

**April 2, 2013
Village of Sugar Grove
Regular Board Meeting
6:00 PM**

President Michels opened the meeting at 6:00 PM and asked that Trustee Bohler lead the Pledge. The roll was then called.

Present: Trustee Paluch, Trustee Renk, Trustee Bohler, Trustee Montalto, and Trustee Geary.

Absent: Trustee Johnson

Quorum Established.

Also Present:

Administrator Eichelberger, Finance Director VanVooren, Chief Moser, Clerk Galbreath, Public Works Director Speciale, Attorney Wilson, and Community Development Director Young.

PUBLIC HEARINGS

FY 2013-15 Budget

President Michels opened the Public Hearing on the Fiscal Year 2013- 2014 Budget and called for any comments. Hearing no comments the public hearing was then closed.

APPOINTMENTS AND PRESENTATIONS

President Michels accepted on behalf of the Village an award recognizing the efforts of the Public Works Department. The award recognizes the fluoride program for the village water. President Michels reminded everyone of the importance of fluoride and that bottled water is not fluoridated.

PUBLIC COMMENTS ON ITEMS SCHEDULED FOR ACTION

President Michels called for any public comments on items scheduled for action (all items were read and announced). Hearing none this portion of the agenda was closed.

CONSENT AGENDA

- a. Approval: Minutes of March 19, 2013 meeting
- b. Approval: Vouchers
- c. Proclamation: Administrative Professionals Day
- d. Proclamation: National Public Library Week
- e. Ordinance: Vacating a Portion of Calkins Drive ROW - STAR

Trustee Paluch **moved to approve the Consent Agenda.** Trustee Renk seconded the motion. President Michels then called for a roll call vote.

AYE:	Geary	NAY:	None	ABSENT:	Johnson
	Paluch				
	Montalto				
	Bohler				
	Renk				

Motion Carried.

GENERAL BUSINESS

Resolution: Approving the Fit for Kids Grant Agreement and Endorsing the Fit for Kids 2020 Plan

Trustee Montalto moved to Adopt a Resolution Approving and Authorizing the Fit For Kids Grant Agreement and Endorsing the Fit for Kids 2020 Plan, subject to attorney review. Trustee Paluch seconded the motion. President Michels asked if the work has yet been bid for this grant work (crossing at Galena Blvd and Il Rt 47 count down timers) and if street cuts would be needed. It was answered it has not yet been bid, and no street cuts and sufficient conduit is in place. President Michels called for further discussion and hearing none, called for a roll call vote.

AYE:	Paluch	NAY:	None	ABSENT:	Johnson
	Geary				
	Montalto				
	Bohler				
	Renk				

Motion Carried.

Resolution: Approving the Assignment of the Antenna Lease from the SGFD to Tri-Com

Trustee Bohler moved to Adopt a Resolution Approving the Assignment of the Antenna Lease from SGFPD to Tri-Com, subject to attorney review. Trustee Paluch seconded the motion. Chief Moser stated that the plan is to convert dispatch on April 16. President Michels called for discussion and hearing none, called for a roll call vote.

AYE:	Paluch	NAY:	None	ABSENT:	Johnson
	Geary				
	Montalto				
	Bohler				
	Renk				

Motion Carried.

Resolution: Authorizing an Amendment to the IGA with Tri-City for Police Records Services

Trustee Renk moved to Adopt a Resolution Authorizing an Amendment to the IGA with Tri-City for Police Records Services. Trustee Geary seconded the motion. It was asked if the Village would be porting over data. Chief Moser stated that this is still being reviewed. President Michels called for any further discussion and hearing none, called for a roll call vote.

AYE:	Paluch	NAY:	None	ABSENT:	Johnson
	Geary				
	Montalto				
	Bohler				
	Renk				

Motion Carried

Resolution: Authorizing a Software Licensing Agreement – New World (Police Records)

Trustee Montalto to **Adopt a Resolution Authoring a Software Licensing Agreement with New World for Police Records, subject to attorney review.** Trustee Geary seconded the motion. President Michels called for discussion and hearing none, called for a roll call vote.

AYE:	Paluch	NAY:	None	ABSENT:	Johnson
	Geary				
	Montalto				
	Bohler				
	Renk				

Motion Carried.

NEW BUSINESS

None.

REPORTS AND COMMENTS

President Michels stated that it was nice to hear compliments about Village Staff such as the recent letter received about M. Noyes, Village Inspector and the Sugar Grove Office who assisted in an accident.

Trustee Geary stated that he had a great ride along experience with the PD.

President Michels stated that JA Air has just received, once again, the National Premiere FBO award achieving the highest rating ever.

Updates

Trustee Paluch gave an update on Corn Boil and stated that the meetings are the 3rd Thursday of each month at 6:30 pm.

PUBLIC COMMENTS

None

AIRPORT REPORT

Mr. Wolf, Airport Liaison, stated that the tower at the Aurora Municipal Airport should not be adversely affected by the sequester and that Honda Jet is still working on testing their engine.

CLOSED SESSION

Trustee Paluch **moved to adjourn to Closed Session to review closed session minutes and to reconvene to possibly take action.** Trustee Geary seconded the motion. President Michels called for a roll call vote.

AYE:	Paluch	NAY:	None	ABSENT:	Johnson
	Geary				
	Montalto				
	Bohler				
	Renk				

Motion Carried.

Trustee Montalto **moved to reconvene to open session at 6:28 p.m.** Trustee Bohler seconded the motion. President Michels called for a roll call vote.

AYE:	Paluch	NAY:	None	ABSENT:	Johnson
	Geary				
	Montalto				
	Bohler				
	Renk				

Motion Carried.

RESOLUTION RELEASING CLOSED SESSION MINUTES

Trustee Geary **moved to adopt a Resolution Releasing Closed Session minutes of April 15, 2003 (partial).** Trustee Renk seconded the motion. A roll call vote was then called.

AYE:	Paluch	NAY:	None	ABSENT:	Johnson
	Geary				
	Montalto				
	Bohler				
	Renk				

Motion Carried.

Adjournment

Meeting was adjourned at 6:30 p.m. by Trustee Montalto, seconded by Trustee Bohler. All members in attendance voted Aye in a voice vote.

Respectfully submitted, Cynthia L Galbreath, Clerk

April 2, 2013
Village of Sugar Grove
Committee of the Whole
6:30 PM

President Michels opened the meeting at 6:30 PM and the roll was then called.

Present: Trustee Paluch, Trustee Renk, Trustee Bohler, Trustee Renk, Trustee Montalto, and Trustee Geary.

Absent: Trustee Johnson

Quorum Established.

Also Present:

Administrator Eichelberger, Finance Director VanVooren, Chief Moser, Clerk Galbreath, Director of Public Works Speciale, and Community Development Director Young.

Public Comments

President Michels called for any public comments on items scheduled for action. Hearing none this portion of the agenda was closed.

Discussion: Capital Professional Center Signage

Community Development Director, Richard Young, explained that the applicant, Hem Aggarwal, M.D. for Sugar Grove Health Center, is proposing to amend the PUD to allow two wall advertising signs for Sugar Grove Health Center on the west half of the building at 217 N. Capitol Drive. Dr. Aggarwal owns the west half of the building at 217 N. Capitol Drive, while the remainder of the building and development is owned by BCB Development I, LLC (MB Financial Bank). The other three planned buildings have not been constructed.

A ground sign for the entire zoning lot was approved with the PUD, but has not been constructed yet. The request is to amend the PUD to allow the two wall signs for this one owner on the west half of the 217 N. Capitol Drive building only.

Staff recommends that the Board consider:

Two wall signs be allowed only as externally-illuminated or non-illuminated flush signs (no internally-illuminated box signs).

That the west face wall sign be allowed for three (3) years or until the ground sign for Capitol Professional Center is constructed, whichever comes first.

That the south face wall sign be allowed for three (3) years or until a building is constructed off-site on Lot 12 to the south, whichever comes first.

Dr. Aggarwal continues to prefer his original proposal of two internally-illuminated box wall signs and with no time limit on each.

The Board discussed the request and agreed with the recommendation of staff with the exception of the time limit. They proposed allowing for a 3 year period regardless of whether a ground sign is installed within that time limit.

Discussion: FY 2013-14 Budget - Other Funds

Finance Director Justin VanVooren presented Funds 30, 32, 33, 35, 41, 50, 57, and 80 of the proposed FY 2013-14 Budget. He explained current fiscal year ending projections and the proposed budget for these funds for FY 2013-14. He further stated that at the April 16, 2013 meeting all requested amendments to the proposed budget would be presented. It is the intent to adopt the budget at that meeting, however, if

further changes are needed a special meeting would be held on April 23, 2013 for the purpose of adopting the budget.

Fund 30 General Capital Projects Fund

FY 12-13 revenues are projected to be higher than budgeted mainly due to the receipt of a grant from Kane County for the Mallard Point/Rolling Oaks Drainage Project. Expenditures are projected to be higher than budgeted due to paying expenditures for Mallard Point/Rolling Oaks Drainage Project that were originally scheduled in FY 11-12.

FY 13-14 Revenues – The major reduction from FY 12-13 estimated actual to FY 13-14 proposed revenues is due to the receipt of loan proceeds and a grant from Kane County for the Mallard Point/Rolling Oaks Drainage Project in FY12-13.

FY 13-14 Expenditures – Significant items include the purchase of 3 new squad, restoration for the Mallard Point/Rolling Oaks Drainage Project, and foundation mitigation for the Village owned house by the airport.

It was explained that the Village owned home will be used the Sugar Grove Police and Fire Departments for training purposes and that an IGA with the Fire District will be needed for the purpose. Trustee Geary asked if the ENCAP was higher than quotes and staff answered no they are at price the project is mentioned only because it is a significant budget item.

Fund 32 Industrial Tax Increment Financing District #1

TIF #1 is south and west of the airport near the intersection of U.S. Route 30 and Dugan Road.

FY 12-13 – No revenues were received and a few minor expenditures were held over from FY 11-12.

FY 13-14 – No revenues are anticipated at this time. However, staff is proposing to pay for repairs to Dugan Road from TIF funds.

Administrator Eichelberger added that TIF funds may also be used to help improve the drainage at Runways to Galway. Trustee Geary asked if any offsite drainage would be worked on as well. Administrator Eichelberger stated no, only onsite.

Fund 33 Industrial Tax Increment Financing District #2 (north of airport)

TIF #2 is being proposed north and east of the airport near the intersection of Wheeler Road and Heartland Drive.

FY 12-13 – No revenues were received and a few minor expenditures were made.

FY 13-14 – No revenues are anticipated at this time. The expenditures are for the required study and public notices.

Fund 35 Infrastructure Capital Projects Fund

FY 12-13 revenues are projected to be lower than budgeted due mainly to the timing of the Cross Street and IL Route 47 intersection project. Motor fuel tax program expenditures are lower than budgeted due to the rejection of all bids that came in very high. Streets program expenditures will be less than budgeted due mainly to the timing of the Cross Street and IL Route 47 intersection project.

FY 13-14 Revenues – The major change between FY 12-13 estimated actual and FY 13-14 proposed revenues is the inclusion of grant revenue for the Cross Street and IL Route 47 intersection project.

FY 13-14 Expenditures – The Motor Fuel Tax program expenditures are expected to be higher due to the rejection of bids in FY 12-13. Streets program expenditures will be higher than budgeted due to expenditures for the Cross Street and IL Route 47 intersection, as well as spending the General Fund transfer from April 30, 2012.

It was noted that the bonds funded by MFT will be paid off soon and in 2014 the Village will have access to additional MFT funding. It was also noted that although MFT is not the only source of funding used for

street improvements/repairs.

The Street Maintenance Program for the summer of 2013 should be presented at the next meeting.

Fund 41 Debt Service Fund

This fund pays the debt service on the 2006A Building Program bonds, the 2008B MFT Road Bonds, the 2009 Public Works Facility (PWF) refunding bonds, and the 2013A/B Building Program refunding bonds. Revenues to cover the Building Program, Road, and PWF bonds are received from a transfer from the Waterworks and Sewerage Fund, Infrastructure Capital Projects Fund, and General Capital Projects Fund.

Fund 50 Waterworks and Sewerage Fund

FY 12-13 – The Waterworks and Sewerage Fund is projected to finish with an overall deficit of approximately \$99,000 versus the budgeted \$622,000 deficit. Operating revenues will be higher than budgeted by approximately \$120,000 due mainly to higher summer usage. Although the revenue was higher this year, the Village cannot depend on that same usage year over year. Capital revenues are expected to be near budget. Operating expenses will be lower than budgeted by approximately \$117,000, due to lower than anticipated costs for well 8 repairs and spending less on meters (warranty meters on hand). Capital expenses will be lower than budgeted due to the timing of the Mallard Point to Settlers Ridge and watermain project which will take place mainly in FY13-14.

FY 13-14 – Water and sewer usage has begun to stabilize after a downward trend over the previous 4 years. Usage decreased over that time due to a number of factors including: 1) conservation awareness and education; 2) cooler and wetter summers; and 3) the economy. Fixed costs, primarily debt, have stayed constant while revenues decreased.

The Board approved an operating rate increase of 7.25% and implementation of a water meter program fee of \$1.00 effective with the August 1, 2011 utility bills, as well as an operating rate increase of 7.25% and an increase in the water meter program fee of \$0.50 (to \$1.50) effective with the May 1, 2012 utility bills. Staff recommends the Board approve an operating rate increase of 6.5% (lower than previously recommended 7.25%) to the base and usage effective with the May 1, 2013 utility bills.

The operating expenses for FY 13-14 are proposed to increase by 14.0%, or approximately \$398,000 from FY 12-13 projected actual. Expenses will increase mainly due to a transfer to capital for Fays Lane watermain replacement, as well as an increase in scheduled debt service.

Water Capital expenses for FY 13-14 are projected to be higher than the FY 12-13 projected actual due to the Fays Lane watermain replacement and construction of the Mallard Point to Settlers Ridge watermain in FY13-14.

The Board discussed the proposed change in the water/sewer rates. President Michels asked if it was possible to hold off the rate increase to August and to use an increase of 3% (inflation factor). This will give time to get through the summer months to judge usage of water in a hopefully non-drought year. Trustee Geary stated that he would like to see the \$1.00 administrative fee removed. He said he sees the fee as discriminatory penalty. It was suggested that it would be better just to be the administration costs in the base fee. Staff was asked to see if the program could be changed to continue the credit but to change the way it is shown on the bill. Staff will check on pricing.

The Board discussed the upcoming watermain replacement in Dugan Woods and asked staff to give them a brief overview of the project. Utilities Supervisor Merkel explained that the watermain along Dugan to Fay's past the curve is old, keeps breaking and is in need of replacement. It is proposed to be replaced with 12 inch ductile and will it parallel the old main, this is the most cost effective as in the area that are many mature trees in the area and additionally this way the resident will only be without water for an hour or so.

The Board also stated that they were glad to see that beginning in FYE 15, funds would be set aside to start funding future capital projects such as the upcoming watermain replacement in Dugan Woods.

Fund 57 Refuse Fund

FY 12-13 – The Refuse Fund is projected at or slightly below budget.

FY 13-14 – The Village Board approved a new contract with Waste Management effective August 2012. In accordance with the contract, the cost will remain the same through July 2013 and increase thereafter in line with the Chicago Metropolitan Area Consumer Price Index increase, with a minimum of 3% and maximum of 5%. Staff has projected a price increase of 3.5% based on historical data. Staff recommends an increase of \$0.75 from \$20.50 to \$21.25. (Note this fund also pays for street sweeping)

It was asked if a senior rate could be implemented. It was explained that while the Villager could do this, others would pay more as refuse is charged per household rate by the vendor. It is recognized that households vary in the amount of refuse they generate, however, the only true way to bill in a pay as you tow program would be to go to a sticker program.

Fund 80 Police Pension Fund

FY 12-13 – Additions are projected lower than budgeted. The employer contribution is higher than budget (to match the actuarial recommendation), while interest income and employee contributions are projected to be lower than anticipated. Deductions are projected to be higher than budgeted due to the receipt of one disability application and related services.

FY 13-14 – Additions are expected to be higher than the prior year due to an increase in the employer contribution (due to one additional disability) and investment income (due to additional investment opportunities at \$2.5 million). Deductions are expected to increase to account for a full year of disability.

It was noted that the Village funds, each year, at least the amount as recommended by the actuary and is on track to be fully funded as mandated.

Other:

Administrator Eichelberger stated that 132 applications had been received for the Chief of Police, 29 have been selected to move on to the next step. The Top 3 -5 candidates will then be scheduled to be interviewed by the Board. It was explained that the information submitted by the applicants is confidential and cannot be released at this time. Staff will keep the Board informed of their progress.

As there was no further business, meeting was adjourned at 8:00 p.m.

Respectfully submitted, Cynthia Galbreath Village Clerk