. To the extent the ratio of the annual benefit payments to the Market Value of Assets increases to above the Expected Rate of Return assumption, the Plan may experience some additional risks, such as the need to keep assets in more liquid investments, inability to pay down Unfunded Liability, and may lead to Plan insolvency.

As of the Valuation Date, the Algonquin Police Pension Fund has a ratio of benefit payments to the Market Value of Assets of 3.68%. In this case, the Plan is currently in a sound financial position and has a reduced amount of Benefit Payment Risk and Cash Flow Risk. It would be expected that adherence to the current Funding Policy would lead to an increasing Funded Percentage.

Plan Assets

The results in this report are based on the assets held in the Pension Fund. Assets consist of funds held for investment and for benefit payments as of the Actuarial Valuation Date. In addition, assets may be adjusted for other events representing dollars that are reasonably expected to be paid out from the Pension Fund or deposited into the Pension Fund after the Actuarial Valuation Date as well.

The current Fund assets are audited.

The Actuarial Value of Assets under the Funding Policy is equal to the fair Market Value of Assets, with unexpected gains and losses smoothed over 5 years. More detail on the Actuarial Value of Assets can be found in the *Funding Policy* section of this report.

The Plan Assets Used in this Report are Audited.



Demographic Data

Demographic factors can change from year to year within the Pension Fund. Changes in this category include hiring new employees, employees retiring or becoming disabled, retirees passing away, and other changes. Demographic changes can cause an actuarial gain (contribution that is less than expected compared to the prior year) or an actuarial loss (contribution that is greater than expected compared to the prior year).

Demographic gains and losses occur when the assumptions over the one-year period for employee changes do not meet our long-term expectation. For example, if no employees become disabled during the year, we would expect a liability gain. If more employees become disabled than anticipated last year, we would expect a liability loss. Generally, we expect short-term fluctuations in demographic experience to create gains or losses of up to 3% of the Actuarial Accrued Liability in any given year, but to balance out in the long-term.

"Demographic Risk" occurs when Plan census experience differs significantly from expected. Similar to Longevity Risk discussed previously, additional risk is created when demographic experience differs from the assumed rates of disability, retirement, or termination. Under the chosen assumptions, actuarial gains and/or losses will always occur, as the assumptions will never be exactly realized. However, the magnitude of the gain and/or loss and its influence on the Recommended Contribution largely depends on the size of the Plan.

Based on the number of active participants in the Plan, the Recommended Contribution has a moderate risk of having a significant increase due to demographic experience. For example, 1 new disabled member would typically generate a substantial increase to the Actuarial Accrued Liability, which in turn, may increase the Recommended Contribution.

In the current report, the key demographic changes were as follows:

New hires: The Fund added 6 new active Members in the current year through hiring, 1 of whom terminated employment within the current year. When a new member is admitted to the Pension Fund, the Employer Contribution will increase to reflect the new member. The increase in the Recommended Contribution in the current year for new Fund Members is approximately \$26,000.

Retirement: There was 1 member of the Fund who retired during the year. When a Fund member retires, the Normal Cost will decrease. Any change in the Actuarial Accrued Liability will be considered when determining the amount to pay towards Unfunded Liability each year. The increase in the Recommended Contribution in the current year due to the retirement experience is approximately \$5,000.

Termination: There were 2 non-vested Members of the Fund who terminated employment during the year, 1 of whom was hired within the current year. One Member took a refund. The Fund is no longer obligated to pay a benefit to the Members in the future. The decrease in the Recommended Contribution in the current year due to the termination experience is approximately \$12,000.



Mortality: As the inactive population ages and continues to collect benefits, the Fund liability will also increase. In the current year, there were 17 inactive participants who maintained their benefit collection status throughout the year. The increase in the Recommended Contribution in the current year due to the mortality experience is approximately \$19,000.

Salary Increases: Salary increases were less than anticipated in the current year. Most active Members received an increase of 2.00% or less. This caused a decrease in the Recommended Contribution in the current year of approximately \$67,000.

Retiree and Disabled Members Spousal Data: The Pension Fund is in the process of collecting retiree and disabled Members spousal data. As of the completion of this Actuarial Valuation, the retiree and disabled Members spousal data is incomplete; therefore, the marital assumptions detailed in the Actuarial Assumptions section of this report was utilized.

<u>Assumption Changes</u> The assumptions were not changed from the prior year.

<u>Funding Policy Changes</u> The Funding Policy was not changed from the prior year.



ACTUARIAL CONTRIBUTION RECOMMENDATION - RECONCILIATION

Actuarial Accrued Liability is expected to increase each year for both interest for the year and as active employees earn additional service years towards retirement. Similarly, Actuarial Accrued Liability is expected to decrease when the Fund pays benefits to inactive employees.

Contributions are expected to increase as expected pay increases under the Funding Policy for the Fund.

	Actuarial	Recommended
	Liability	Contribution
Prior Valuation	\$ 44,087,227	\$ 1,984,537
Expected Changes	2,814,819	59,536
Initial Expected Current Valuation	\$ 46,902,046	\$ 2,044,073

Other increases or decreases in Actuarial Accrued Liability (key changes noted below) will increase or decrease the amount of Unfunded Liability in the plan. To the extent Unfunded Liability increases or decreases unexpectedly, the contribution towards Unfunded Liability will also change unexpectedly.

	Actuarial	Recommended
	Liability	Contribution
Salary Increases Less than Expected	(581,212)	(67,074)
Demographic Changes	646,176	69,657
Asset Return Less than Expected *	-	21,866
Contributions Greater than Expected		(953)
Total Actuarial Experience	\$ 64,964	\$ 23,496
Current Valuation	\$ 46,967,010	\$ 2,067,570

*The impact on contribution due to asset performance is based on the Actuarial Value of Assets.

Key demographic changes were discussed in the prior section.





VALUATION OF FUND ASSETS

Market Value of Assets Market Value of Assets (Gain)/Loss Development of the Actuarial Value of Assets Actuarial Value of Assets (Gain)/Loss Historical Asset Performance

MARKET VALUE OF ASSETS

Statement of Assets

	Prior	Current	
	Valuation	Valuation	The Total
Cash and Cash Equivalents	\$ 628,248	\$ 680,347	Market Value
Money Market	479,709	311,820	of Assets has
Fixed Income	9,478,047	10,537,161	Increased by Approximately
Stock Equities	3,043,543	3,271,128	\$3,314,000
Mutual Funds	14,735,789	16,872,448	from the Prior
Receivables (Net of Payables)	88,518	94,534	Valuation.
Total Market Value of Assets	\$ 28,453,853	\$ 31,767,438	

Statement of Changes in Assets

Total Market Value of Assets - Prior Valuation	\$ 28,453,853	The Rate of Return
Plus - Employer Contributions	1,992,834	The Rate of Return on Investments on
Plus - Employee Contributions	415,056	the Market Value of Assets for the
Plus - Return on Investments	2,117,431	Fund was
Less - Benefit and Related Payments	(1,175,988)	Approximately 7.2% Net of
Less - Other Expenses	(35,748)	Administrative
Total Market Value of Assets - Current Valuation	\$ 31,767,438	Expenses.

The Rate of Return on Investments shown above has been determined as the Return on Investments from the Statement of Changes in Assets, as a percent of the average of the beginning and ending Market Value of Assets. The Rate of Return on Investments is net of Other Expenses, and has been excluded from the Total Market Value of Assets at the end of the Fiscal Year for this calculation.



MARKET VALUE OF ASSETS (GAIN)/LOSS

Current Year (Gain)/Loss on Market Value of Assets

Total Market Value of Assets - Prior Valuation	\$ 28,453,853	
Contributions	2,407,890	
Benefit Payments	(1,175,988)	
Expected Return on Investments	1,962,212	The Return on
Expected Total Market Value of Assets - Current Valuation	31,647,967	the Market Value of Assets
Actual Total Market Value of Assets - Current Valuation	31,767,438	was Higher
Current Market Value of Assets (Gain)/Loss	\$ (119,471)	Than Expected
		Over the
Expected Return on Investments	\$ 1,962,212	Current Year.
Actual Return on Investments (Net of Expenses)	2,081,683	
Current Market Value of Assets (Gain)/Loss	\$ (119,471)	

The (Gain)/Loss on the Market Value of Assets has been determined based on the Expected Return on Investments as shown in the *Actuarial Assumptions* section of this report.



VALUATION OF FUND ASSETS

DEVELOPMENT OF THE ACTUARIAL VALUE OF ASSETS

ACTUARIAL VALUE OF ASSETS (GAIN)/LOSS

Total Actuarial Value of Assets - Prior Valuation	\$ 28,913,925
Plus - Employer Contributions	1,992,834
Plus - Employee Contributions	415,056
Plus - Return on Investments	1,733,505
Less - Benefit and Related Payments	(1,175,988)
Less - Other Expenses	(35,748)
Total Actuarial Value of Assets - Current Valuation	\$ 31,843,584

The Rate of Return on Investments on the Actuarial Value of Assets for the Fund was Approximately 5.7% Net of Administrative Expenses.

The Actuarial Value of Assets incorporates portions of gains and losses over multiple years.



HISTORICAL ASSET PERFORMANCE

The chart below shows the historical Rates of Return on Investments for both Market Value of Assets and Actuarial Value of Assets.

	Market Value	Actuarial Value
	of Assets	of Assets
FYE 2019	7.2%	5.7%
FYE 2018	6.4%	5.6%
FYE 2017	9.0%	5.4%
FYE 2016	(0.4%)	4.9%

The historical Rates of Return on Investments shown above were calculated based on the annual Return on Investment for the year, as a percentage of the average value of the assets for the year.

For purposes of determining the average value of assets during the year, the ending Market Value of Assets has been adjusted to net out to the portion related to the investment returns themselves. All other cash flows are included.

For purposes of determining the annual Return on Investment we have adjusted the figures shown on the preceding pages. The figures shown on the preceding pages are net of Investment Expenses. We have made an additional adjustment to net out Administrative Expenses. Netting out Administrative Expenses allows us to capture returns for the year that can be used to make benefit payments as part of the ongoing actuarial process.

The adjustment we make is for actuarial reporting purposes only. By netting out Administrative Expenses and capturing investment returns that are available to pay benefits, it provides us a comparison to the Expected Return on Investments, but does not provide a figure that would be consistent with the return rates that are determined by other parties. Therefore, this calculated rate of return should not be used to analyze investment performance of the Fund or the performance of the investment professionals.



Expected Return on Investments Assumption

The Expected Return on Investments for this valuation is 6.75%. Lauterbach & Amen, LLP does not provide investment advice. We look at a variety of factors when reviewing the Expected Return on Investments assumption selected by the Board. These factors include: historical Rates of Return on Investments, capital market projections performed by the Fund's investment advisors, the Fund's investment policy, capital market forward-looking benchmark expected returns by independent investment companies, rates used by comparable pension systems, and other factors identified in the Actuarial Standards of Practice.

Generally speaking, the appropriate assumption for Expected Return on Investments is one that has a 50% chance of being met over the long-term. If actual returns going forward come in less than expected, the pension system risks deferring contributions to the future that should be made today, and creating additional future contribution volatility.

"Investment Risk" is the potential that actual Return on Investments will be different from what is expected. The selected Expected Return on Investments assumption is chosen to be a long-term assumption, producing a return that, on average, would produce a stable rate of return over a long-term horizon. Actual asset returns in the short-term may deviate from this long-term assumption due to current market conditions. Furthermore, establishing the Expected Return on Investments assumption may be dependent on the Illinois State Statutes pertaining to the limitations on types of investments Plan Sponsors may use. If the actual annual rates of return are less than the Expected Return on Investments, actuarial losses will be produced, thus increasing the Plan's Unfunded Liability and, subsequently, future Recommended Contributions.

"Asset/Liability Mismatch" risk is a similar concept as Investment Risk, as it relates to setting the Expected Return on Investments assumption compared to the actual Return on Investments achieved. The Interest Rate used to discount future Plan liabilities is set equal to the Expected Return on Investments. It is expected that the selected Interest Rate be a rate that is reasonably expected to be achieved over the long-term. To the extent the selected Interest Rate to value Plan liabilities is unreasonable, or significantly different than the actual Return on Investments earned over an extended period of time, additional Interest Rate risk is created. For example, determining Plan liabilities at an Interest Rate higher than what is expected to be achieved through investment returns results in Unfunded Liability that is not a true representation of the Plan's condition and Percent Funded. As a result, the Actuarial Accrued Liability determined is an amount smaller than the liability that would be produced with an Interest Rate more indicative of future Expected Return on Investments. Therefore, the Recommended Contributions under the established Funding Policy may not be sufficient to appropriately meet the true pension obligations.





RECOMMENDED CONTRIBUTION DETAIL

Actuarial Accrued Liability Funded Status Development of the Employer Normal Cost Normal Cost as a Percentage of Expected Payroll Contribution Recommendation Schedule of Amortization – Unfunded Actuarial Accrued Liability Actuarial Methods – Recommended Contribution

ACTUARIAL ACCRUED LIABILITY

	Prior Valuation	Current Valuation	
Active Employees	\$ 22,780,865	\$ 23,527,013	The Total
Inactive Employees			Actuarial Accruea Liability has
Terminated Employees - Vested	763,917	815,758	
Retired Employees	17,547,621	19,576,000	Increased by
Disabled Employees	2,994,824	3,048,239	Approximately
Other Beneficiaries		-	\$2,880,000 from
Total Inactive Employees	21,306,362	23,439,997	the Prior
Total Actuarial Accrued Liability	\$ 44,087,227	\$ 46,967,010	Valuation.

FUNDED STATUS

	Prior	Current	
	Valuation	Valuation	
Total Actuarial Accrued Liability	\$ 44,087,227	\$ 46,967,010	
Total Actuarial Value of Assets	28,913,925	31,843,584	
Unfunded Actuarial Accrued Liability	\$ 15,173,302	\$ 15,123,426	
Total Market Value of Assets	\$ 28,453,853	\$ 31,767,438	
Percent Funded			
Actuarial Value of Assets	<u>65.58%</u>	<u>67.80%</u>	
Market Value of Assets	<u>64.54%</u>	<u>67.64%</u>	

The Percent Funded as of the Actuarial Valuation Date is Subject to Volatility on Assets and Liability in the Short-Term.



RECOMMENDED CONTRIBUTION DETAIL

DEVELOPMENT OF THE EMPLOYER NORMAL COST

	Prior Valuation	Current Valuation	At a 100%
Total Normal Cost	\$ 987,120	\$ 1,018,221	Funding Level, the Normal Cost
Estimated Employee Contributions	(411,974)	(428,896)	Contribution is
Employer Normal Cost	\$ 575,146	\$ 589,325	Still Required.

NORMAL COST AS A PERCENTAGE OF EXPECTED PAYROLL

	Prior Valuation	Current Valuation	
Expected Payroll	\$ 4,157,150	\$ 4,327,911	Ideally, the Employer
Employee Normal Cost Rate	<u>9.910%</u>	<u>9.910%</u>	Normal Cost Rate will Remain
Employer Normal Cost Rate	<u>13.84%</u>	<u>13.62%</u>	Stable.
Total Normal Cost Rate	<u>23.75%</u>	<u>23.53%</u>	

CONTRIBUTION RECOMMENDATION

	Prior Valuetien	Current	
	Valuation	Valuation	The
Employer Normal Cost*	\$ 613,968	\$ 629,104	Recommended Contribution has
Amortization of Unfunded Accrued			Increased by
Liability/(Surplus)	1,370,569	1,438,465	4.2% from the
Recommended Contribution	\$ 1,984,537	\$ 2,067,570	Prior Valuation.

*Employer Normal Cost Contribution includes interest through the end of the year.



SCHEDULE OF AMORTIZATION – UNFUNDED ACTUARIAL ACCRUED LIABILITY

		Initial	Date	Current	Years	
Unfunded Liability Base		Balance	Established	Balance	Remaining	Payment
Investment (Gain)/Loss	\$	242,080	4/30/2019	\$ 242,080	15	\$ 21,866
Actuarial (Gain)/Loss		63,697	4/30/2019	63,697	15	5,754
Contribution Experience		(9,282)	4/30/2019	(9,282)	15	(838)
Investment (Gain)/Loss		320,616	4/30/2018	313,298	14	29,829
Contribution Experience		(992)	4/30/2018	(969)	14	(92)
Actuarial (Gain)/Loss		(325,744)	4/30/2018	(318,308)	14	(30,306)
Initial Unfunded Liability	\$	15,466,613	4/30/2017	\$ 14,832,911	14	\$ 1,412,253
Total	<u>\$</u>	15,756,987		\$ 15,123,426		\$ 1,438,465

Below is the schedule of remaining amortization balances for the Unfunded Liability.

The Actuarial (Gain)/Loss can be attributable to several factors including demographic changes, Employer Contribution timing, Employee Contribution experience, benefit payment experience and salary increase experience compared to expectation.

The equivalent single amortization period based on the layered amortization of unfunded liability is 14.02 for the current valuation.



ACTUARIAL METHODS – RECOMMENDED CONTRIBUTION

Actuarial Valuation Date	May 1, 2019
Data Collection Date	April 30, 2019
Actuarial Cost Method	Entry Age Normal (Level % Pay)
Amortization Method	Level % Pay (Closed)
Amortization Target	Layered - See Prior Page
Asset Valuation Method	5-Year Smoothed Market Value

The contributions and benefit values of the Pension Fund are calculated by applying actuarial assumptions to the benefit provisions and census information furnished, using the Actuarial Cost Methods described. The Actuarial Cost and Amortization Methods allocate the projected obligations of the plan over the working lifetimes of the plan participants.

The Recommended Contribution amount shown in this report is based on the methods summarized above. The *Actuarial Funding Policies* section of the report includes a more detailed description of the Actuarial Funding Methods being used.

The Actuarial Funding Methods are meant to provide a systematic process for determining contributions on an annual basis. The methods do not impact the expectation of future benefit payments. The methods only impact the way contributions are made towards future benefit payments.

Different Actuarial Funding Methods may achieve funding goals with differing levels of success. Certain methods are more efficient and more stable on an annual basis.





Statutory Minimum Contribution Funded Status – Statutory Minimum Actuarial Methods – Illinois Statutory Minimum Contribution Methods and Assumptions

STATUTORY MINIMUM CONTRIBUTION

	Current Valuation
Statutory Minimum Contribution	\$1,340,147
Expected Payroll	\$4,327,911
Statutory Minimum Contribution as a Percent of Expected Payroll	30.97%

$FUNDED \ STATUS - STATUTORY \ MINIMUM$

	Current Valuation
Normal Cost	\$1,182,603
Market Value of Assets	\$31,767,438
Actuarial Value of Assets	\$31,843,584
Actuarial Accrued Liability	\$43,761,835
Unfunded Actuarial Accrued Liability	\$11,918,251
Percent Funded Actuarial Value of Assets	72.77%
Market Value of Assets	72.59%



The Statutory Minimum Contribution is based on Actuarial Funding Methods and funding parameters in the Illinois statutes for pension funding. The resulting contribution is lower than the Recommended Contribution for the current plan year. The lower contribution amount is not recommended because it represents only a deferral of contributions when compared to the Recommended Contribution method.

Actuarial Funding Methods for pensions are best applied to provide a balance between the long-term goals of a variety of stakeholders:

- 1. Beneficiaries the Members are interested in benefit security and having the funds available to pay benefits when retired
- 2. Employers cost control and cost stability over the long-term
- 3. Taxpayers paying for the services they are receiving from active employees

The Statutory Minimum Contribution methods are not intended to provide a better system in any of the above categories long-term. The parameters are not recommended for a long-term funding strategy.

The Statutory Minimum methods put into place in 2011 were intended to provide short-term budget relief for Employer Contributions. An Employer using the Statutory Minimum parameters for current funding should view the contributions as short-term relief. Our recommendation in this situation is for a pension fund and an Employer to work towards a long-term funding strategy that better achieves the long-term funding goals, over a period that does not exceed 3-5 years.

The Securities and Exchange Commission in 2013 used the phrase "Statutory Underfunding" to describe situations where contributions appear to be more manageable in the short-term, but set up future contribution requirements that are less likely to be manageable.



ACTUARIAL METHODS – ILLINOIS STATUTORY MINIMUM CONTRIBUTION

Actuarial Valuation Date	May 1, 2019
Data Collection Date	April 30, 2019
Actuarial Cost Method	Projected Unit Credit (Level % of Pay)
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	90% Funded Over 21 Years
Asset Valuation Method	5-Year Smoothed Market Value

The contribution and benefit values of the Pension Fund are calculated by applying actuarial assumptions to the benefit provisions and census information furnished, using the Actuarial Cost Methods described. The Actuarial Cost and Amortization methods allocate the projected obligations of the plan over the working lifetimes of the plan participants.

The Actuarial Funding Methods are meant to provide a systematic process for determining contributions on an annual basis. The methods do not impact the expectation of future benefit payments. The methods only impact the way contributions are made towards future benefit payments.

Different Actuarial Funding Methods may achieve funding goals with differing levels of success. Certain methods are more efficient and more stable on an annual basis.





ACTUARIAL VALUATION DATA

Active Employees Inactive Employees Summary of Benefit Payments

ACTIVE EMPLOYEES

	Prior	Current
	Valuation	Valuation
Vested	34	33
Nonvested	10	13
Total Active Employees	44	46
Total Payroll*	\$ 4,095,714	\$ 4,263,952

*Total Payroll for the Prior Valuation includes 2.50% COLA increases applied to each active members' pay, in anticipation of future retroactive pay increases upon contract settlement.

INACTIVE EMPLOYEES

	Prior Valuation	Current Valuation
Terminated Employees - Vested	2	2
Retired Employees	13	14
Disabled Employees	4	4
Other Beneficiaries	0	0
Total Inactive Employees	19	20

SUMMARY OF BENEFIT PAYMENTS

	V	Prior aluation	Current Valuation
Terminated Employees - Vested	\$	6,770	\$ 6,770
Retired Employees		80,730	90,266
Disabled Employees		13,440	13,440
Other Beneficiaries		-	-
Total Inactive Employees	\$	100,939	\$ 110,475

Benefits shown for Terminated Employees under deferred retirement are not currently in pay status.





ACTUARIAL FUNDING POLICIES

Actuarial Cost Method Financing Unfunded Actuarial Accrued Liability Actuarial Value of Assets

ACTUARIAL COST METHOD

The Actuarial Cost Method allocates the projected obligations of the plan over the working lifetimes of the plan participants.

In accordance with the Pension Fund's Funding Policy the Actuarial Cost Method for the Recommended Contribution basis is Entry Age Normal (Level Percent of Pay). The Entry Age Normal Cost Method is a method under which the actuarial present value of the projected benefits of each individual included in an Actuarial Valuation is allocated on a level basis over the earnings or service of the individual between entry age and assumed exit age. The portion of this actuarial present value allocated to a valuation year is called Normal Cost. The portion of the actuarial present value not provided at an Actuarial Valuation Date by the actuarial present value of future Normal Costs is called the Actuarial Accrued Liability.

The Entry Age Normal method attempts to create a level cost pattern. In contrast to other Actuarial Cost Methods which inherently lead to uneven or less predictable cost patterns, the Entry Age Normal method is generally understood to be less risky in terms of contribution stability from year to year.

The Conference of Consulting Actuaries Public Plans Community produced a "white paper" detailing Funding Policy model practices for public sector pension plans. Under the Level Cost Actuarial Methodology ("LCAM"), one of the principal elements to a Funding Policy is the Actuarial Cost Method. When deciding which Actuarial Cost Method to use, several objectives may be considered, such as the following:

- Each participant's benefit should be funded under a reasonable allocation method by the expected retirement date
- Pay-related benefit costs should reflect anticipated pay at retirement
- The expected cost of each year of service (i.e. Normal Cost) for each active Member should be reasonably related to the expected cost of that Member's benefit
- The Member's Normal Cost should emerge as a level percent of Member compensation
- No gains or losses should occur if all assumptions are met.

Following these criteria, the use of the Entry Age Normal cost method (Level Percent of Pay) is a model practice.

FINANCING UNFUNDED ACTUARIAL ACCRUED LIABILITY

The Unfunded Actuarial Accrued Liability may be amortized over a period either in level dollar amounts or as a level percentage of payroll.

When amortizing the Unfunded Actuarial Accrued Liability as a level percentage of payroll, additional risk is incurred since the amortization payments in the early years of the payment period may not be large enough to cover the interest accrued on the existing Unfunded Liability. As a result, the Unfunded Liability may increase initially, before the amortization payments grow large enough to cover all interest accruels. Generally speaking, the Plan Sponsor will be required to contribute a larger total contribution



amount over the course of the funding period under a level percentage of payroll basis as compared to a level dollar payroll schedule.

The Government Finance Office Association notes that best practices in public pension finance include utilizing amortization periods that do not exceed 20 years. Longer amortization periods elevate the risk of failing to reduce any Unfunded Liability. For example, when the amortization payment in full only covers interest on the Unfunded Liability, but does not reduce the existing Unfunded Liability, the required contribution will increase in future years.

A second principal element under the Level Cost Actuarial Methodology described above is to establish an Amortization Policy that determines the length of time and the structure of the increase or decrease in contributions required to systematically fund the Unfunded Actuarial Accrued Liability. When deciding upon the Amortization Policy, several objectives may be considered, such as the following:

- Variations in the source of liability changes (i.e. gains or losses, plan changes, assumption changes) should be funded over periods consistent with an appropriate balance between the policy objectives of demographic matching and volatility management
- The cost changes in Unfunded Actuarial Accrued Liability should emerge as a level percentage of Member compensation

The LCAM model practices for the Amortization Policy include the following:

- Layered fixed period amortization by source
- Level percent of pay amortization
- An amortization period ranging from 15-20 years for experience gains or losses
- An amortization period of 15-25 years for assumption changes

In accordance with the Pension Fund's Funding Policy for the Recommended Contribution, the Unfunded Actuarial Accrued Liability is amortized by level percent of payroll contributions to a 100% funding target over a layered amortization period of 15 years. See the *Actuarial Methods – Recommended Contribution* section of this report for more detail.

The equivalent single amortization period based on the layered amortization of unfunded liability is 14.02 for the current valuation.

We believe that the amortization period is appropriate for the purposes of this valuation.



ACTUARIAL VALUE OF ASSETS

The Pension Fund is an ongoing plan. The Employer wishes to smooth the effect of volatility in the Market Value of Assets on the annual contribution. Therefore, the Actuarial Value of Assets is equal to the Market Value of Assets with unanticipated gains/losses recognized over a five-year period.

The Asset Valuation Method is intended to create an Actuarial Value of Assets that remains reasonable in relation to the Market Value of Assets over time. The method produces results that can fall either above or below the Market Value of Assets. The period of recognition is short.

It is intended that the period of recognition is short enough to keep the Actuarial Value of Assets within a decent range of the Market Value. In the event that the Actuarial Value of Assets exceeds or falls below a 10% corridor of the Market Value of Assets, the additional gain or loss will be recognized immediately.





ACTUARIAL ASSUMPTIONS

Nature of Actuarial Calculations Actuarial Assumptions in the Valuation Process Actuarial Assumptions Utilized

NATURE OF ACTUARIAL CALCULATIONS

The results documented in this report are estimates based on data that may be imperfect and on assumptions about future events. Certain Plan Provisions may be approximated or deemed immaterial, and, therefore, are not valued. Assumptions may be made about participant data or other factors. Reasonable efforts were made in this valuation to ensure that significant items in the context of the Actuarial Accrued Liability or costs are treated appropriately, and not excluded or included inappropriately.

Actual future experience will differ from the assumptions used in the calculations. As these differences arise, the expense for accounting purposes will be adjusted in future valuations to reflect such actual experience.

A range of results different from those presented in this report could be considered reasonable. The numbers are not rounded, but this is for convenience only and should not imply precision which is not inherent in actuarial calculations.

ACTUARIAL ASSUMPTIONS IN THE VALUATION PROCESS

The contributions and benefit values of the Pension Fund are calculated by applying actuarial assumptions to the benefit provisions and census information furnished, using the Actuarial Cost Methods described in the previous section.

The principal areas of financial risk which require assumptions about future experience are:

- Long-term Expected Return on Investments
- Patterns of pay increases for Members
- Rates of Mortality among Members and Beneficiaries
- Rates of Withdrawal of Active Members
- Rates of Disability among Members
- Age patterns of actual retirement

Actual experience of the Pension Fund will not coincide exactly with assumed experience. Each valuation provides a complete recalculation of assumed future experience and takes into account all past differences between assumed and actual experience. The result is a continual series of adjustments to the computed Contribution Recommendation.

Details behind the selection of the actuarial assumptions can be found in the Assumptions Summary document provided to the client upon request. The client has reviewed and approved the assumptions as a reasonable expectation of the future anticipated experience under the Plan.



ASSESSMENT OF RISK EXPOSURES

From time to time it becomes appropriate to modify one or more of the assumptions, to reflect experience trends (but not random year-to-year fluctuations).

In addition, Actuarial Standards of Practice require that the Actuary minimally perform a qualitative assessment of key financial and demographic risks as part of the risk assessment process with each annual Actuarial Valuation. The risk assessments we perform include, but are not limited to, the following:

- Periodic demographic experience studies every 3 to 5 years to confirm the ongoing appropriateness of demographic assumptions
- Highlight the impact of demographic experience over the past year, as well as other sources of change and volatility in the *Actuarial Contribution Recommendation Reconciliation* section of this report
- Detail year-over-year changes in contribution levels, assets, liabilities, and Funded Status in the *Contribution Recommendation* and *Funded Status* sections of the Management Summary of this report
- Review any material changes in the covered population as summarized in the *Actuarial Valuation Data* section of this report
- Provide and discuss a separate written Assumptions Summary document highlighting the rationale for each key economic and demographic assumption chosen by the Plan Sponsor
- Identify potential cash flow risks by highlighting expected benefit payments over the next 5-year and 10-year periods in the *Asset Growth* section of the Management Summary in this report
- Describe the impact of any assumption, method, or policy change in the Management Summary
- Utilize supplemental information, such as the GASB discount rate sensitivity disclosures to understand, for example, what impact an alternative Expected Return on Investments assumption might have on the estimation of Actuarial Accrued Liability and Funded Status
- Utilize supplemental information, such as the GASB solvency test, to better understand the cash flow risk and long-term sustainability of the Plan.

LIMITATIONS OF RISK ANALYSIS

Since future experience may never be precisely as assumed, the process of selecting funding methods and actuarial assumptions may inherently create risk and volatility of results. A more detailed evaluation of the above risk exposures is beyond the scope and nature of the annual Actuarial Valuation process. For example, scenario tests, sensitivity tests, stress tests, and/or stochastic modeling for multi-year projections to assess the impact of alternative assumptions and methods, or modeling future experience different from the assumptions in these results, are not included in this Actuarial Valuation.

The Algonquin Police Pension Fund and/or the Village of Algonquin, Illinois should contact the Actuary if they desire a more detailed assessment of any of these forward-looking risk exposures.



ACTUARIAL ASSUMPTIONS UTILIZED

Expected Return on Investments	6.75% Net of Administrative Expenses
CPI-U	2.50%
Total Payroll Increases	3.00%
Individual Pay Increases	4.00% - 21.51%

Individual salary increases include a long-term average increase for inflation, average annual increases for promotions, and any additional increases for a step program. Sample rates as follows:

Service	Rate	Service	Rate
0	8.05%	8	4.00%
1	8.39%	9	4.00%
2	8.11%	10	4.00%
3	8.03%	15	4.00%
4	8.23%	20	4.00%
5	8.22%	25	4.00%
6	8.23%	30	4.00%
7	21.51%	35	4.00%

Retirement Rates

100% of the L&A Assumption Study Cap Age 65 for Police 2016. Sample rates as follows:

Age	Rate	Age	Rate
50	11.66%	53	13.89%
51	12.36%	54	14.72%
52	13.10%	55	15.60%



ACTUARIAL ASSUMPTIONS

Withdrawal Rates	100% of the L&A Assumption Study for Police 2016. Sample rates as follows:					
	Age	Rate	Age	Rate		
	25	4.06%	40	2.69%		
	30	3.89%	45	1.36%		
	35	3.61%	50	0.31%		
Disability Rates	100% of the L&A Assumption Study for Police 2016. Sample rates as follows:					
	Age	Rate	Age	Rate		
	25	0.050/	40	0.280/		
	25 30	0.05% 0.10%	40 45	0.28% 0.43%		
	35	0.10%	43 50	0.64%		
	in the RP-2014 Study, with Blue Collar Adjustment. These rate improved generationally using MP-2016 Improvement Rates. Retiree Mortality follows the L&A Assumption Study for P 2016. These rates are experience weighted with the Raw Rat developed in the RP-2014 Study, with Blue Collar Adjustmen improved generationally using MP-2016 Improvement Rates.					
	Disabled Mortality follows the Sex Distinct Raw Rates as develope in the RP-2014 Study for Disabled Participants. These rates an improved generationally using MP-2016 Improvement Rates.					
	Spouse Mortality follows the Sex Distinct Raw Rates as developed in the RP-2014 Study. These rates are improved generationally using MP-2016 Improvement Rates.					
Marital Assumptions	ive Members are sumed to be 4 year					
	<i>Retiree and Disabled Members:</i> 80% of Retiree and Members are assumed to be married. Female Spouses are to be 4 years younger than Male Spouses.					





SUMMARY OF PRINCIPAL PLAN PROVISIONS

Establishment of the Fund Administration Employee Contributions Regular Retirement Pension Benefit Early Retirement Pension Benefit Surviving Spouse Benefit Termination Benefit – Vested Disability Benefit

ESTABLISHMENT OF THE FUND

The Police Pension Fund is established and administered as prescribed by "Article 3 – Police Pension Fund – Municipalities 500,000 and Under" of the Illinois Pension Code.

ADMINISTRATION

The Police Pension Fund is administered by a Board of Trustees whose duties are to manage the Pension Fund, determine applications for pensions, authorize payment of pensions, establish rules, pay expenses, invest assets, and keep records.

EMPLOYEE CONTRIBUTIONS

Employees contribute 9.910% of pensionable salary.

REGULAR RETIREMENT PENSION BENEFIT

Hired Prior to January 1, 2011

Eligibility: Age 50 with at least 20 years of creditable service.

Benefit: 50% of final salary for the first 20 years of service, plus an additional 2.5% of final salary for each year of service beyond 20 years of service, and not to exceed 75% of final salary. "Final salary" is based on the police officer's pensionable salary attached to rank held on the last day of service, unless the pensionable salary was higher at some point within the year prior to the last day of service. If so, the pensionable salary is averaged over the last 12 months.

Annual Increase in Benefit: A police officer is entitled to receive an initial increase equal to 1/12 of 3% of the original monthly benefit for each full month that has passed since the pension began. The initial increase date will be the latter of the first day of the month after the pensioner turns age 55 or the first day of the month after the benefit date anniversary. Subsequent increases of 3% of the current monthly benefit will be granted every January 1st thereafter.



REGULAR RETIREMENT PENSION BENEFIT - CONTINUED

Hired on or After January 1, 2011

Eligibility: Age 55 with at least 10 years of creditable service.

Benefit: 2.5% of final average salary for each year of service, and not to exceed 75% of final average salary. "Final average salary" is determined by dividing the total pensionable salary during 96 consecutive months of service within the last 120 months of service in which total pensionable salary was the highest, by the number of months of service in that period. Annual salary for this purpose will not exceed the salary cap, indexed by the lesser of 3% or $\frac{1}{2}$ of the CPI-U for the 12 months ending with the September preceding each November 1st. The salary cap will not decrease.

Annual Increase in Benefit: The initial increase date will be the latter of the January 1st after the the pensioner turns age 60 or the January 1st after the benefit date anniversary. Subsequent increases will be granted every January 1st thereafter. The initial increase and subsequent increases will be the lesser of 3% of the original benefit or ¹/₂ of the CPI-U for the 12 months ending with the September preceding each November 1st.

EARLY RETIREMENT PENSION BENEFIT

Hired Prior to January 1, 2011

None.

Hired on or After January 1, 2011

Eligibility: Age 50 with at least 10 years of creditable service.

Benefit: The regular retirement pension benefit reduced by $\frac{1}{2}$ of 1% for each month that the police officer's age is between 50 and 55.

Annual Increase in Benefit: The initial increase date will be the latter of the January 1^{st} after the pensioner turns age 60 or the January 1^{st} after the retirement date anniversary. Subsequent increases will be granted every January 1^{st} thereafter. The initial increase and subsequent increases will be the lesser of 3% of the original benefit or $\frac{1}{2}$ of the CPI-U for the 12 months ending with the September preceding each November 1^{st} .



SUMMARY OF PRINCIPAL PLAN PROVISIONS

SURVIVING SPOUSE BENEFIT

Hired Prior to January 1, 2011

Eligibility: Married to an active police officer with at least 8 years of creditable service or disabled pensioner at the time of death or married to a retired pensioner on the last day of service.

Active Line of Duty Death Benefit: An eligible surviving spouse is entitled to receive 100% of the police officer's final pensionable salary attached to rank held on the last day of service.

Non-Duty Death Benefit:

Disabled or Retired Pensioner: An eligible surviving spouse is entitled to receive the pensioner's benefit at the time of death.

Active Employee with 20+ Years of Service: An eligible surviving spouse is entitled to the police officer's benefit at the time of death.

Active Employee with 10-20 Years of Service: An eligible surviving spouse is entitled to receive 50% of the police officer's pro-rated pensionable salary attached to rank over the last 12 months.

Annual Increase in Benefit: None.

Hired on or After January 1, 2011

Eligibility: Married to an active police officer with at least 8 years of creditable service or disabled pensioner at the time of death or married to a retired pensioner on the last day of service.

Active Line of Duty Death Benefit: An eligible surviving spouse is entitled to receive 100% of the police officer's final pensionable salary attached rank held on the last day of service.

Non-Duty Death Benefit:

Disabled or Retired Pensioner, Active Employee with 20+ Years of Service, and Active Employee with 10-20 Years of service: An eligible surviving spouse is entitled to receive 66 ²/₃% of the police officer's pension benefit at the time of death.

Annual Increase in Benefit: The initial increase date will be the January 1^{st} after the surviving spouse turns age 60. Subsequent increases will be granted every January 1^{st} thereafter. The initial increase and subsequent increases will be the lesser of 3% of the original benefit or $\frac{1}{2}$ of the CPI-U for the 12 months ending with the September preceding each November 1^{st} .



TERMINATION BENEFIT – VESTED

Hired Prior to January 1, 2011

Eligibility: Age 60 with at least 8 but less than 20 years of creditable service.

Benefit: 2.5% of final salary for each year of service. "Final salary" is based on the police officer's pensionable salary attached to rank held on the last day of service, unless the pensionable salary was higher at some point within the year prior to the last day of service. If so, the pensionable salary is averaged over the last 12 months.

Annual Increase in Benefit: A police officer is entitled to receive an initial increase equal to 1/12 of 3% of the original monthly benefit for each full month that has passed since the pension began on the first day of the month after the benefit date anniversary. Subsequent increases of 3% of the current monthly benefit will be granted every January 1st thereafter.

Hired on or After January 1, 2011

None.



DISABILITY BENEFIT

Hired Prior to January 1, 2011

Eligibility: Duty or Non-Duty Disability.

Benefit: For a duty disability, a police officer is entitled to receive the greater of 65% of final salary or the regular retirement pension benefit at the time of disability. For a non-duty disability, a police officer is entitled to receive 50% of final salary. "Final salary" is based on the police officer's pensionable salary attached to rank held on the last day of service.

Annual Increase in Benefit: A police officer is entitled to receive an initial increase equal to 3% of the original monthly benefit for each full year that has passed since the pension began. The initial increase date will be the latter of the January 1st after following pensioner turns age 60 or the January 1st after the benefit date anniversary. Subsequent increases of 3% of the original monthly benefit will be granted every January 1st thereafter.

Hired on or after January 1, 2011

Eligibility: Duty or Non-Duty Disability.

Benefit: For a duty disability, a police officer is entitled to receive the greater of 65% of final salary or the regular retirement pension benefit at the time of disability. For a non-duty disability, a police officer is entitled to receive 50% of final salary. "Final salary" is based on the police officer's pensionable salary attached to rank held on the last day of service.

Annual Increase in Benefit: A police officer is entitled to receive an initial increase equal to 3% of the original monthly benefit for each full year that has passed since the pension began. The initial increase date will be the latter of the January 1st after following pensioner turns age 60 or the January 1st after the benefit date anniversary. Subsequent increases of 3% of the original monthly benefit will be granted every January 1st thereafter.





GLOSSARY OF TERMS

Glossary of Terms

GLOSSARY OF TERMS

Actuarial Accrued Liability – The Actuarial Present Value of future benefits based on the Employees' service rendered to the Measurement Date using the selected Actuarial Cost Method. It is that portion of the Actuarial Present Value of plan benefits and expenses allocated to prior years of employment. It is not provided for by future Normal Costs.

Actuarial Cost Method – The method used to allocate the projected obligations of the plan over the working lifetimes of the plan participants.

Actuarial Value of Assets – The value of the assets used in the determination of the Unfunded Actuarial Accrued Liability. The Actuarial Value of Assets is related to Market Value of Assets, with adjustments made to spread unanticipated gains and losses for a given year over a period of several years. Actuarial Value of Assets is generally equally likely to fall above or below the Market Value of Assets, and generally does not experience as much volatility over time as the Market Value of Assets.

Asset Valuation Method – A valuation method designed to smooth random fluctuations in asset values. The objective underlying the use of an Asset Valuation Method is to provide for the long-term stability of Employer Contributions.

Funding Policy – A set of procedures for a Pension Fund that outlines the "best practices" for funding the pension benefits based on the goals of the Plan Sponsor. A Funding Policy discusses items such as assumptions, Actuarial Cost Method, assets, and other parameters that will best help the sponsor meet their goal of working in the best interest of the plan participant.

Market Value of Assets – The value of the cash, bonds, securities and other assets held in the pension trust as of the measurement date.

Normal Cost – The present value of future benefits earned by employees during the current Fiscal Year. It is that portion of the Actuarial Present Value of benefits and expenses which is allocated to a valuation year by the Actuarial Cost Method.

Unfunded Actuarial Accrued Liability – The excess of the Actuarial Accrued Liability over the Actuarial Value of Assets. The Unfunded Actuarial Accrued Liability is amortized over a period either in level dollar amounts or as a level percentage of projected payroll.





Lauterbach & Amen, LLP

CERTIFIED PUBLIC ACCOUNTANTS



VILLAGE OF ALGONQUIN GENERAL SERVICES ADMINISTRATION

- M E M O R A N D U M -

DATE:	October 25, 2019
TO:	Tim Schloneger, Village Manager
FROM:	Michael Kumbera, Assistant Village Manager/Treasurer
SUBJECT:	2019 Property Tax Levy

The attached resolution establishes the amount the Village is requesting for its 2019 property tax levy. State statutes require that the corporate authorities of the Village pass a resolution estimating the amount of tax to be levied not less than 20 days prior to the adoption of the final levy, which is scheduled to be presented at the December 17 Village Board meeting.

Background

For the 2018 tax levy year, the Village's portion of resident's tax bill was approximately 5.88 percent (with some minor variations depending on exact location of household). In FY 19/20, property taxes comprise 30 percent of the General Fund revenue, which includes the Road and Bridge tax levy, which is levied by the township level of government. The Village, a home-rule unit of government, is not subject to the Property Tax Extension Limitation Law (PTELL), however, the Village is required to comply with the "Truth in Taxation Law." The law places requirements on the Village in the adoption of the 2019 property tax levy if the proposed 2019 gross property tax levy is 105 percent greater than the 2018 net property tax extension. Property tax revenues are not used to support business-like activities that are accounted for in enterprise funds, such as the Village's Water and Sewer Utility.

Recommendation

The recommendation for the 2019 Tax Levy is \$5,600,000. This amount is the same as the 2018 tax levy. The details are shown in Exhibit A which is attached. As the proposed levy is 100 percent of last year's extensions, there is no requirement for a public hearing under the Truth in Taxation Statute. The recommendation does take into consideration several factors that will impact the FY 20/21 financial plan including:

- The actuarial contribution recommendation for the Algonquin Police Pension Fund which exceeds the statutory requirement with a 100 percent funding level by 2033.
- The proportion of state-shared revenues and their stability in the long-term.
- Operational and capital needs for the upcoming period.
- Growth in Equalized Assessed Valuation (EAV) from both property value appreciation and new construction.

Projected EAV

Based on preliminary data obtained from Kane and McHenry County, equalized assessed valuation in the Village is expected to increase for the fourth consecutive year. The estimate of EAV for 2019 is \$1,000,000,000 which is 5.1% more than last year which illustrates appreciation of real estate values and new construction. The assessors in each county use a three year history of property values including sales experience in determining the reassessment or current valuation. Assessments generally lag behind current market pricing by 18 months. The estimated tax rate for 2019 would be 0.560 per \$100 of EAV (refer to Exhibit A for details) which is less than 2018. A draft resolution reflecting this data is also attached.

Requested Action

Please forward the proposed tax levy information to the Committee of the Whole for review and action.

Attachments

RESOLUTION 2019-R-

DETERMINING THE AMOUNT OF FUNDS TO BE LEVIED FOR THE 2019 TAX YEAR THROUGH REAL ESTATE TAXES FOR THE VILLAGE OF ALGONQUIN, KANE AND MCHENRY COUNTIES, ILLINOIS

BE IT RESOLVED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF ALGONQUIN, KANE AND MCHENRY COUNTIES, ILLINOIS:

- 1. That it is determined that the amount of taxes to be levied by the Village of Algonquin, exclusive of election costs, is \$5,600,000, which is less than 105 percent of the prior year's extension.
- 2. That the amount of taxes proposed to be levied is 100.0 percent of the prior year's extension.
- 3. That the intent of the Village to levy less than 105 percent does not require an advertisement in the newspaper or a public hearing in accordance with the Truth in Taxation Law (35 ILCS 200/18-55 et seq.).

John C. Schmitt, Village President

(SEAL)

Attest: _____

Gerald S. Kautz, Village Clerk

VILLAGE OF ALGONQUIN PROPOSED REAL ESTATE TAX LEVY 2019 TAX LEVY

EQUALIZED ASSESSED VALUATION *	\$1,000,000,000	(5.1% INCREASE)
PURPOSE	ESTIMATED RATE	PROPOSED LEVY
		<u> </u>
CORPORATE	0.000	\$0
POLICE PENSION	0.207	2,068,000
SOCIAL SECURITY	0.041	412,000
IMRF	0.030	300,000
SCHOOL CROSSING GUARDS	0.000	0
LIABILITY INSURANCE	0.040	400,000
POLICE PROTECTION	0.242	2,420,000
ESDA	0.000	0
TOTAL	0.560	5,600,000
* Estimated		

\$5,600,000

VILLAGE OF ALGONQUIN SCHEDULE OF PROPERTY TAX RATES & EAV

<u>Tax Levy Year</u>	Rate (\$/\$100)	<u>Levy (\$)</u>	<u>EAV (\$)</u>	<u>% Change</u> EAV
1988	0.600	\$560,450	\$110,909,000	-
1989	0.599	\$693,900	\$135,617,000	22.3%
1990	0.520	\$870,250	\$166,102,000	22.5%
1991	0.554	\$1,099,915	\$192,167,000	15.7%
1992	0.566	\$1,154,155	\$211,172,000	9.9%
1993	0.529	\$1,344,234	\$232,032,000	9.9%
1994	0.556	\$1,439,688	\$269,127,000	16.0%
1995	0.477	\$1,677,581	\$308,854,325	14.8%
1996	0.484	\$1,841,828	\$356,504,156	15.4%
1997	0.486	\$1,873,385	\$419,401,278	17.6%
1998	0.483	\$2,098,213	\$429,661,002	2.4%
1999	0.494	\$2,280,130	\$463,158,850	7.8%
2000	0.489	\$2,350,739	\$513,584,881	10.9%
2001	0.502	\$2,870,821	\$578,127,467	12.6%
2002	0.456	\$3,031,293	\$658,305,942	13.9%
2003	0.484	\$3,613,946	\$747,072,297	13.5%
2004	0.477	\$3,975,083	\$834,437,331	11.7%
2005	0.464	\$4,392,662	\$947,091,750	13.5%
2006	0.464	\$4,829,500	\$1,038,991,569	9.7%
2007	0.470	\$5,242,000	\$1,115,890,792	7.4%
2008	0.485	\$5,601,000	\$1,155,073,386	3.5%
2009	0.484	\$5,601,000	\$1,157,591,396	0.2%
2010	0.523	\$5,601,000	\$1,077,620,673	-6.9%
2011	0.564	\$5,575,000	\$981,280,749	-8.9%
2012	0.621	\$5,481,000	\$887,200,696	-9.6%
2013	0.678	\$5,481,000	\$805,011,458	-9.3%
2014	0.705	\$5,481,000	\$777,811,422	-3.4%
2015	0.716	\$5,731,000	\$800,571,395	2.9%
2016	0.657	\$5,600,000	\$852,365,740	6.5%
2017	0.622	\$5,600,000	\$900,634,801	5.7%
2018	0.588	\$5,600,000	\$951,587,593	5.7%
2019	0.560	\$5,600,000	\$1,000,000,000	5.1%



VILLAGE OF ALGONQUIN GENERAL SERVICES ADMINISTRATION

- M E M O R A N D U M -

DATE: October 22, 2019

TO: Tim Schloneger, Village Manager

FROM: Michael Kumbera, Assistant Village Manager

SUBJECT: 2019 Tax Levy Adoption Procedures

- 1. The corporate authorities of the Village of Algonquin must determine the estimated amounts of money necessary to be raised by property taxation. The resolution determining the amount to be levied must be approved not less than 20 days prior to the adoption of the aggregate levy. A draft resolution is attached for consideration of the Committee of the Whole on November 12, 2019 and Village Board approval on November 19, 2019.
- 2. Since the Village intends to levy an aggregate tax less than 105 percent of the previous years' extension, a public hearing is not required.
- 3. The Village must adopt a tax levy ordinance in order to direct each county (Kane and McHenry) to collect the property taxes. It is recommended that the levy ordinance be considered for approval at the regular Village Board meeting on December 17, 2019.
- 4. A certified copy of the tax levy must be delivered to each County Clerk before the last Tuesday of December 2019, which falls on December 31, 2019. Due to the holidays, it is recommended that the filing be performed prior to December 20.

c: File



VILLAGE OF ALGONQUIN GENERAL SERVICES ADMINISTRATION

- M E M O R A N D U M -

DATE:	November 7, 2019
TO:	Tim Schloneger, Village Manager
FROM:	Michael Kumbera, Assistant Village Manager Susan Skillman, Comptroller
SUBJECT:	2019 Popular Annual Financial Report

Aligning with the Village's guiding principle of fiscal management and transparency, finance staff has completed the Village's Popular Annual Financial Report (PAFR) for the fiscal year ending April 30, 2019.

The goal of a PAFR is for governments to extract information from their comprehensive annual financial report to produce high quality popular annual financial reports specifically designed to be readily accessible and easily understandable to the general public and other interested parties without a background in public finance.

The report has been submitted to the Government Finance Officers Association (GFOA) for feedback and recognition through their Popular Annual Financial Reporting Award Program.

No action is necessary for this agenda item. It is being presented for informational purposes and to incorporate any feedback for future reports. We thank management and the Village Board for its continued support of the highest financial standards and stewardship to the community.



VILLAGE OF ALGONQUIN, ILLINOIS POPULAR ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED APRIL 30, 2019

A MESSAGE FROM THE VILLAGE PRESIDENT

The Village of Algonquin is pleased to present our Popular Annual Financial Report (PAFR) to give you a snapshot of the Village's financial condition and our strategic priorities. A PAFR summarizes information from the Village's Comprehensive Annual Financial Report (audit) into a short document that is readily accessible and easily understandable to our residents and other interested parties without necessarily needing a background in public finance to read it.

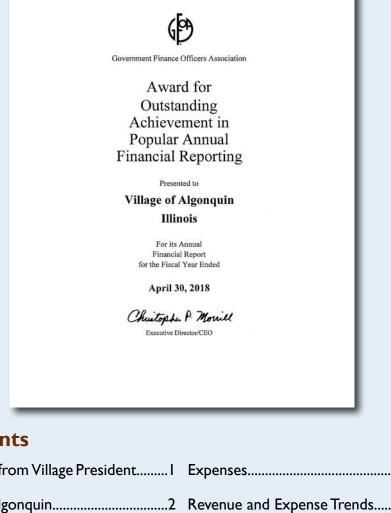
The fiduciary responsibilities that we have as a Village Board are taken very seriously. We work tirelessly to set policy that is fiscally-disciplined and that provides our community with great value to meet the service needs of today, while making sound investments in our operations and infrastructure for a successful tomorrow.

If you haven't already, I encourage you to visit our Transparency Portal online at www.algonquin.org/transparency to review the specific information about the Village's finances, including our budgets, Comprehensive Annual Financial Reports (CAFR), expense transactions, Treasurer's reports, and much more. If you have specific questions regarding these reports, please contact our Finance staff online at www. algonquin.org/finance or by phone at 847-658-2700.

Sincerely,

Jele C. Sath

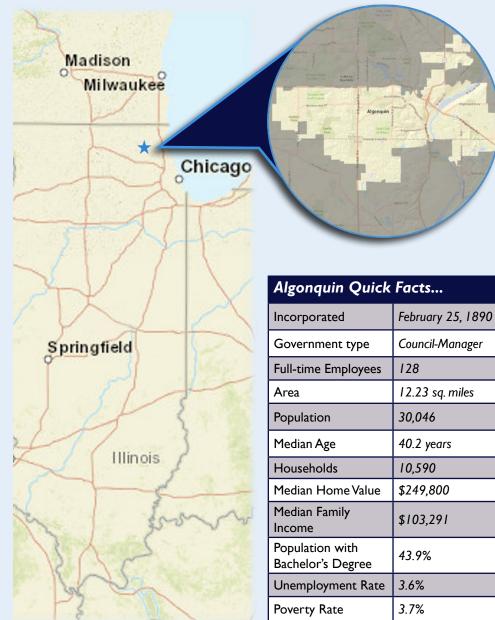
John C. Schmitt Village President



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ABOUT ALGONQUIN



Statistical information above proivded by the United States Census Bureau.

Algonquin Government

Algonquin is formally organized under the Trustee-Village form of government, and combines the strong political leadership of elected officials with the strong professional experience of an appointed local government administrator. The Board consists of a President, six Trustees, and a Village Clerk, elected at-large to serve overlapping four-year terms.



From left to right: Trustee Janis Jasper, Trustee Debby Sosine (seated), Village Clerk Jerry Kautz, Village President John Schmitt (seated), Trustee John Spella, Trustee Jerry Glogowski (seated), Trustee Jim Steigert, Trustee Laura Brehmer.

Major Accomplishments & Initiatives

Village staff, following specific goals of the Village Board and Village Manager, have been involved in a variety of projects throughout the year. These reflect the Village's commitment to ensuring that citizens are provided cost effective and quality services. These projects include:

- TheVillage implemented its water meter exchange program to replace appproximately 11,000 meters with a new fixed-based network and automated reading process;
- Renegotiated contract with Groot for refuse collection that reduced rates for sticker customers by 14 percent and cart customers by 22 percent;
- The Village revised its police pension funding policy to adopt a 15-year layered model to more aggressively fund unfunded pension liabilities;
- The first phase of construction for the Old Town Algonquin revitalization was substantially completed throughout the year.

STATEMENT OF NET POSITION

This Statement of Net Position is presented in much more detail in the Village's Comprehensive Annual Financial Report. This is a very highlevel summary that captures total assets and liabilities and compares them to prior years. This may serve as a useful overall indicator of the Village's financial position and trends over the last two years.

The Village's activities are presented in two categories: governmental activities and business-type activities. Governmental activities include most of the Village's core services, such as general government (administration, building, and zoning), public safety (police), and public works (street, parks, and forestry maintenance). Property taxes and state shared revenues (including sales tax) finance most of these activities. Business-type activities are made up of the Water and Sewer utility, which is primarily financed through user fees and charges.

The largest portion of the Village's net position reflects its investment in capital assets such as land, buildings and improvements, vehicles, machinery and equipment, and construction, less any outstanding debt used to acquire those assets. The Village uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending.

There are several significant transactions that have had an impact on the Statement of Net Position for the year ended April 30, 2019. The decrease in current and other assets is primarily attributable to the use (decrease) of accumulated cash and investments held by the Village to fund capital expenses. When compared to 2018, general government expenses increased by 18 percent (\$0.9 million), public safety expenses increased by 3 percent (\$0.3 million), public works expenses increased by 6 percent (\$0.7 million) and water and sewer expenses increased by 14 percent (\$1.4 million). Most notably, capital improvement projects in 2019 account for a significant amount of the increase in expenses. The Village's "pay-as-you-go" capital funding strategy accumulates cash reserves to fund projects in future years.

Statement of Net Position for the Fiscal Year Ended April 30, 2019

	2019	2018	
Assets			
Current and other assets	\$54,853,616	\$57,292,644	
Capital assets, net	\$239,825,700	\$236,172,396	
Total assets	\$294,679,316	\$293,465,040	
Deferred outflows	\$4,083,246	\$736,608	
Liabilites			
Current and other liabilities	\$6,603,712	\$5,350,401	
Long-term liabilities	\$27,492,142	\$23,490,855	
Total liabilities	\$34,095,854	\$28,841,256	
Deferred inflows	\$9,470,041	\$10,741,635	
Net Position	\$255,196,664	\$254,618,757	

Long-term liabilities increased by approximately \$4.0 million from 2018. While the Village continued to pay down debt principal of \$1.3 million in 2019 from its two outstanding general obligation bonds, liabilities grew in the Village's Illinois Municipal Retirement Fund (IMRF) pension program and for other post-employment benefits (OPEB). Specifically, a change in the investment returns assumption for IMRF from 7.50 percent to 7.25 percent coupled with poor investment returns in the fourth quarter of 2018 caused a \$3.9 million increase in long-term pension liability. Additionally, new financial reporting requirements for 2019 now recognize additional OPEB liabilities (disability and health insurance) which added \$0.7 in additional long-term liabilities.

STATEMENT OF ACTIVITIES

Statement of Activities, often referred to as the Village's income statement, reflects all of the financial activity for the Village during the fiscal year ended April 30, 2019. This statement presents information to show how the Village's net position changed during the year as a result of the financial activity (i.e., revenues and expenses). Over time, increases or decreases in net position may serve as a useful indicator of whether the Village's financial position is improving or deteriorating. Below is a summarized version of the detailed statement of activities found in the Village's Comprehensive Annual Financial Report.

Statement of Net Position for the Fiscal Year Ended April 30, 2019

	2019	2018
Revenues	\$38,412,624	\$37,698,693
Expenses	\$36,683,551	\$33,356,411
Changes in net position	\$577,887	\$4,342,282
Net position (beginning of year)	\$254,618,757	\$250,276,475
Net Position (end of year)	\$255,196,664	\$254,618,757

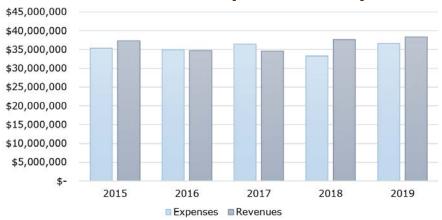
The Statement of Activities shows that the Village's total net position has improved over the beginning net position. Recent revenue trends reflect an increase of \$0.8 million in total revenues, largely due to an increase in the water and sewer rates/ fees that became effective in November 2018 (\$1.0 million), as well as an increase in income tax revenue (\$0.3 million). These increases offset modest declines in state sales tax (\$0.1 million), home rule sales tax, telecommunications tax, and franchise fees. The revenues from the water and sewer rate increase are dedicated to funding capital infrastructure replacement as identified in the Water and Sewer Rate and Fee Study performed in January 2016.

Total expenses increased \$3.3 million, or 10 percent, primarily

due to the completion of various capital projects. Some of the more substantial capital projects that occurred during the year include:

- Old Town (Downtown) Streetscape Improvements (including water/ sewer): \$9,000,000
- Creeks Crossing Park: \$500,000
- Crystal Creek Bridge Replacement: \$300,000
- Wastewater Treatment Facility Improvements: \$500,000
- Crystal Creek Improvements: \$200,000

The construction that occurred in Old Town Algonquin during 2019 is part of a multi-year effort to revitalize the Old Town Algonquin area to support local businesses and encourage private investment in the immediate area. A tax increment financing (TIF) district was established in the Old Town area in 2014 to further advance this outcome.



Revenue and Expense History

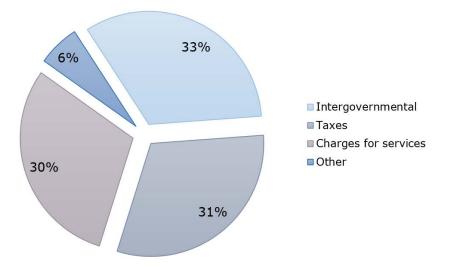
Revenues and expenses over the five-year period shown above are stable. Minor year-to-year flucuations in which expenses exceed revenues are indicative of planned drawdowns of cash reserves that are accumulated and designated for infrastructure projects.

The Village's overall financial condition is strong and stable and current financial policies have provided opportunities for continued investment in programs and services that make Algonquin great.

REVENUES

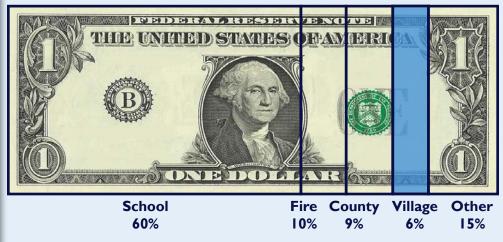
The Village Board and management are focused on efforts to maintain long-term financial health through diversified revenue sources while strategically investing in community initiatives. These decisions range from increasing efficiencies to using valuable intergovernmental partnerships to maintain municipal service value to residents.

Total Primary Government Revenue by Source



Over 90 percent of Village revenues are comprised of the following categories: intergovernmental, taxes, and charges for services. Intergovernmental revenues are distributed by the State of Illinois and include sales and use tax and income tax. Locally assessed taxes include property tax and home rule sales tax. The charges for services category is made up of primarily water and sewer utility user fees. **Overall, the Village benefits from large concentrations of sales tax and home rule sales tax revenue, as a significant portion of this revenue stream is paid by non-residents.**

Property Tax Breakdown



Several taxing bodies comprise local property tax bills in Algonquin. The Village portion of the property tax is approximately 6 percent. In other words, for every dollar that is paid by residents in property tax, the Village receives six cents. Schools, fire protection, county, and other taxing bodies (library, township, conservation, community college, etc.) comprise the remainder of the property tax bill.



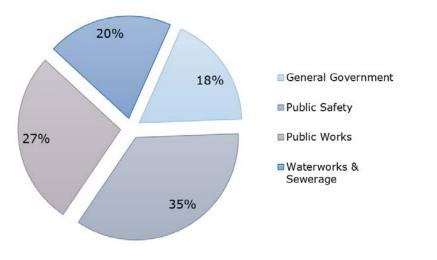
The Village's property tax is at the lowest rate in the past five years. Recent property tax levy freezes, combined with new construction growth and increases in equalized assessed valuation, have led to lower property tax rates.

Property Tax History

EXPENSES

This chart illustrates the uses and percentages of the Village's expenses across all funds totaling \$38.4 million for the fiscal year ending 2019. The majority of expenses relate to waterworks and sewerage, public safety (police), and Public Works (operations, maintenance, and construction).

Total Primary Government Expense by Source

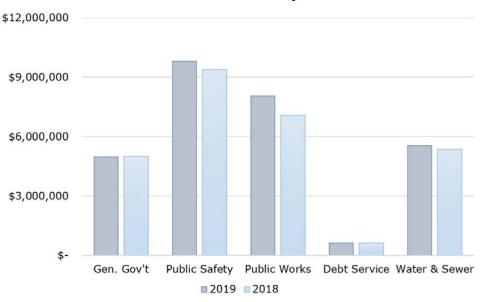


Debt Service (Interest/Fees) reflects the interest costs for long-term debt, such as bonds and loans. This does not include any interest costs on water/sewer-related debt.

Water and Sewer expenses are those incurred by the Village to provide:

- I. pumping, treatment, and distribution of potable water;
- 2. sanitary sewer conveyance and treatment of wastewater.

Total Primary Government Expenses Year-to-Year Comparison



General Government expenses are incurred by the Village's administrative departments, including the Village Manager's Office, Finance, Human Resources, Innovation & Technology, Recreation, Community Development and other non-departmental costs.

Public Safety expenses are those incurred by the Village to provide police services to the public.

Public Works expenses are related to the design, construction, maintenance, and operation of all roadways, sidewalks, trails, parks, forestry, drainage, and related infrastructure within the Village.

A year-to-year comparison of expenses show increases in every category except general government. The increase in public safety expenses can be attributed to personnel costs (salaries and pension expense), vehicle and equipment purchases, and legal/professional services expenses. Increases in public works and water/sewer expenses are primarily attributed to growth in the use of contracted services and outsourced for maintenance activities. A very modest increase in debt service expense is due to the established principal and interest schedule for existing bond issues.

REVENUE AND EXPENSE TRENDS

Revenue Trends

The General Fund, which serves as the Village's primary checking account to fund day-to-day operations, is comprised of several sources of revenue (or income). Similar to a typical household, there are a couple of revenue streams that make up most of the Village's overall revenue. This includes sales tax, property tax, and income tax. These revenues sources account for approximately 85 percent of General Fund revenue.



General Fund Revenues by Source

In the five-year period shown above, the three major revenue sources in aggregate are flat, comprising of approximately \$17.3 million of revenue annually. Sales tax, the largest of the three revenue sources, decreased in 2019 by \$115,000. This is the first time since 2013 that this revenue item decreased. **Property tax over this period is flat as a result of Village Board policy to freeze the Village's annual levy, further reducing the total tax levy below year 2008 levels**. Income tax increased by \$327,000 in 2019, which offsets the decrease in sales tax for the Village and offers some modest revenue growth to fund Village operations.

Expense Trends

In 2019, the Village had \$20.1 million in General Fund expenses, which includes transfers to other funds. Of this total, approximately \$9.8 million (49 percent) was allocated to police and public safety. Public Works is the next largest expense category in the General Fund, allocating approximately \$4.4 million for day-to-day maintenance activities.

\$25,000,000 \$20,000,000 \$15,000,000 \$10,000,000 \$5,000,000 \$-2015 2016 2017 2018 2019

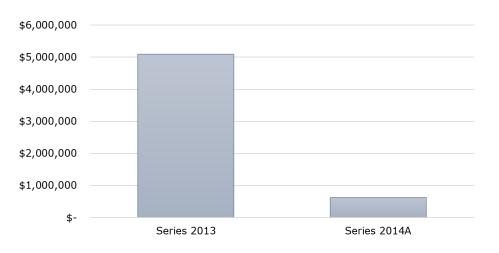
Total General Fund Expenditure History

Over the five-year period shown, the annual rate of growth in General Fund expenses (including transfers) is 1.9 percent, which is equal to the annual rate of inflation during the same period. **Personnel expenses**, which include salaries, health insurance, pension, social security/ Medicare, etc. are the largest category in the General Fund comprising of 65 percent of overall expenses. Since 2015, these expenses have been reduced by 4 percent to \$12.9 million through a combination of reducing overtime, pooling of health insurance with other municipalities, increasing the use of part-time/seasonal employees, and utilizing contracted services.

LONG-TERM DEBT

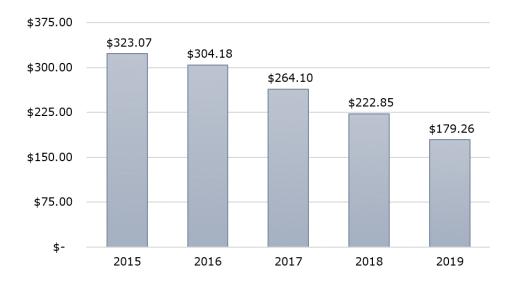
As of April 30, 2019, the Village had \$5.7 million in long-term debt outstanding with \$1.5 million due within one year. The majority of the outstanding debt relates to the expansion of the Wastewater Treatment Facility (Series 2013). The date of maturity for this debt is April 1, 2025. The remainder of the debt relates to the construction of the Public Works Facility, which matures April 1, 2020 (Series 2014A). The chart below depicts the Village's outstanding debt for the fiscal year ended April 30, 2019.

Total General Obligation Debt by Bond Issue



General obligation bonds are direct obligations and pledge the full faith and credit of the Village and are payable from both governmental funds and business-type funds. These bonds are used to finance long-lived capital improvements, including the construction and improvement of Village facilities. State sales tax is pledged as repayment for the Public Works Facility construction debt. Water and sewer utility revenues are pledged as repayment for the Wastewater Treatment Facility expansion debt. **The Village will have fulfilled all of its debt obligations in the next six years**, provided any new debt is not incurred. The Village continues to maintain excellent investment grade ratings on its outstanding general obligation bonds, rated "AAA" by Standard & Poor's rating service. **The AAA rating is the highest possible rating the agency provides**, and indicates a minimal risk to investors and achieves cost-savings to the Village via lower interest rates. This is largely achieved by the Village Board's goal of strong financial management by continuing to diversify the Village's revenue base and maintaining strong fund balance reserves in the General Fund.

Bonded Debt Per Capita



The graphic above displays the Village's bonded debt per capita. The level of debt per capita is a good measure of a government's ability to pay its debt service costs through its current levels of tax revenue. The lower the level, the greater capacity the government has. The Village's bonded debt per capita has decreased 45 percent in the five-year period shown and will continue this trend as the Village continues to pay off its debt service.

ABOUT PAFR

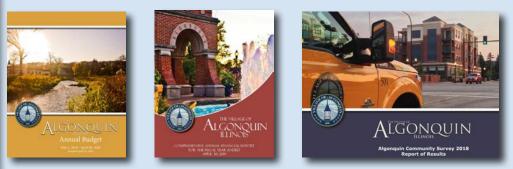
We are proud to present the Village of Algonquin Popular Annual Financial Report (PAFR) for the fiscal year ended April 30, 2019. The purpose of the PAFR is to provide a user-friendly summary of the financial position of the Village of Algonquin and other interesting information for citizens who want a better understanding of the Village's finances. The financial information in the PAFR is taken from the Village's Comprehensive Annual Financial Report (CAFR). The CAFR outlines the Village's financial position and operating activities each fiscal year presented in conformity with generally accepted accounting principles (GAAP) and includes financial statements audited by Sikich, LLP, an independent firm of certified public accountants. The auditors' report concluded that the financial statements fairly reflect the financial condition of the Village in all material respects.

While the numbers in the PAFR come from an audited source, they are presented in a summarized, unaudited non-GAAP format that is more accessible to the public. Citizens who wish to review the audited, GAAP-based, full disclosure financial statements can refer to the Village's CAFR available on the Village's website at www.algonquin.org/transparency or contact the Village at 2200 Harnish Drive, Algonquin, IL 60102. For more information, please contact Michael Kumbera, Assistant Village Manager, at michaelkumbera@algonquin.org or Susan Skillman, Comptroller, at susanskillman@algonquin.org.



Overlooking the Fox River from the Algonquin shoreline.

Interested in Learning More?



If you are interested in learning more about the Village, remember that you can view documents such as the Village's budgets, audits, and community surveys online at <u>www.algonquin.org/transparency</u>.

Connect with Us at...

Village Website

At the Village website, www.algonquin.org, visitors may...

- Make payments towards municipal citations and water and sewer utility bills;
- Read official documents such as budgets, audits, and community surveys;
- Submit permit application and Freedom of Information Records Request forms;
- View meeting agendas and minutes of the Village Board, Committee of the Whole, and various Village commissions.

Algonquin e-News

Subscribe to the Algonquin e-News for monthly updates from the Village at <u>www.algonquin.org/e-news</u>.

Social Media



LAW OFFICES ZUKOWSKI, ROGERS, FLOOD & McARDLE 50 VIRGINIA STREET CRYSTAL LAKE, ILLINOIS 60014

RUTH A. SCHLOSSBERG rschlossberg@zrfmlaw.com (815)459-2050 FAX (815)459-9057 www.zrfmlaw.com

August 26, 2019

Dear NIPC Members:

As promised, attached please find a draft ordinance and a new IGA for renewal of the Northern Illinois Purchasing Cooperative ("NIPC") Intergovernmental Agreement. As you know, NIPC has been a cooperative purchasing group formed by an Intergovernmental Agreement between Algonquin, Genoa, Hampshire, Huntley, Johnsburg, Lake in the Hills, Lakewood, McHenry, Richmond, Woodstock and the Woodstock Fire & Rescue District. It has been used to combine the purchasing power of these bodies to reduce electric power purchase costs for governmental use.¹

The group agrees that the IGA has worked well in the past, so we have made very few changes. The most notable changes are that this Agreement will renew for another five years through February 1, 2025, and we have eliminated the appointment of World Energy for energy related services. The NIPC members have agreed that after six years of service from World Energy (and their successors and associates), it is appropriate due diligence for the group to undertake a new search for pricing and services for consultants to NIPC.

If this revised IGA meets with your approval, please submit it to your Board or Council along with an ordinance based on the attached sample. If they approve, please have this executed and return a copy of the executed agreement to Chalen Daigle at MCCG before January 30, 2020.

Please let Chalen know if you have any questions about this matter.

Very sincerely yours, Ruth A. Sehlossberg

RAS:dg Attachments

¹ The NIPC Agreement allows for other joint purchasing, but thus far, it has been used exclusively for electric power purchases.

ORDINANCE NO. 2019-O-____

An Ordinance Authorizing Execution of the Northern Illinois Purchasing Cooperative ("NIPC") 2020 Intergovernmental Agreement for the Purchase of Power Supplies and Other Goods and Services; Waiving Local Bidding Requirements for Purchases Made through NIPC; and Authorizing Purchase Agreements Made through NIPC

WHEREAS, the Village of Algonquin, Illinois, is a home rule municipality as contemplated under Article VII, Section 6, of the Constitution of the State of Illinois, and the passage of this Ordinance constitutes an exercise of the Village's home rule powers and functions as granted in the Constitution of the State of Illinois.

WHEREAS, the Village has participated in the Northern Illinois Purchasing Cooperative ("NIPC") Intergovernmental Agreement ("IGA") for the economical purchase of goods and services; and

WHEREAS, by working through NIPC, the participants have been able to secure competitively priced electrical power and have been able to reduce the total transaction costs of identifying and negotiating power purchase arrangements with third party suppliers; and

WHEREAS, units of local government may contract and associate among themselves pursuant to Article VII, Section 10, of the Illinois Constitution of 1970 and the Illinois Intergovernmental Cooperation Act, 5 ILCS 220/1 *et seq*.; and

WHEREAS, some of the proposed NIPC members have local codes or rules that require that certain purchases must be solicited for bids pursuant to their local rules, but under the proposed NIPC intergovernmental agreement the NIPC purchasing rules shall apply instead; and

WHEREAS, the NIPC agreement contemplates authorizing certain specific parties to execute contracts on behalf of the members; and

WHEREAS, the NIPC members wish to continue their cooperation by renewing and revising the NIPC IGA which is attached hereto as Exhibit A.

NOW, THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of Algonquin, Illinois, as follows:

SECTION 1: The President be, and is hereby authorized and directed to execute, and the Clerk is authorized and directed to attest, duplicate original copies of the NORTHERN ILLINOIS PURCHASING COOPERATIVE ("NIPC") 2020 INTERGOVERNMENTAL AGREEMENT FOR THE PURCHASE OF POWER SUPPLIES AND OTHER GOODS AND SERVICES ("Agreement"), a copy of which is attached hereto as Exhibit A. This approval includes explicit waiver of any conflict of interest, if any, for the law firm of Zukowski, Rogers, Flood and McArdle to represent NIPC.

SECTION 2: The administration is directed to take all actions necessary to implement the terms of the IGA and to execute contracts negotiated under the IGA in a manner consistent with its terms, and any local ordinances or rules governing purchases that will instead be made through NIPC are hereby waived and those purchases will instead be subject to NIPC's procedures.

SECTION 3: If any section, paragraph, subdivision, clause, sentence or provision of this Ordinance shall be adjudged by any Court of competent jurisdiction to be invalid, such judgment shall not affect, impair, invalidate or nullify the remainder thereof, which remainder shall remain and continue in full force and effect.

SECTION 4: All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict and the Intergovernmental Agreement establishing NIGEC is hereby replaced by this new Agreement.

SECTION 5: This Ordinance shall be in full force and effect upon its passage, approval and publication in pamphlet form (which publication is hereby authorized) as provided by law.

Voting Aye:

Voting Nay:

Abstain:

Absent:

APPROVED:

Village President

(SEAL) ATTEST:		
	Village Clerk	

Passed: _____

Approved:

Published:

Z:\N\NIGEC NIPC\NIPC IGA and Creation Documents\sample ordinance approving NIPC IGA renewal.village version.doc

NIPC INTERGOVERNMENTAL AGREEMENT APPROVAL, Page 2

EXHIBIT A

NIPC INTERGOVERNMENTAL AGREEMENT APPROVAL, Page 3

NORTHERN ILLINOIS PURCHASING COOPERATIVE ("NIPC"") 2020 INTERGOVERNMENTAL AGREEMENT FOR THE PURCHASE OF POWER SUPPLIES AND OTHER GOODS AND SERVICES

This Intergovernmental Agreement ("Agreement") is entered into between the signatory parties below, all Illinois municipal corporations or other governmental entities, (collectively, "Members") for purposes of renewing and revising the 2014 Intergovernmental Agreement for the Northern Illinois Purchasing Cooperative ("NIPC"). It is explicitly contemplated that additional local governmental entities may join this Agreement at a later date on the same terms as the signatory parties, with the permission of the Administrator, as defined below, and without additional approval from the original contracting Members. This Agreement shall be binding on any signatories.

WHEREAS, the Members have agreed that there may be economies of scale, reduced administrative costs and improved commodity prices by purchasing goods and services, electricity and other power supplies as a group; and

WHEREAS, in order to obtain these economies, several municipalities previously joined together to create the Northern Illinois Governmental Energy Cooperative ("NIGEC") and continued that cooperation through a previous intergovernmental agreement ("IGA") for NIPC and several of those municipalities wish to continue that association by renewing and revising the NIPC IGA; and

WHEREAS, such cooperation is one of the purposes of the Intergovernmental Cooperation Agreement Act ("Act") (5 ILCS 220/1 *et seq.*); and

WHEREAS, this Agreement satisfies the requirements of that Act and of the Illinois State Constitution provisions authorizing Intergovernmental Agreements (Article 7, Section 10).

NOW, THEREFORE, the Members agree as follows:

1. <u>PURPOSE.</u> To cooperate to negotiate economical purchase agreements for goods and services as well as for power purchase agreements ("Purchase Agreements") all as directed by the Governing Board (as that term is defined below).

2. <u>GOVERNANCE</u>. The NIPC membership shall be governed by one representative of each Member (the "Governing Board"). Each Member shall have one vote, and unless otherwise specifically provided for elsewhere in this Agreement, the Governing Board shall require a majority vote for any binding decisions. All votes by the membership may be taken by telephone, e-mail or other electronic or digital communication.

3. <u>ADMINISTRATION.</u>

a. The NIPC membership agrees to place administrative responsibility for its operations, including approval of any new members, with the Director of the McHenry County Council of Governments ("MCCG") (the "Administrator"), who will report to the Governing Board on administrative matters. By a majority vote, the NIPC Governing Board shall agree upon an appropriate level of compensation to MCCG (or any subsequent Administrator) for these administrative services.

b. The Governing Board may elect a new Administrator at any time by a majority vote.

4. <u>SOLICITING AND SELECTING SUPPLIERS.</u>

a. **Solicitation**.

i. NIPC shall seek to obtain supplies that are competitively priced or that are supplied on terms that are in the best interests of the Affected Members (as that term is defined in Section 4.a.ii below). To meet this goal NIPC may rely upon a variety of methodologies including using a Request for Proposal solicitation, by the use of an on-line auction format or by using such other methodology as the Affected Members determine are appropriate and consistent with applicable law.

ii. The Administrator is responsible for ensuring that each Member is on notice of each new bidding opportunity. Each NIPC Member may choose, prior to the issuance of any bid request or other solicitation for purchase, whether or not to participate in the specific bid request. Those members who participate in each bid request shall be referred to as the "Affected Members". In cases where less than the full NIPC membership is participating in a bid request or solicitation for purchase, then only the Affected Members and not the entire Governing Board shall be permitted to vote on that

Execution Copy

particular bid request or solicitation.

1) The Administrator may require Members to indicate whether they intend to participate in any specific bid solicitation or purchasing effort and may require that the Members give written notice to the Administrator of their intent to withdraw from participation, provided that no withdrawal from participation shall be permitted if a solicitation is outstanding at the time of such withdrawal notice or if bids already have been received and are being considered or negotiated by NIPC.

2) If a Member has not provided notice of withdrawal from a specific bid when so required by the Administrator and if the Member has been included in any bid solicitation announcement or process, then the Member must complete and execute any related Purchase Agreement that is ultimately approved by the Affected Members. Such Member also shall be counted in any tally of Affected Members for purposes of calculating the number of votes required for approval of any matter related to a specific purchase initiative. However, the Administrator shall have discretion to permit withdrawal of that member if, in the sole determination of the Administrator, such withdrawal will not affect the price or terms offered to the balance of the Affected Members.

3) This limitation on withdrawal is imposed in order to ensure that the Affected Members benefit from any bulk purchasing advantages resulting from guaranteeing to supply bidders a defined customer base because this has an impact on the bid prices for supplies.

iii. For each bid solicitation, in the discretion of the Administrator, bidding may exclude accounts that are not likely to offer significant financial advantages to members. This includes, but is not limited to, situations in which bidding some or all of the electric power accounts of some members will not offer significant financial advantages over Commonwealth Edison rates or other existing or potential rates, such as for instance accounts for street lights and any franchise accounts.

iv. NIPC may waive bidding or solicitation for a non-public works purchase by a two-thirds vote of the Affected Members provided that the Affected Members determine that this will result in a competitive price or that such waiver is in the best interests of the Affected Members. Such bid-waiver option shall include, but not be limited to, the extension of existing agreements without additional solicitation or bidding.

v. By approving this Agreement, all Members agree that this process shall apply to all purchasing by NIPC and any Member regulations governing purchasing to the contrary are hereby waived for purchases made through NIPC. Nothing in this Agreement is intended to waive any applicable Illinois law.

b. Selection and Execution of Agreements.

i. The Administrator may negotiate the terms for any Purchase Agreement in preparation for consideration by the Affected Members.

ii. Each Affected Member shall be given one vote for purposes of determining whether to enter into a specific Purchase Agreement.

iii. A majority vote of the Affected Members shall be required to authorize entry into any specific Purchase Agreement except in cases subject to Section 4(a)(iv) of this agreement involving waiver of bids or solicitation when a two-thirds vote of the Affected Members shall be required to authorize entry into a Purchase Agreement.

iv. All Affected Members agree to be bound by the vote of the Affected Members in favor of entering into a specific Purchase Agreement.

v. Following approval of a Purchase Agreement as required by this Section, the Administrator may verbally commit the Affected Members to accept the Purchase Agreement, and each Affected Member agrees to execute a Purchase Agreement binding their respective unit of government within the time period approved by the Administrator. The Members acknowledge that the rapidly shifting commodity price nature of many goods and some services, including but not limited to prices in the power market, necessitates this structure, and that by approving this Agreement, they are authorizing any of the following representatives of the Members to execute the Purchase Agreement:

1) President or Mayor

- 2) Board Member or Council Members designated by the President or Mayor
- 3) Manager or Chief Administrator
- 4) Authorized Staff Person designated by Manager, Chief Administrator, President or Mayor

5. <u>USE OF CONSULTANTS BY NIPC</u>. By a majority vote of the membership, NIPC, through the Administrator, may negotiate with and retain a consultant or advisor who may coordinate the purchasing process on behalf of NIPC and its Members. Any agreement between NIPC and any such consultant must be approved by a majority vote of the Governing Board.

6. <u>MEMBER COOPERATION REQUIRED.</u> The NIPC membership agrees to provide the necessary information required to develop bid specifications or to identify electric power supply opportunities or goods and services in a timely manner in response to any request being made by the Administrator or Consultant. Failure to provide this information in a timely manner may result in exclusion from a particular Purchase Agreement or bid for such Purchase Agreement at the discretion of the Administrator.

7. <u>ALLOCATION OF NIPC COSTS.</u> The NIPC membership agrees to share all costs associated with the Administration of this Agreement, which costs shall be allocated among them by the Administrator based on the number of Affected Members participating in a specific matter.

8. <u>LEGAL REPRESENTATION.</u> By executing this Agreement, each Member hereby waives any conflict of interest, permitting the law firm of Zukowski, Rogers, Flood & McArdle ("ZRFM") to represent them individually as well as serving as counsel to NIPC. This representation may be changed by a majority vote of the Governing Board.

9. <u>AGREEMENT REPLACES EARLIER NIPCAGREEMENT.</u> By executing this Agreement, a Member that belonged to any previous Agreement governing NIPC agrees, instead, to be bound by the terms of this Agreement effective February 1, 2020..

10. <u>TERM</u>. This Agreement will be effective commencing on February 1, 2020. The Members agree to be bound by this Intergovernmental Agreement through January 30, 2025 regardless

of the date any individual Member initially approved the Agreement.

11. <u>INDEMNIFICATION.</u>

a. To the extent permitted by law, each Member hereby agrees to indemnify, hold harmless, and defend any other Member from and against any and all losses, claims, expenses and damages (including reasonable attorney's fees) made against or incurred by the other Member for any actions taken or failures to act by the indemnifying Member in connection with or arising out of this Agreement, to the extent that such claims were caused by actions, or failures to act, of the indemnifying Member.

b. To the extent permitted by law, each Member agrees to indemnify, hold harmless, and defend the Administrator and any of its officers, employees or agents from and against any and all losses, claims, expenses and damages (including reasonable attorneys' fees) made against or incurred by the Administrator or any of the Administrator's officers, employees and agents for actions taken or failures to act under this Agreement in its role as Administrator except to the extent such actions or failures to act were willful and wanton.

12. <u>COUNTERPARTS.</u> This Agreement may be executed by all of the parties in identical original duplicates and each of the duplicates shall, individually and taken together, constitute one and the same Agreement.

[SIGNATURE PAGES FOLLOW]

VILLAGE OF ALGONQUIN	ATTEST:
By John C. Schmitt, President	Gerald S. Kautz, Clerk
DATE:, 2019	
CITY OF GENOA	ATTEST:
By Mark Vicary, Mayor	Kim Winker, Clerk
DATE:, 2019	
VILLAGE OF HAMPSHIRE	ATTEST:
By Jeffrey Magnussen, President	Linda R. Vasquez, Clerk
DATE:, 2019	
VILLAGE OF HUNTLEY	ATTEST:
By Charles Sass, Mayor	Rita McMahon, Clerk
DATE:, 2019	
VILLAGE OF JOHNSBURG	ATTEST:
Edwin P. Hettermann, President	Claudett E. Peters, Clerk
DATE:, 2019	
VILLAGE OF LAKE IN THE HILLS	ATTEST:
By Russ Ruzanski, President	Cecilia Carman, Clerk
DATE:, 2019	

VILLAGE OF LAKEWOOD By Phil Stephan, President DATE:, 2019	ATTEST: Janice S. Hansen, Clerk
CITY OF McHENRY By Wayne S. Jett, President DATE:, 2019	ATTEST: Trisha Ramel, Clerk
VILLAGE OF RICHMOND By Craig Kunz, President DATE:, 2019	ATTEST: Karla L. Thomas, Clerk
CITY OF WOODSTOCK By Brian Sager, PhD, Mayor DATE:, 2019	ATTEST: Cindy Smiley, Clerk
WOODSTOCK FIRE AND RESCUE DISTRICT By Fred Spitzer, President DATE:, 2019	ATTEST:

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VILLAGE OF ALGONQUIN PUBLIC WORKS DEPARTMENT

- M E M O R A N D U M -

DATE:	October 21, 2019
TO:	<i>Tim Schloneger, Village Manager</i> Committee of the Whole
FROM:	Robert Mitchard, Public Works Director
SUBJECT:	Unauthorized Encroachment in Village-owned ROW

Tim, attached is a memo from Steve Ludwig proposing changes to the Village Ordinance governing placement of unauthorized installations in the village-owned rights-of-way that create public relations issues and additional expense to our department, particularly when we undertake capital improvement projects contiguous to private properties.

It is our recommendation that the Committee of the Whole consider such changes and authorize the Board of Trustees to enact the changes in support of significantly reducing, or eliminating, these liabilities going forward. Thank you for your support on this issue.



VILLAGE OF ALGONQUIN PUBLIC WORKS DEPARTMENT

-M E M O R A N D U M -

DATE:	August 22, 2019
TO:	Bob Mitchard, Public Works Director
FROM:	Steven R. Ludwig, General Services Superintendent
CC:	Vince Kilcullen, Streets Supervisor
SUBJECT:	Village Code Chapter 5 Revisions – Non-Standard Encroachments

As you are aware, we continue to struggle with private installations on Village-owned rights-of-way. Obstructions and non-conforming installations in the public right-of-way (ROW) create a dangerous condition for the public as well as public utilities that own and maintain underground facilities in the ROW. The ROW is intended for public use for vehicles, bicycles, pedestrians, and public utilities. The placement of private installations, such as non-standard mailboxes or other private non-standard items can endanger the public that uses the ROW. The placement of underground installations, including but not limited to, invisible dog fences, irrigation systems, as well as, decorative (Non-standard) sidewalks or driveways in the ROW create logistical, financial, and liability challenges when excavating a utility or when the sidewalk, curb or street are being maintained, repaired, or replaced.

As such, to address this increasing and concerning issue, we are proposing changes to the Village code per the attached. There is a "markup" version (which displays the proposed changes), a final version (without markups), and a copy of waiver that will be required in instances where it is determined the improvement may remain. It is our goal to support our teams in providing consistently safe and liability free rights-of-way. Please let me know if you have any questions.

ORDINANCE NO. 2019 - O - ____

An Ordinance Amending Chapter 5.03, Encroachments on Street, of Chapter 5, Streets, Sidewalks and Trees of the Algonquin Municipal Code

WHEREAS, the Village of Algonquin, McHenry and Kane counties, Illinois, is a home rule municipality as contemplated under Article VII, Section 6, of the Constitution of the State of Illinois, and the passage of this Ordinance constitutes an exercise of the Village's home rule powers and functions as granted in the Constitution of the State of Illinois.

NOW, THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the VILLAGE OF ALGONQUIN, McHenry and Kane counties, Illinois, as follows:

SECTION 1: Section 5.03, Encroachments on Street, of Chapter 5, Streets, Sidewalks and Trees of the Algonquin Municipal Code shall be amended to read as follows:

5.03 ENCROACHMENTS ON STREET

A. <u>Permit</u>: No person shall erect or maintain any structure or thing on, over or under any street, alley, sidewalk or public way except by permit from the Village Board. Application for such permit shall describe the nature of the encroachment in such detail as the Village Board shall require. The Village Board, in its discretion, may issue or deny the permit, and may impose any conditions to such permit it deems appropriate. To the extent the provisions of this Section may conflict with the provisions of Section 5.19, the more restrictive provisions shall prevail.

B. Non-Conforming Encroachments: Those improvements, including but not limited to fortified mailboxes, non-standard driveway aprons, landscape installations, electric dog fencing, irrigation systems, paver block or bricks, walkways, boulders, berms, decorative posts, yard lights, retaining walls, water features, planter boxes, fire pits, or other private installations which have not been permitted by the Village Board, are non-conforming encroachments and not allowed on the public way. The Public Works Director, or his designee, shall address non-conforming encroachments as follows:

- 1. The owner of the installation shall remove the non-conforming encroachment from the public way within ten (10) working days of notice if it is determined to be a hazard to persons or property by the Public Works Director. In the event the owner fails to remove the non-conforming encroachment, the Village shall have the encroachment removed and the owner shall be charged for the cost of said removal.
- 2. The owner of the installation may maintain the non-conforming encroachment, at the discretion of the Public Works Director or his designee, if it is in no way a hazard to persons or property. The owner of the installation must sign a Village-provided waiver, which relieves the Village from any responsibility for care of, repair of, or replacement of any non-conforming encroachment and said owner shall assume all liability in the event of damage to personal property to or injury to any individual as a result of said

encroachment. Failure to sign the waiver directly will result in a requirement to remove the non-conforming encroachment within thirty (30) days of notice. Additionally, no issued waiver shall constitute permission to violate any other sections of the Village of Algonquin Municipal Code.

In no instance shall the Village fund the care of, repair of, or replacement of non-conforming encroachments.

B.C. <u>Maintenance</u>: Any encroachment on any street, alley, sidewalk or public way shall be maintained so that it does not endanger or obstruct the public.

C.D. Nuisance: Any encroachment maintained in violation of this Section is declared a nuisance and may be abated by the Village.

SECTION 2: If any section, paragraph, subdivision, clause, sentence or provision of this Ordinance shall be adjudged by any Court of competent jurisdiction to be invalid, such judgment shall not affect, impair, invalidate or nullify the remainder thereof, which remainder shall remain and continue in full force and effect.

SECTION 3: All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 4: This Ordinance shall be in full force and effect upon its passage, approval and publication in pamphlet form (which publication is hereby authorized) as provided by law.

Aye:

Nay:

Absent:

Abstain:

APPROVED:

(SEAL)		
ATTEST:		
	Village Clerk Gerald S. Kautz	

Passed:	
Approved:	
Published:	

Prepared by: Kelly Cahill, Village Attorney Zukowski, Rogers, Flood & McArdle 50 Virginia Street Crystal Lake, Illinois 60014

CERTIFICATION

I, GERALD S. KAUTZ, do hereby certify that I am the duly elected and qualified Clerk of the Village of Algonquin, McHenry and Kane Counties, Illinois, and that as such Clerk, I am the keeper of the ordinances, records, corporate seal and proceedings of the President and Board of Trustees of said Village.

I do hereby further certify that at a regular meeting of the President and Board of Trustees of the Village of Algonquin, held on the _____ day of _____, 2019, the foregoing Ordinance entitled *An Ordinance Amending Chapter 5.03, Encroachments on Street, of Chapter 5, Streets, Sidewalks and Trees of the Algonquin Municipal Code*, was duly passed and approved by the President and Board of Trustees of the Village of Algonquin.

I do further certify that the original, of which the attached is a true and correct copy, is entrusted to me as the Clerk of said Village for safekeeping, and that I am the lawful custodian and keeper of the same.

IN WITNESS WHEREOF, I have affixed my name as Clerk and caused the seal of said Village to be affixed hereto this ______ day of ______, 2019.

Gerald S. Kautz, Village Clerk Village of Algonquin, McHenry and Kane Counties, Illinois

(VILLAGE SEAL)

ORDINANCE NO. 2019 - O - ____

An Ordinance Amending Chapter 5.03, Encroachments on Street, of Chapter 5, Streets, Sidewalks and Trees of the Algonquin Municipal Code

WHEREAS, the Village of Algonquin, McHenry and Kane counties, Illinois, is a home rule municipality as contemplated under Article VII, Section 6, of the Constitution of the State of Illinois, and the passage of this Ordinance constitutes an exercise of the Village's home rule powers and functions as granted in the Constitution of the State of Illinois.

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B. <u>Non-Conforming Encroachments</u>: Those improvements, including but not limited to fortified mailboxes, non-standard driveway aprons, landscape installations, electric dog fencing, irrigation systems, paver block or bricks, walkways, boulders, berms, decorative posts, yard lights, retaining walls, water features, planter boxes, fire pits, or other private installations which have not been permitted by the Village Board, are non-conforming encroachments and not allowed on the public way. The Public Works Director, or his designee, shall address non-conforming encroachments as follows:

- 1. The owner of the installation shall remove the non-conforming encroachment from the public way within ten (10) working days of notice if it is determined to be a hazard to persons or property by the Public Works Director. In the event the owner fails to remove the non-conforming encroachment, the Village shall have the encroachment removed and the owner shall be charged for the cost of said removal.
- 2. The owner of the installation may maintain the non-conforming encroachment, at the discretion of the Public Works Director or his designee, if it is in no way a hazard to persons or property. The owner of the installation must sign a Village-provided waiver, which relieves the Village from any responsibility for care of, repair of, or replacement of any non-conforming encroachment and said owner shall assume all liability in the event of damage to personal property to or injury to any individual as a result of said encroachment. Failure to sign the waiver directly will result in a requirement to remove

the non-conforming encroachment within thirty (30) days of notice. Additionally, no issued waiver shall constitute permission to violate any other sections of the Village of Algonquin Municipal Code.

In no instance shall the Village fund the care of, repair of, or replacement of non-conforming encroachments.

C. <u>Maintenance</u>: Any encroachment on any street, alley, sidewalk or public way shall be maintained so that it does not endanger or obstruct the public.

D. <u>Nuisance</u>: Any encroachment maintained in violation of this Section is declared a nuisance and may be abated by the Village.

SECTION 2: If any section, paragraph, subdivision, clause, sentence or provision of this Ordinance shall be adjudged by any Court of competent jurisdiction to be invalid, such judgment shall not affect, impair, invalidate or nullify the remainder thereof, which remainder shall remain and continue in full force and effect.

SECTION 3: All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 4: This Ordinance shall be in full force and effect upon its passage, approval and publication in pamphlet form (which publication is hereby authorized) as provided by law.

Aye:

Nay:

Absent:

Abstain:

APPROVED:

Village President John C. Schmitt

Village Clerk Gerald S. Kautz

Passed:	
Approved:	
Published:	

Prepared by: Kelly Cahill, Village Attorney Zukowski, Rogers, Flood & McArdle 50 Virginia Street Crystal Lake, Illinois 60014

CERTIFICATION

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I do further certify that the original, of which the attached is a true and correct copy, is entrusted to me as the Clerk of said Village for safekeeping, and that I am the lawful custodian and keeper of the same.

IN WITNESS WHEREOF, I have affixed my name as Clerk and caused the seal of said Village to be affixed hereto this ______ day of ______, 2019.

Gerald S. Kautz, Village Clerk Village of Algonquin, McHenry and Kane Counties, Illinois

(VILLAGE SEAL)



LETTER OF RELEASE/WAIVER - NON-CONFORMING ENCROACHMENTS ON PUBLIC RIGHT-OF-WAY

Village of Algonquin 2200 Harnish Dr. Algonquin, IL. 60102

The undersigned, as owner of the below reference property, has requested authorization to maintain a nonconforming encroachment upon the public right-of-way. By signing this letter, the undersigned agrees on his/her own behalf, and on behalf of his/her successors, heirs, and assigns, the he/she shall be solely responsible for the maintenance, repair, and replacement of such non-conforming encroachment, which may include, but not be limited to, fortified mailboxes, non-standard driveway aprons, landscape installations, electric dog fencing, irrigation systems, paver block or bricks, walkways, boulders, berms, decorative posts, yard lights, retaining walls, water features, planter boxes, fire pits, or any other unapproved private installations (herein after referred to as "Non-Conforming Encroachment"), which have been, or will be installed within the public right-of-way adjacent to the property described below, and that the Village of Algonquin shall not be responsible for any such Non-Conforming Encroachment, or any subsequent maintenance, repair, or replacement thereof.

The undersigned agrees that, in the event that the Village of Algonquin, its elected and/or appointed officials, agents, employees, or contractors, including franchised utility companies and their respective agents, employees, and contractors (herein collectively referred to as "the Released Parties") engages in any work or maintenance (hereinafter collectively referred to as the "Work") within the public right of way which causes damage to any portion of the Non-Conforming Encroachment, the Village will not be responsible, nor be required to furnish, install, maintain, repair, replace, or reconstruct any such Non-Conforming Encroachment which is damaged or disturbed as a result of the Work within the right-of-way performed by the Village, its agents, employees, or contractors, including franchised utility companies, and their respective agents, employees or contractors. The undersigned, on their own behalf, and on behalf of his/her successors, heirs and assigns, hereby releases the Released Parties from any claim whatsoever for damages to the Non-Conforming Encroachment, arising out of any Work performed by the Released Parties and agrees to indemnify and hold the Released Parties harmless for any and all liabilities, including but not limited to attorney's fees, claims, and judgments arising out of, either directly or indirectly, the encroachment.

<u>REQUIRED ATTACHMENTS: LEGAL DESCRIPTION OF THE PROPERTY AND A DESCRIPTION AND SKETCH</u> <u>OF THE NON-CONFORMING ENCROACHMENT AND ITS LOCATION WITHIN THE RIGHT-OF-WAY.</u>

THIS SHALL BE RECORDED WITH THE APPLICABLE COUNTY RECORDER.

Street Address of the Property:	PIN:	
Signature of Owner(s):	Date:	
Acceptance – Village of Algonquin:	Date:	