

Village of Gilberts
87 Galligan Road
Gilberts, IL 60136
Committee of the Whole
Meeting Minutes
September 10, 2013

APPROVED MINUTES

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, LeClercq, Zambetti, Farrell, Hacker and President Zirk. Others present: Administrator Keller, Attorney Tappendorf, Assistant Administrator Beith and Village Clerk Meadows. For members of the audience please see the attached list.

Items for Discussion

Minutes from the September 3, 2013 Village Board Meeting

President Zirk asked if there were any questions on the September 3rd minutes. The Board Members offered no comments. The minutes will be placed on the next consent agenda.

August 2013 Treasurer's Report

President Zirk asked if there were any questions on the August 2013 Treasurer's Report. The Board Members offered no comments. The Treasurer's Report will be placed on the next consent agenda.

The Conservancy Development

Administrator Keller reported that in attendance were Mr. Troy Mertz and his Attorney Tom Burney. Mr. Mertz is interested in resurrecting the Conservancy development. Administrator Keller informed the Board Members that Mr. Mertz recently acquired a portion of the Conservancy property and also is a bond holder. Administrator Keller went on to report that Mr. Mertz has indicated that he is initially interested in developing the 122 platted lots of Pod 4 and is in the process of evaluating what infrastructure remains to be completed.

Administrator Keller reported that staff has met Mr. Mertz and his team to identify the property's outstanding obligations.

Administrator Keller referenced a memo drafted by Attorney Tappendorf summarizing the Conservancy Annexation and Development Agreement which sets forth the majority of the obligations. Administrator Keller proceeded to introduce Mr. Mertz and Attorney Burney.

Attorney Burney discussed the development's obstacles that they have identified. He questioned if the Board Members would be open to the possibility of refreshing the recapture agreement. This action would allow for the trigger dates to be reset and extend the terms.

Attorney Burney noted that they have been approached by a local reputable home builder who has expressed interest in the 122 lots. Attorney Burney and Mr. Mertz believe if they can reduce the obligation debt and make the development sustainable they could have Pod 4's infrastructure construction completed and ready for vertical construction by spring.

Attorney Burney commented on the SSA debt. He stated that his client would like to reload the SSA bonds and lengthen the term to twenty years.

There was some discussion on the Schreiner property. Attorney Burney noted that if Mr. Mertz were to build first there would be a direct benefit to the Schreiner property. However, currently Schreiner is not named in the recapture agreement.

Mr. Mertz provided the Board Members with an overview on the Neumann Home bankruptcy process and how he came to acquire the property.

A lengthy discussion ensued with respect to the realistic value of the land. President Zirk commented on the fact that the Village would not have funds on hand to assist with any of the hard cost obligations. However, the Village may be willing to assist with some of the incurred soft cost.

President Zirk inquired on a method in which Mr. Mertz was considering reloading the debt. He questioned if Mr. Mertz was considering a method similar to a residential home short sale in which the debt is then refinanced. Mr. Mertz replied yes. In addition, refinancing the debt would reset the clock and extend the length of the terms.

President Zirk questioned Pod 4's relationship to the vacant horse farm located on Galligan Road. He reported that in the annexation agreement the horse farm was to be dedicated park space. However, currently the Village has been unable to identify who owns the property. Attorney Tappendorf noted that the Cascairo and Nepperman (horse farm) Annexation Agreement is a separate annexation agreement. However, it is closely tied with the Neumann Homes Annexation Agreement.

Attorney Tappendorf noted that the horse farm had also been filed in the Neumann Homes bankruptcy. However, the property had not been released. A lengthy discussion ensued with respect to the land donation (park space) in lieu of cash. President Zirk noted that if the Board was to consider renegotiating the annexation agreement and Mr. Mertz is initially unable to acquire the park space they may want to consider accepting the park impact fee with the understanding if during the development process the park space is acquired and dedicated to the Village the park fees would then be refunded in full or in part.

There was some discussion with respect to phasing the construction of the development's infrastructure. President Zirk would prefer to see the infrastructure globally constructed. Mr. Mertz reported that they will be looping the water main through Pod 3 under the Kishwaukee creek crossing.

President Zirk discussed the possibility of making a claim on the existing performance bonds. He noted that the Village has been reluctant to do so in the past due to litigation cost. Mr. Mertz thought this may be an issue they can mutually explore.

Trustee Mierisch inquired if Mr. Mertz intended to provide the Board Members with copy of their proposed plans relative to the issues they had just discussed. Mr. Mertz replied yes.

Attorney Burney and Mr. Mertz thanked the Board Members for their time. They intend to keep the Board Members updated as they move forward with their appraisal of the property.

Staff Reports

Administrator Keller suggested the Board Members consider closing a portion of the meeting to the public with no business to follow to discuss current litigation.

Assistant Administrator Beith provided the Board Members with an update on the future Tyrrell Bridge improvements. Trustee LeClercq inquired if during the bridge closure there will be a contingency emergency route for the fire and police. Administrator Keller reported yes, this issue has been addressed.

Village Clerk Meadows reminded the Board Members that the Rise N' Shine event is scheduled for Friday, September 13th at 8:30 a.m.

Board of Trustee Reports

Trustee Mierisch asked if there are any requirements with respect to posting confirmation of known locations where the West Nile Virus has been confirmed. Staff will research this matter and report back to the Board.

Executive Session

A motion was made by Trustee Zambetti and seconded by Trustee Farrell to close a portion of the meeting to the public as permitted by 5 ILCS 120/2 (c) (11) to discuss litigation against, affecting, or on behalf of the Village which has been filed and is pending in a court or administrative tribunal of which is imminent with no business to follow. Roll call: Vote: 6-eyes: Trustees Corbett, Mierisch, Leclercq, Zambetti, Farrell, Hacker. 0-nays, 0-abstained. Motion carried.

The Board Members entered into executive session along with Administrator Keller, Attorney Tappendorf, Assistant Administrator Beith and Village Clerk Meadows at 8:25 p.m.

Reconvened

The Board Members reconvened to the public meeting at 8:33 p.m. Roll call: Members present: Trustees Corbett, Mierisch, LeClercq, Zambetti, Farrell, Hacker and President Zirk. Others present: Administrator Keller, Attorney Tappendorf, Assistant Administrator Beith and Village Clerk Meadows.

Adjournment

There being no further business to discuss, a motion was made by Trustee LeClercq and seconded by Trustee Corbett to adjourn from the public meeting at 8:34 p.m. Roll call: Vote: 6-eyes by unanimous voice vote. 0-nays, 0-abstained. Motion carried.

Respectfully submitted,

Debra Meadows

