

VILLAGE OF LIBERTYVILLE
BOARD OF TRUSTEES
December 13, 2011

President Weppler called to order a meeting of the Board of Trustees at 8:00 p.m. in the Village Hall, 118 West Cook. Those present were: President Terry Weppler, Trustees Donna Johnson, Drew Cullum, Richard Moras, Todd Gaines, Jay Justice, and James Moran.

Keep Libertyville Beautiful Residential Improvement Award

Dorie Botimer, representing the Keep Libertyville Beautiful Commission presented a Residential Improvement Award to Wes and Erin Swearingin of 533 Brainerd Avenue.

Donation from the Sunrise Rotary Club

Scott Hezner of the Sunrise Rotary Club presented three checks to the Village of Libertyville for Police Department, Fire Department, and Citizen Emergency Response Team (CERT) training. He explained that the club's budget included \$500.00 for each of the three groups to assist with training. The Mayor thanked Mr. Hezner and the Rotarians for their donation.

Proclamation: Navy Lieutenant - deferred

Donation of a truck by Peapod - deferred

ITEMS NOT ON THE AGENDA

President Weppler asked if anyone had anything to bring before the Board that was not already listed on the agenda. No items were presented.

OMNIBUS VOTE AGENDA

President Weppler introduced the Omnibus Vote Agenda and asked if any member wanted an item removed for separate discussion. Trustee Justice asked to remove item N for separate discussion.

OMNIBUS VOTE AGENDA

- A. Minutes of the November 22, 2011 Meeting
- B. Bills for Approval
- C. **ORDINANCE 11-O-69: 2011 Tax Levy**
- D. **ORDINANCE 11-O-70: Timber Creek SSA Levy**
- E. **ORDINANCE 11-O-71: Concord at Interlaken SSA Levy**
- F. **RESOLUTION 11-R-29: 2001A GO Bonds**
- G. **RESOLUTION 11-R-30: 2004 GO Bonds**
- H. **RESOLUTION 11-R-31: 2006 GO Bonds**
- I. **RESOLUTION 11-R-32: 2010A GO Bonds, 2010B Taxable GO Bonds**
- J. **RESOLUTION 11-R-33: 2010C GO Bonds**
- K. **RESOLUTION 11-R-34: 2010D GO Bonds**
- L. **ORDINANCE 11-O-72: Rear Yard Setback Variation – 411 Sandy Lane**
- M. **ORDINANCE 11-O-73: SUP for 130-179 School Street**
- N. Authorize Permit Fee Waiver – Libertyville Civic Center
- O. License Agreement Renewal – 408 Meadow Lane
- P. License Agreement Renewal – 429 E. Sunnyside Avenue
- Q. License Agreement – 925 Windhaven

R. ARC Report – May 16, 2011

S. ARC Report – November 21, 2011

Trustee Johnson moved to adopt the items A-M and O-S listed on the Omnibus Vote Agenda in a single group pursuant to the omnibus vote procedures of the Libertyville Municipal Code. Trustee Cullum seconded. The Mayor asked for Board and public comment. The motion carried on roll call vote as follows:

AYES: Trustees Johnson, Cullum, Moras, Gaines, Justice, and Moran

NAYS: None

Trustee Justice recused himself from discussion and voting on item N. Trustee Moras moved to approve item N, and Trustee Gaines seconded. The Mayor asked for Board and public comment. The motion carried on roll call vote as follows:

AYES: Trustees Johnson, Cullum, Moras, Gaines, and Moran

NAYS: None

ABSTAIN: Trustee Justice

APPROVE DIAL-A-RIDE AGREEMENT

President Wepler introduced the item noting that in previous years, the Village Board has approved a Local Share Agreement with PACE for the operation of the Dial-A-Ride Bus Service Program. This program provides transportation services to senior citizens and persons with disabilities. Passengers pay a reduced fare of \$1.00 each way, transfers are \$.05, and the Civic Center Shuttle is \$.50. The service operates within the Villages of Libertyville and Mundelein, the Mundelein Park District, and the area in and around Libertyville Township. The Civic Center shuttle operated a pre-scheduled service between 130 East Cook Ave., 201 E. Cook Avenue, the Libertyville Civic Center, and Cook Memorial Library. Due to low usage of the Civic Center shuttle, it is recommended by PACE that the service be discontinued. Those in need of service can still arrange for a scheduled pick-up.

The Local Share Agreement presented indicates that the Village of Libertyville's local share is \$16,940, which is a decrease of \$4,972 compared to last year. PACE will pay \$50,821 to provide Dial-A-Ride Service to Libertyville residents, which is a decrease of \$14,914 compared to last year. Staff recommended authorizing the agreement. The Mayor asked for Board and public comments.

Trustee Cullum moved to authorize execution of the agreement, and Trustee Gaines seconded. The Mayor asked for Board and public comment. The motion carried on roll call vote as follows:

AYES: Trustees Johnson, Cullum, Moras, Gaines, Justice, and Moran

NAYS: None

AUTHORIZE FUND RAISING AND PAINTING OF COOK HOUSE

President Wepler explained that at the December 6, 2011 Parks and Recreation Committee meeting, Roch Tranel and Mike Foley of DiVinci Painters, Inc. presented a proposal to raise funds and repair and paint the exterior of the Cook House. Mr. Tranel and Mr. Foley have formed the "Paint the Town Foundation" and requested Village

Board authorization to conduct a fund-raising campaign in order to repair and paint the Cook House exterior. Mr. Foley indicated that his company would donate their labor at cost, and other equipment and supplies would be donated. The foundation has a goal of raising \$20,000 to \$22,000 for the project, which would start in April of 2012. Parks and Recreation Committee and Village Staff recommended authorizing the Paint the Town Foundation to conduct a fund-raising campaign. The Mayor asked for Board and public comment. Trustee Moras thanked Mr. Tranel and Mr. Foley for their commitment and dedication, and Trustee Moran concurred, adding his appreciation for the efforts to preserve Village history.

Trustee Cullum moved to authorize Paint the Town Foundation to raise funds for repair and painting of the Cook House. Trustee Johnson seconded. The Mayor asked for Board and public comment. The motion carried on roll call vote as follows:

AYES: Trustees Johnson, Cullum, Moras, Gaines, Justice, and Moran

NAYS: None

ORDINANCE 11-O-74: Reduce Natural Gas Utility Tax

President Wepler explained that in September 2009, the Village Board approved ordinances instituting three additional revenue sources (increase in simplified tax from 3.5% to 6%, a 5% gross receipts tax on natural gas, and a per kilowatt hour electric use tax) to replace the reduction in sales tax. When these ordinances were approved, the Village Board included a sunset clause in order to have a periodic review to determine if these taxes could be reduced or eliminated. Due to this sunset clause, the ordinances will expire on April 30, 2012.

Since the taxes were enacted, the Village has restructure the outstanding bonds for the Sports Complex which reduced the annual debt service payments by approximately \$1 million per year for the next four years, and sales tax and other revenue sources have shown slight improvement over the past several years. Due to the improvement in the Village's financial situation, the Village Board discussed reducing the tax on natural gas from 5% to 4%. Based on discussion with North Shore Gas, the earliest they can accommodate the change is for bills issued on or after February 1, 2012. The Mayor then asked for Board and public comment.

Trustee Moras moved to approve the ordinance, and Trustee Justice seconded. The Mayor asked for Board and public comment. The motion carried on roll call vote as follows:

AYES: Trustees Johnson, Cullum, Moras, Gaines, Justice, and Moran

NAYS: None

ORDINANCE 11-O-75: Authorize Referendum for Bonds for Road Repairs

President Wepler introduced an ordinance authorizing a referendum and explained that at the last several Streets Committee meetings, the Committee and Staff have been discussing options for increasing funding for necessary road reconstruction and repairs. Staff determined that it would be necessary to have \$25 million dollars to address the

pavement that currently needs to be rehabilitated within the next five to seven years in order to prevent these roadways from needing to be completely reconstructed which would increase costs dramatically.

The Mayor continued, noting that at the November 18, 2011 Streets Committee meeting, the Committee discussed placing a referendum question on the March 20, 2012 ballot to determine if there was taxpayer support to increase revenues in order to support additional road work. Barbara Chevalier of Speer Financial, Inc., attended that Streets Committee meeting and discussed options the Committee had in issuing bonds. If the referendum passes, the Village would have a five-year period in which to issue the bonds, and 45% of each bond would need to be spent within a 12-month period of issuance. Due to these restrictions, the Village would have to issue four \$6.25 million dollar bonds within the five-year time frame. Village Staff recently prepared a follow up memorandum recommending that the proposed bond issue be lowered from \$25 million to \$20 million in order to create a more manageable work program and to make sure the Village could meet the bond spending timeframe requirements. The bond proceeds, along with the \$1 million in annual roadway funding that is available on an annual basis, would be used in a program that would rehabilitate approximately \$4 million per year. The Mayor added that based on discussion with the Village's bond attorney, Lew Greenbaum of the law firm Katten, Muchin, Rosenman, LLP, the Village must include an interest rate assumption on the referendum questions. While Staff expects to issue bonds at a rate, which is less than 5% in total, a single bond maturing in 2030 may have an interest rate greater than 5%. Due to possible changes in future Federal Government rules on tax exempt status of municipal bonds, Lew Greenbaum believes that the Village should include an interest rate assumption of 9%, which is the current maximum rate allowed.

The bonds would be paid through a property tax increase, which is estimated to increase approximately 30% from the current rate. While this is a significant increase, the new tax rate would still be the second lowest in comparison to local Lake County Communities are paying for all Village provided services (streets, police, fire, parks, recreation, etc.). Trustee Johnson moved to approve the ordinance authorizing the referendum for the issuance of \$25 million in bonds for roadway rehabilitation. Trustee Moras seconded. The Mayor then asked for questions and comments.

Trustee Moras noted the need for rehabilitation of water and sewer systems as well. He concurred with the ordinance conditions. The Mayor concurred, noting that referenda are often misleading and questioned the 9% assumption. Trustee Moras suggested a prioritized list of water and sewer needs. Trustee Johnson stated that crafting the referendum is critical to avoid misleading information. She stated the need to clearly inform the public between the recommendations and voting. Village Administrator Bowens noted the need to hold meetings to inform the public without promoting the referendum. He added that \$20 million and 9% interest would be a worst-case situation. Trustee Johnson asked for his recommendations for informing the public. Trustee Moras added that wait time would only increase expense. Village Attorney David Pardys noted

that the referendum would be amended from \$25 to \$20 million, and Trustees Johnson and Moras agreed to amend their motion and second. The Mayor then asked for any further questions and comments. The motion carried on roll call vote as follows:

AYES: Trustees Johnson, Cullum, Moras, Gaines, Justice, and Moran

NAYS: None

PETITIONS AND COMMUNICATIONS

President Wepler announced the following:

- Appearance Review Commission will meet on Monday, December 19, 2011 at 7:00 p.m.
- Parking Commission will meet on Tuesday, December 20, 2011 at 10:00 a.m.
- Marketing Committee will meet on Tuesday, December 20 at 4:00 p.m.
- Economic Development Commission will meet on Wednesday, December 21, 2011 at 7:30 a.m.
- The ETSB will meet on Thursday, December 22, 2011 at 9:00 a.m. at the Schertz Building
- The Village Hall and all non-emergency Village offices will be closed on Monday, December 26, 2011 for the Christmas Holiday and on Monday, January 2, 2012 for the New Year's Holiday. The Libertyville Sports Complex will be open.
- Parks and Recreation Advisory Commission will meet on Tuesday, January 3, 2012 at 6:00 p.m.
- Parks and Recreation Committee will meet on Tuesday, January 3, 2012 at 7:00 p.m.
- Zoning Board of Appeals will meet on Monday, January 9, 2012 at 7:00 p.m.
- Police Pension Board will meet on Tuesday, January 10, 2012 at 3:00 p.m. at the Schertz Building
- Water and Sewer Committee will meet on Tuesday, January 10, 2012 at 7:00 p.m.
- Village Board will meet on Tuesday, January 10, 2011 at 8:00 p.m.

President Wepler apologized for missing the Special Projects Committee meeting and recommended the LHS Holiday Music Festival on December 14, 2011 at 7:30 p.m. He then read a letter from a local sixth grader thanking the Village for their Cook Park decorations and other Village work. The Mayor and all Board Members wished all a Merry Christmas and Happy Holidays. Trustee Moras commented on the how beautiful the Village decorations looked, including the card dealerships.

EXECUTIVE SESSION

At 8:35 p.m., President Wepler noted the need for the Board to meet in Executive Session for discussion of potential litigation. Trustee Johnson moved to go into Executive Session, and Trustee Cullum seconded. The motion carried on roll call vote as follows:

AYES: Trustees Johnson, Cullum, Moras, Gaines, Justice, and Moran
NAYS: None

ADJOURNMENT

The Board returned to the regular meeting at 9:00 p.m., and with no further business, Trustee Johnson moved to adjourn, and Trustee Cullum seconded. The motion carried on roll call vote as follows:

AYES: Trustees Johnson, Cullum, Moras, Gaines, Justice, and Moran
NAYS: None

Respectfully submitted,

Sally A. Kowal
Village Clerk