



Village of Algonquin
Minutes of the Committee of the Whole Meeting
Held in Village Board Room
March 10, 2020

AGENDA ITEM 1: Roll Call to Establish a Quorum

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

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

Staff Members Present: Village Manager, Tim Schloneger; Assistant Village Manager, Michael Kumbera; Community Development Director, Recreation Superintendent, Katie Gock; Human Resources Director, Todd Walker; Public Works Director, Robert Mitchard; Deputy Village Clerk, Michelle Weber; and Village Attorney, Kelly Cahill.

AGENDA ITEM 2: Public Comment

Mr. Chris Freeman, Cary, IL – Mr. Freeman explained he is the Sleep in Heavenly Peace Chapter President. His organization builds bunk beds for children between the ages of 3-17 in need. These beds are given to families on an as need basis, which included the bed frame and mattress. He is asking for support from the Board and for them to spread the word about his organization. They are currently looking for donations and volunteers to help build and distribute the beds.

President Schmitt and Mr. Glogowski indicated they would forward his information to community organizations that may be interested in helping.

Linda Daly, Applewood Lane, Algonquin – Explained, as a longtime resident of Algonquin, she has always been proud of the ethical community she lives in. After sharing her story about the dog she purchased through a store front “puppy mill”, she expressed her support of the proposed change in Chapter 14, prohibiting the sale of manufactured Dogs and other companion animals within the Village.

Alice Thomas, Tahoe Parkway, Algonquin – Explained her story of the purchase of a dog, unbeknownst to her, that was bred in a “puppy mill”. The numerous medical and behavioral problems the dog contended with and the expense she had to save the dog. She too, is in favor of the proposed changed in Chapter 14.

Stacey Guenther, Applewood Lane, Algonquin – As a 21-year resident of Algonquin, she is in support of the changes proposed for Chapter 14. She spoke of her experience with the dog she purchased, that too was bred in a “puppy mill”. She also asked the Committee to consider adding rabbits to the Ordinance and add definitions as to a pet store, a breeder, and a broker as per the recommendations of the Humane Society.

Tina Vandenbroucke, Applewood Lane, Algonquin – She too is a 21-year resident of Algonquin and is in support of the proposed changed in Chapter 14, as a preempted attempt to prohibit the sale of commercially bred dogs, cats, and rabbits. She told of her experience with her purchase of a “puppy mill” dog and continued to explain the living conditions and components of a commercially bred “livestock” facility. She also asked that the Ordinance be approved with the following changes: definitions of a Pet Store, a breeder, and broker as stated in the Humane Society recommendations and adding rabbits as a protected animal.

The Committee thanked them for their input and asked them to stay for the staff presentation and board comments regarding the topic.

AGENDA ITEM 3: Community Development
None

AGENDA ITEM 4: General Administration

A. Consider Amending Chapter 33, Liquor Control and Liquor Licenses

Mr. Schloneger explained, Greg Giegel, owner of Bold American Fare, is opening a new establishment in Oldtown Algonquin, serving Wine and Whiskey for purchase by the bottle or you can sample it at the bar. At this time the Municipal Code allows for only 4 Class A Liquor License, with the new establishment an additional Class A license is needed.

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

B. Algonquin Cemetery Cremation Garden Presentation

Mr. Kumbera presented

Over the past months, staff has been researching options to accommodate a growing demand for cremated remains at the Algonquin Cemetery. The following outlines existing conditions, market trends, comparable benchmarks, and policy options available to the Village.

The Village owns and operates a 9-acre municipal cemetery located at 990 Cary-Algonquin Road. There is a total of 6,365 platted burial spaces along with a mausoleum that contains 96 crypts. Of the 6,365 burial spaces, there are several that do not meet the necessary criteria to be sold due to existing site conditions such as landscaping, grade, etc. For purpose of this report, we are currently selling lots only in Block 8, and 9, and have a total of 526 available. The mausoleum currently has all crypts sold and are unavailable for future prospects.

The average annual number of burial spaces sold at the Algonquin Cemetery is five (5) and there is ample capacity to accommodate this or any growth for the foreseeable future.

As the Cemetery Fund is a true enterprise fund, theoretically, user fees from this facility should cover annual operating expenses. This is not the case with the Algonquin Cemetery. Rental income from a cellular tower on the property typically comprises 50 to 70 percent of annual revenues for this fund. Lots & Graves, Perpetual Care, and Interest Income are the primary revenues sources for the Cemetery. Grave Opening fees are generally a pass-through revenue that is eventually paid to a third-party service provider.

The annual operating expenses for this facility based on historic trends is approximately \$25,000 and includes landscaping maintenance, weed control, special cleanup, and liability insurance. Pass through costs for grave opening/closing are also included.

As of the date of this report, there is approximately \$350,000 of fund balance and perpetual care funds in the Cemetery Fund. These funds are intended for the perpetual care of this facility when revenue opportunities from lots and grave sales are exhausted. The present balance equates to 14 years of operation before it would be necessary to subsidize fully from the General Operating Fund.

An alternative to accommodate the growing demand appropriate spaces for cremated remains include the construction of a columbarium. The Village received a proposal to construct a columbarium which will include a total of 195 niches on the south end of the Algonquin Cemetery. Total costs of this construction are estimated at \$140,600, or a cost of \$721 per niche.

The majority of the current Cemetery Fund reserves (\$350,000) are restricted to perpetual care purposes and are not available to fund the columbarium construction. To fund the first phase of this construction, utilizing General Fund reserves (\$140,600) would be an appropriate action for a one-time capital expense. Due to the reserve levels and potential return on investment period, it is recommended that this be a one-time transfer and not an interfund loan.

Staff is looking for direction whether the construction of the first phase of the columbarium utilizing existing General Fund balance (\$140,600) should be started. If the Board supports the build out, staff will make the appropriate modifications to the FY 20/21 budget and prepare an ordinance adjusting and adding cemetery fees to Chapter 16 of the Algonquin Municipal Code.

After some discussion regarding costs of the niches, comparing the cost to a grave site, and the cost of the buildout, it was the consensus of the Committee of the Whole for Staff to come back with clearer pricing per niche.

C. Consider a Side Letter Agreement with the Metropolitan Alliance of Police, Algonquin Civilian Chapter 183, to Modify Certain Workplace Rules and Policies

Mr. Walker explained: With the January 1, 2020 State of Illinois approval of the Cannabis Regulation and Tax Act (CRTA) it became apparent we would need to modify some language in our civilian contract to comply with the new Act and our current drug-free workplace policy. As we are in mid-term contract, it is in the best interest of all parties to enter into a side agreement. I am requesting the Village Board review, approve, and subsequently authorize the Village Manager to sign and execute the attached draft agreement.

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

D. Consider Summer Concerts Special Events for the 2020 Season

Ms. Gock presented:

The 2020 Summer Concert season is fast approaching. Due to the ongoing construction on N. Harrison Street, the concerts will be held at Towne Park. Again, in addition to the concert lineup, staff has secured food trucks for each night. As in the past, we would also like to allow concert goers to bring in their own beer and/or wine for their consumption during the concerts. In addition to the concerts there are three events scheduled partnering with the Algonquin Library and two Movie Nights.

Following some discussion of the logistics of the Drive In Movie event and the Concert line up, it was the consensus of the Committee of the Whole to move this item forward for Board approval.

E. Consider Amending Chapter 14, Dogs and Other Animals, of the Algonquin Municipal Code

Mr. Schloneger stated that the residents during open comment presented the reasons for implementing the change very well. He would like the Board to consider amending Chapter 4 of the Algonquin Municipal Code as a preemptive measure to restrict the sales of dogs, cats, and rabbits within the Village of Algonquin by commercial breeders. Also, as requested to include within the Ordinance the definitions of a definitions of a Pet Store, a breeder, and broker as stated in the Humane Society recommendations.

Following some discussion, it was the consensus of the Committee of the Whole to move this to the Board with the aforementioned changes.

Consider Amending the Investment Policy

Mr. Kumbera explained; As part of the Village's annual review of financial policies, there are two changes requested for the Village's investment policy.

1. Clarify the maximum investment maturity of five years (Section 8.2).
2. Incorporate language as required by the Illinois Sustainable Investing Act (40 ILCS 5/1-113.6 and 1-113.17).

The policy revisions have been reviewed and endorsed by the Village auditor and investment managers. Staff recommends that the Committee of the Whole forward this item to the Village Board for approval by Resolution at their meeting on March 17, 2020.

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

F. Review Proposed 2020-2021 General Fund Budget

Mr. Kumbera presented

The annual budget is a financial statement of the goals and objectives for the Village during the fiscal year. These goals and objectives have been assessed and reconfirmed over the past year regarding the delivery of basic Village services. The General Fund budget maintains conservative projections of revenues and expenditures and attempts to address the concerns for maintaining service delivery identified by elected officials, Village staff, and citizens of this community in our current economic environment. The budget for

the General Fund followed a “constraint budgeting” process to ensure maintenance of existing services while enhancing budget goals by each department and division in the allocation of the limited revenues for the Village.

In other words, it is the overriding principle of the budget to deliver outstanding service to our citizens at a reasonable price without drawing down the Village’s working capital, assuming no additional tax burden on our residents. This principle is difficult with relatively flat year-to-year revenue, but still possible because of the financial planning that the Village Board has followed over the past decade. An overall flat property tax levy is reflected in the General Fund budget; and, through strong fiscal policies and constraint, the 2020-2021 General Fund budget is balanced.

This General Fund budget is balanced with essentially flat revenues and expenditures as compared to the budget for the current 2019-2020 fiscal year. Income tax revenue is projected to increase 13.6% based on current year-end projections and indicators that the State of Illinois is not planning any new changes to the Local Government Distributive Fund formula. Sales tax revenue projections show a slight decrease given conservative assumptions of trends in a changing retail marketplace. Real estate taxes are the second largest revenue category after sales taxes and are levied lower than year 2008 levels.

The budget maintains a balanced position, drawing down on unrestricted funds for onetime capital purchases pursuant to the Village’s reserve policy. Above all, no significant reduction in services to our residents is anticipated in the 2020-2021 fiscal year budget, and the Village’s cash position remains solid.

General Fund Anticipated Revenue (\$20,070,000)

- Sales Tax - \$7,500,000
- Income Tax - \$4,240,000
- Community Development Fees - \$468,000
- Police and Court Fines - \$310,000
- Franchise and Telecommunication Fees- \$576,500
- Real Estate Taxes - \$6,000,000
- Interest - \$226,100
- Other Revenue - \$615,400

General Fund Expenses (\$23,589,000)

- General Services Administration Department Summary (\$2,551,000)
- Police Department Summary (\$10,326,000)
- Community Development Summary (\$1,548,000)
- Public Works Department Summary (\$5,235,400)
- Multi-Department Expenses (\$3,928,600)

Following some discussion and clarification, it was the consensus of the Committee of the Whole to move this forward for Board approval.

G. Review Proposed 2020-2021 Budget for the Following Funds:

- **Development Fund**
- **Village Construction Fund**
- **Downtown TIF Fund**
- **Police Pension Fund**
- **Debt Fund**

DEVELOPMENT FUND:

This fund accommodates line items for the Hotel Tax and Cul-de-Sac categories which are described below:

Hotel Tax revenues result from taxes on hotel room billings pursuant to the municipal ordinance. The budget for revenues includes hotel tax receipts of \$48,000 and investment income of \$2,500. Budgeted expenditures are \$200,000 and include:

- \$13,000 for regional marketing
- \$35,000 for transfer to the General Fund
- \$75,000 for wayfinding signage

- \$12,000 for gateway sign refurbishment
- \$5,000 for artificial outdoor community tree

Cul-De-Sac revenues of \$8,500 are interest only due to the lack of new subdivision development in the village. Expenditures of \$60,000 are for contract snow plowing in certain cul-de-sacs. The proposed level of expense reflects a continued level of service that includes an additional pass by the contractor during the snow event as well as after snow has ceased.

Due to the imbalance of revenues and expenditures (sluggish development rate and increased level of service), this fund cannot be sustained over the long-term and service delivery will require a different source of revenue (new or existing).

VILLAGE CONSTRUCTION

The Village Construction Fund is used to account for construction costs of municipal buildings other than those used in the waterworks and wastewater utility. Due to some modest residential development activity, \$4,000 of donations are budgeted for Municipal Facility Fees. Additional revenues include interest income of \$200. There are no proposed expenditures for FY 20/21.

DOWNTOWN TIF FUND

The Village approved a tax increment financing (TIF) district in fall of 2014 for the downtown Algonquin area. The Downtown TIF Fund accounts for the revenues and expenditures related to this redevelopment project area. Revenues are budgeted conservatively and include real estate tax receipts of \$870,300 and interest income of \$700. Proposed expenditures are budgeted at \$871,000.

Detailed expenditures for redevelopment activities are reflected in the appropriate fund that is advancing the funding. A year-end journal entry is performed to present these expenses in the Downtown TIF Fund.

POLICE PENSION

Budgeted revenues for the Police Pension Fund total \$4,734,700 including employee contributions of \$466,700, investment income of \$2,200,000 and employer contributions of \$2,068,000 as recommended by an independent actuarial valuation.

Expenditures for retiree benefits/employee contribution refunds are \$1,530,000 and administration expenses of \$164,400 for total expenditures of \$1,694,400. Currently, there are four (4) annuitants on disability and sixteen (16) on retirement.

DEBT FUND

The Village has one (1) remaining bond series that requires debt service and is related to the Water and Sewer Utility:

- Series 2013 refunded Series 2005A which partially financed the Phase 6 expansion of the Sewer Treatment Plant. This bond series will be retired in 2025. Debt service for that bond will be retired using the Water & Sewer Operating Fund budget.

Series 2014A, which also partially funded the construction and equipping of the Public Works Facility will be retired in FY 19/20. This being the final year of debt service, that account will be swept appropriately to retire the bond issue. Accordingly, there is no activity in the Debt Service Fund budgeted for FY 20/21.

It was the consensus of the Board to move this forward to the Board.

AGENDA ITEM 5: Public Works & Safety

Mr. Mitchard presented:

A. Consider an Intergovernmental Agreement with McHenry County Conservation District Regarding Improvements to be Constructed and Maintained Along and/or Serving the Prairie Trail

The Public Works staff has been working with the McHenry County Conservation District (MCCD) staff to develop an Inter-Governmental Agreement (IGA) for the planned improvements for the above referenced project. The proposed improvements are described as:

- Trailhead amenities installed just east of the intersection of Rt. 31 and South Main St. including but not limited to, decorative bike racks, bike repair station decorative trash receptacles, picnic tables, a wayfinding/information Kiosk, bollard lighting, a drinking fountain for humans and

pets, as well as various landscaping/streetscape enhancements which are in keeping with the Village streetscape theme.

- The bridge over La Fox River Drive will also be removed (at the commencement of the Stage 3 Wet Utility Project) and replaced with a new bridge.
- A new ADA compliant ramp will be installed on the east side of La Fox River Drive at the bridge to provide access from the street level.

The IGA covers numerous elements related to the project, the most important of which is Maintenance responsibility. Some of the outside areas will be maintained by the Village. However other outside areas, including but not limited to, the bridge, will be maintained by MCCD. All maintenance responsibilities are depicted within the agreement

This IGA has been reviewed and edited by both Public Works and MCCD staff and was approved by the MCCD Board at their February 25, 2020 meeting.

Staff recommends the Committee of the Whole approve and send this agreement to the Village Board for approval.

Following some clarification of the product to be used within the bike path, it was the consensus of the Committee of the Whole to move this forward for Board approval.

B. Consider an Agreement with Applied Ecological Services for the Design-Build Services for the Holder Park Detention naturalization Project

This project is part of a larger initiative in the Village of Algonquin to restore its mowed turf grass detention basins to native areas. Over the past 11 years, the Village has naturalized five of the turf grass detentions that we own to naturalized basins. It is one of the remaining basins east of the Fox River that is still entirely turf grass. Therefore, the site is ideal for providing habitat restoration, groundwater infiltration, and stormwater quality run off improvements via native plants.

Of the formerly restored stormwater basin projects, Applied Ecological Services was responsible for designing and installing four of them. Their experience with this type of work as well as their knowledge of the Village's natural area plan makes them a nice fit to perform the work on this project.

Funding for the project will come out of the Park Improvement Fund and specifically the Open Space Maintenance line item (44425). The money in this line item is restricted and can only be used for watershed enhancement, protection and maintenance of natural areas as it is collected from private developers through the Watershed Protection portion of the Village's subdivision ordinance. The money is proposed in the FY 2020/21 budget which will go into effect May 1, 2020. Design and construction of the project will take place after that date.

Therefore, it is our recommendation that the Committee of the Whole take action to move this matter forward to the Village Board for approval of design/build services for the Holder Park Detention Basin Naturalization project to Applied Ecological Services, Inc. for \$55,000.00.

Staff recommends moving this item forward for Board approval.

Ms. Brehmer asked if there will be fencing around the perimeter of the naturalized area and what type of notification will residents be given? Mr. Mitchard explained, to prevent residents from mowing the natural areas, there will be a split rail fence separating the natural area and property owner's yards. Also, a neighborhood meeting will be held for the homeowners in the area to explain the plan.

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

C. Consider a Resolution to Amend the MFT Material and Maintenance Funds for 2019

When using MFT funds for these items, the Village is required to do an estimate of maintenance cost and pass a resolution for that amount in the beginning of the calendar year. This is our best estimate on what we believe the costs will be based on past experience. Sometimes, the actual bid costs of the materials and services are less than our estimate and sometimes they are more.

Once the calendar year is over and the actual amount of MFT money is invoiced, we calculate the total spent and compare that to the resolution that was passed. If more was spent than the estimate, we are required by IDOT to pass a supplemental resolution allocating the additional MFT funds.

For calendar year 2019 our estimate of maintenance cost resolution was passed in the amount of \$1,308,700.00. This was for the purchase of materials (asphalt, salt, sand, and de-icing liquid) and the contracted services of sidewalk removal and replacement, bike path repairs, pavement marking, street sweeping, storm sewer cleaning and street sweeping. The actual cost of these items was \$ 1,379,877.20. Therefore, a supplemental resolution in the amount of \$71,177.20 is needed in order to final out the 2019 MFT maintenance expenditures. Thus, it is Public Works recommendation that the Committee of the Whole take action to move this matter forward to the Village Board for approval of a supplemental resolution in the amount of \$71,177.20

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

D. Consider a Resolution Allocating MFT Funds for the 2020 Material and Maintenance Expenditures

Public Works has put together an Estimate of Maintenance Cost for the purchase of salt, de-icing liquid and asphalt as well as for the contracted maintenance items of concrete (sidewalk, driveway apron, curb) removal and replacement, asphalt bike path repair, street patching, pavement marking, street sweeping, storm sewer cleaning, and street light maintenance for calendar year 2020. These are materials and services that public works estimates we will be using during this calendar year. IDOT requires that the Village Board pass a resolution that allows for the expenditure of Motor Fuel Tax money for the use of materials and maintenance activities performed on Village owned streets and Rights-Of-Way. Once the resolution is passed, IDOT allocates this money towards our motor fuel tax fund balance.

Therefore, it is the recommendation of public works that the Committee of the Whole take action to move this matter forward to the Village Board to pass a resolution allocating the sum of \$1,748,700.00 towards MFT maintenance expenses.

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

AGENDA ITEM 6: Executive Session

Moved by Sosine, seconded by Brehmer to move the Committee of the Whole meeting into Executive Session at 9:35 p.m.

Roll Call: Trustees Debby Sosine, John Spella, Janis Jasper, Jerry Glogowski, Laura Brehmer, Jim Steigert, and President Schmitt.

Moved by Sosine, seconded by Brehmer to reconvene the Committee of the Whole meeting at 9:48.

Roll Call: Trustees Debby Sosine, John Spella, Janis Jasper, Jerry Glogowski, Laura Brehmer, Jim Steigert, and President Schmitt.

AGENDA ITEM 7: Other Business

None

AGENDA ITEM 8: Adjournment

There being no further business, Chairperson Brehmer adjourned the meeting at 9:48 p.m.

Submitted: Michelle Weber, Deputy Village Clerk