

**Village of Gilberts
87 Galligan Road
Gilberts, IL 60136
Committee of the Whole
Meeting Minutes
December 9, 2014**

Call to Order/Pledge of Allegiance

President Zirk called the meeting to order at 7:00 p.m. He proceeded to lead those present in the Pledge of Allegiance.

Roll Call/Establish Quorum

Village Clerk Meadows called the roll: Roll call: Members present: Trustees Corbett, Mierisch, Zambetti and Hacker. 2-absent: Trustees LeClercq and Farrell. Others present: Administrator Keller, Assistant Administrator Beith, Attorney Tappendorf, Finance Director Blocker and Village Clerk Meadows. For members of the audience please see the attached sign-in sheet.

Items for Discussion

Minutes from the December 2, 2014 Village Board Meeting

President Zirk asked if any of Board Members had questions or comments on the December 2nd meeting minutes. The Board Members offered no comments. President Zirk directed Staff to place the meeting minutes on the next consent agenda.

November 2014 Treasurer's Report

President Zirk inquired if any of the Board Members had any questions or comments on the November 2014 Treasurer's Report. The Board Members offered no comments. President Zirk directed Staff to place the Treasurer's Report on the next consent agenda.

Ordinance 26-2014, an Ordinance Levying Taxes for Fiscal Year beginning May 1, 2015 and ending April 30, 2016

Administrator Keller reported that this Ordinance is the annual Ordinance that sets the property tax levy for the Village to be collected in 2015. The Ordinance sets the total maximum levy at \$1,047,456.00 which reflects an increase of 4.9% over last year's levy. Staff recommends increasing the levy to include both the inflation adjustment of 1.5% and increase the equalized assessed value (EVA) for new construction.

President Zirk reported that the Public Hearing on the proposed Tax Levy will be conducted at the December 16th Village Board Meeting. Though the projected levy increase is less than the 5% threshold set by the Truth in Taxation Act requiring a public hearing the Board will conduct a public hearing to maintain transparency and to provide residents an opportunity to comment on the levy.

President Zirk asked if any Board Members had any questions on Ordinance 26-2014. The Board Members offered no comments. The Ordinance will be placed on the next agenda after the closing of the Tax Levy Public Hearing.

Ordinance 27-2014, an Ordinance abating tax levied for the Year 2014 to pay debt service on several bonds for the Village of Gilberts

Administrator Keller reported that approval of this ordinance will abate the property tax levy for 2015 that was built into the authorizing ordinance for the \$1.975 million in bonds issued in 2011 to fund the Village's road surfacing program. The bonds were issued as General Obligation-Alternative Revenue Source bonds, which guarantee that bonds will be repaid by a property tax levy if the Village does not use other revenue sources. Because the Village uses sales tax and motor fuel tax revenue to make its debt payments, the property tax that was built into the bond authorization ordinance can be completely abated.

President Zirk noted the simple explanation on the abatement ordinance is that the Village has revenue sources to pay for the debt service on the bonds so a property tax levy is not necessary.

Ordinance 28-2014, an Ordinance authorizing the issuance of tax increment allocation revenues notes (Prairie Business Park), Note A and Note B

Attorney Tappendorf provided the Board Members with an overview of the draft ordinance authorizing the issuance of the Tax Increment Allocation Revenue Notes A and B. Attorney Tappendorf discussed Ordinance 12-2013 the "Redevelopment Ordinance which was approved by the Village Board on April 16, 2013. Pursuant to the Ordinance and the Redevelopment Agreement the Village is obligated to finance certain public improvements by reimbursing the Developers (Prairie Business Park) from property tax increment revenues.

Attorney Tappendorf commented on the fact that the Redevelopment Agreement was restricted to establish two separate notes for the industrial development Note A valued at \$7,100,000 and the retail-office properties Note B valued at \$1,800,000. The Village agrees to track the increment from the industrial development and repay Note A first. Note B will be eventually issued and funded from the TIF increment generated by the retail and office properties. Any TIF revenue from the industrial area left over after paying off Note A will then be used to pay off Note B faster. The total TIF reimbursement will not exceed 12.5 Million dollars pursuant to the agreement.

Trustee Hacker asked what the length of the terms of the agreement is. Attorney Tappendorf replied per State Statute TIF Districts are active for 23 years.

President Zirk commented on the fact the as security to the Village for the performance by the owners of their obligations to construct and complete the improvements in accordance with the agreement they have posted performance bonds so there is no risk to the Village.

Trustee Hacker noted that the sooner the Prairie Parkway Business Park is occupied the Buildings increase in value and this raises the tax revenues. Administrator Keller replied yes. However the TIF District revenues are restricted funds and aren't comingled with the General Fund. If there was a surplus the Village could use the funds to resurface roads located within the TIF District or adjacent area roadways.

There being no further comments on Ordinance 28-2014 the Ordinance will be placed on the next agenda.

Ordinance 29-2014, an Ordinance approving a building code variance from Village Code Section 9-3-4 "Common Walls and Partitions" for 86-90 Prairie Parkway

Administrator Keller reported that Interstate Partners is requesting a building code variance from Village Code Section 9-3-4 "Common Walls and Partitions", Paragraph B "Fire Prevention Regulations" for Prairie Business Park Building 1 (PBP 1) at 86-90 Prairie Parkway. This provision requires a two-hour fire separation rating for all common walls, tenant separation or party walls, which is not required by the International Building Code 2003 or the International Fire Code 2003. Interstate Partners is requesting the variance to construct a one-hour rated wall instead of a more expensive two-hour rated wall to separate their office area. Administrator Keller reported that both Fire Chief Thomas and Chief Building Inspector Swedberg had no objections to their variance request.

Interstate Partners representative, Peter Thomas addressed the Board. He stated they are requesting the variance for the one-hour fire separation wall based on the users that will be occupying the space. In addition, he reported that their building is equipped with an enhanced sprinkler system and the one-wall fire wall is consistent with the International Building Code.

Mr. Thomas stated he realized why the Village required the two-hour fire separation wall due to the age of many of the existing industrial buildings. In his opinion he would not recommend the Village amend their building code regulations with respect to the two-hour fire wall.

President Zirk thought it makes more sense to approve the variance request for the entire Prairie Business Park instead of granting variances wall by wall. Mr. Thomas agreed. Staff will amend the Ordinance to reflect approval of the variance allowing for a one-hour fire wall for all of Prairie Business Park. The Ordinance will be placed on the next agenda.

Resolution 47-2014, a Resolution approving a renewal proposal by Arthur J. Gallagher Risk Management Services Inc. for property, liability, workers' compensation and risk management insurance coverage

Administrator Keller reported that the Village has received the risk management insurance proposal for 2014-2015 from Arthur J. Gallagher Risk Management Services, Inc. The Village's premiums for next year had a slight increase of 4.9% over last year. Finance Director Blocker reported that part of the increase was due to the addition of the Barium Removal System.

President Zirk asked if the Board Members had any questions on Resolution 47-2014. The Board Members offered no comments. The resolution will be placed on the next consent agenda.

Resolution 48-2014, a Resolution approving the Executive Session Minutes

President Zirk commented on his recommendation to release certain executive session minutes discussing a current litigation matter. Attorney Tappendorf had advised against releasing the minutes until the litigation matter had concluded. President Zirk reluctantly agreed with Attorney Tappendorf's recommendation. He strongly believes in releasing all eligible documents that don't jeopardize the security of the Village to the public. There were no other comments on Resolution 48-2014. This resolution will be placed on the next consent agenda.

Resolution 49-2014, a Resolution for Maintenance of Streets and Highways by Municipality under the Illinois Highway Code

Administrator Keller commented on Resolution 49-2014. He noted that this resolution provides for the annual authorization needed to use Motor Fuel Tax (MFT) funds for Village road maintenance expenses. This year's resolution includes two elements: \$130,700.00 for operational expenses (snow and ice control, crack sealing and basin cleaning) and \$81,600.00 for debt payment on the road program bond, for a total of \$150,782.50.

In past years, the Village reserved \$20,000 of its annual MFT allocation for future projects. In July, the Village committed to purchasing 1,000 tons of salt at \$96.70 per ton for a total cost of \$76,700, which is \$24,700 more than what was included in the FY-2015 budget. Staff recommends using this year's \$20,000 set aside to help cover the increase in salt cost, with the remaining \$4,700 to be made up by the salary savings from the vacancy in the Public Works Department. President Zirk noted that the Village is not obligated to spend all the MFT Fund allocated. Finance Director Blocker concurred with President Zirk's statement. At the end of the year she will adjust the MFT obligation request to reflect the true MFT expenses.

There being no further discussion on the MFT resolution, President Zirk directed staff to place the Resolution on the next consent agenda.

FY 2015 Budget Updates

Finance Director Blocker reported she had emailed the Board Members FY-2015 budget detail. The budget expenses and revenues are in line with the budget projections. Video Gaming revenue still remains higher than anticipated. While the Telecommunication Tax revenue is down slightly. Staff does anticipate a slight decrease in sales taxes due to lower gas prices. However, Staff doesn't foresee much change in the anticipated revenues and expenses.

Staff Reports

Staff Members provided no reports.

Board of Trustees Reports

Trustee Corbett inquired on the status of the park sign repairs. Administrator Keller reported that O'Carroll Electric is in the process of repairing the sign.

Trustee Corbett commented on the Tyrrell Bridge. He realized the Village had no control over the bridge; it is under Kane County's jurisdiction. However, with winter weather approaching he is concerned the bridge is too narrow to safely accommodate motorist traveling during slippery roadway conditions. Administrator Keller will have Public Works monitor the condition on the bridge.

President Zirk inquired if Staff had been in contact with the Rutland Township to discuss which entity would be responsible for plowing McCornack Road now that it has been paved. Administrator Keller will discuss this matter with the Rutland Township Road Supervisor.

Trustee Mierisch reported that she had recently attended the Town Center and duplex HOA meetings. She wanted to give Staff a heads-up that the residents expressed several concerns with the conditions of the subdivision. Residents expressed concern that Ryland Homes has completed all build outs of the single family homes and it appears that they will be leaving Gilberts in the very near future. A discussion ensued with respect to the possibility that Ryland Homes will be selling their townhome lots to another builder. The residents also expressed concern with the following:

- Townhome foundations that have been left open
- Debris left in the duplex open lots place there by Ryland Homes
- Roadways that don't have the final lift

- The townhome units without design standards to mandate the next developer builds the same style of townhomes
- Street Plowing

A lengthy discussion ensued with respect to who is responsible in addressing these types of concerns. President Zirk stated that Ryland is the owner of record and responsible for addressing any and all concern in Town Center. Attorney Tappendorf agreed, Ryland would be the responsible party.

Administrator Keller reported that Staff discussed the Town Center concerns at the last Staff meeting. Staff is collectively working on drafting a list of concerns to address with Ryland Homes. This matter will be discussed again at the December Staff meeting.

Trustee Mierisch noted that she is still unclear how Timber Trails and Town Center's development agreements did not incorporate design standards. She wants to ensure moving forward every development agreement includes design standards. Trustee Mierisch asked if the Neumann Homes development agreement included design standards. Administrator Keller reminded the Board that Neumann Homes design standards were discussed during the process of drafting the development agreement. However, the design standards discussed at that time were never approved.

Adjournment

There being no further public business to discuss, **a Motion was made by Trustee Hacker and seconded by Trustee Zambetti to adjourn from the public meeting at 8:07.** Roll call: Vote: 4-ayes by unanimous voice vote. 0-nays, 0-abstained. Motion carried.

Respectfully submitted,

Debra Meadows