

APPROVED MINUTES
VILLAGE OF LAKE ZURICH

Board of Trustees
70 East Main Street
Monday, November 20, 2023 7:00 p.m.

1. **CALL TO ORDER** by Mayor Tom Poynton at 7:01 pm
2. **ROLL CALL:** Mayor Poynton, Trustee Bobrowski, Trustee Euker, Trustee Spacone, Trustee Sugrue, Trustee Weider. Trustee Riley is absent for this meeting. Also in attendance: Village Manager Keller, Attorney Uhler, Assistant Village Manager Duebner, Chiefs Husak and Pilgard, Directors Gibson, Saher, Brown, Sparkowski, and Kordell.
3. **PLEDGE OF ALLEGIANCE**
4. **OATH OF OFFICE**

Fire Chief Pilgard provided a summary of Lt. Anthony Campbell while Fire & Police Commissioner Hilt provided the oath of office to Lt. Campbell.
5. **PUBLIC COMMENT**
 - Aleks Rechanik, 1216 Thorndale Lane, provided input to the Board about Lake Michigan water vs. the existing deep well aquifer.
6. **TRUTH-IN-TAXATION PUBLIC HEARING FOR 2023 PROPERTY TAX LEVY**

Summary: The total proposed increase to the Village of Lake Zurich property tax levy for 2023 represents an 8.45% increase over the previous year. This levy increase brings the total levy to \$10,976,657. In accordance with State statutes, the Village is holding this Truth-in-Taxation Public Hearing in order for residents to have the opportunity to comment on the proposed levy.

The hearing notice was published on November 10, 2023 in the *Daily Herald*, as well as posted on the Village website and in the official Village newsletter *Benchmarks*.

Action #1: A motion to open the Truth-in-Taxation Public Hearing for the 2023 Property Tax Levy and receive into the record public comment. was made by Trustee Euker seconded by Trustee Spacone, to Open the Public Hearing. VOICE VOTE.

 - There were no public comments for this Public Hearing.

Action #2: A motion to close the Truth-in-Taxation Public Hearing for the 2023 Property Tax Levy was made by Trustee Weider, seconded by Trustee Sugrue to Close the Public Hearing. VOICE VOTE.

AYES: 5 Trustees Bobrowski, Euker, Spacone, Sugrue, Weider.
NAYS: 0
ABSENT: 1 Trustee Riley
MOTION CARRIED.
7. **CONSENT AGENDA**
 - A. Approval of Minutes from the Village Board Meeting of November 6, 2023
 - B. Approval of Semi-Monthly Warrant Register Dated November 20, 2023
Totaling \$2,387,747.33

- C. **Agreement with Baker Tilly for Municipal Audit Services for One Year in the Amount Not-to-Exceed \$56,000**
Summary: The Village is required to have an annual audit of its financial statements. Staff has been using Baker Tilly of Oak Brook for these independent audits since 2018. As the contract with Baker Tilly has expired, Staff recommends a one-year extension for auditing the 2023 financial statements.
- D. **Agreement with Municipal Collection Services for Debt Collection of Local Ordinance Violations**
Summary: The proposed 24-month agreement with Municipal Collection Services of Palos Heights will allow the Village to more effectively collect outstanding past-due debt from local ordinance violations that are heard in Lake Zurich's local adjudication system.
- E. **Resolution Affirming Lake Zurich is United Against Hate as Cities, Towns, and Villages Collaborate to Protect our Communities in Times of Strife**
(Assign Reso. #2023-11-080)
Summary: The City of Highland Park has drafted an anti-hate statement with the intention of sending a unified message across many towns condemning all acts of hate, affirming public safety as our highest priority and issuing a call to action to continue to report suspicious behaviors, threats and other activity to law enforcement.

Actions: A motion was made by Trustee Spacone, seconded by Trustee Euker to approve the Consent Agenda as presented.

AYES: 5 Trustees Bobrowski, Euker, Spacone, Sugrue, Weider.

NAYS: 0

ABSENT: 1 Trustee Riley

MOTION CARRIED.

8. NEW BUSINESS

- A. **Property Tax Levy Extension Ordinance and Four Abatement Ordinances Regarding Debt Services**

Summary: Each year, the Village Board approves a tax levy ordinance to certify with the Lake County Clerk's Office in order to extend property taxes on real estate parcels within Lake Zurich municipal boundaries. The 2023 levy request is based upon the estimated equalized assessed value (EAV) of those properties, as determined by the Ela Township Assessor's Office and the Chief County Assessor's Office.

Applying the rates authorized by the Property Tax Extension Limitation Law (PTELL), the Village is requesting a total levy of \$10,976,657, which represents an increase of 8.45% over the previous year. The tax levy request for 2023 includes \$1,343,961 for debt service and \$4,965,839 for the Police and Fire Pension Funds.

Approximately one-quarter of the increase is generated by new construction, with the remaining three-quarters primarily attributed to the 5% PTELL capped inflation rate (otherwise, 6.5%) and 3% inflationary growth of the base EAV due to rising property values. The proposed levy also includes a projected

increase of \$206,997 for the Special Recreational levy, which provides funding for accessible improvements and services.

Four ordinances totaling \$2,176,248 regarding debt service abatements are also presented for Village Board action. As sufficient funds are available from other revenue sources to pay scheduled debt service payments as they become due, the need to extend a property tax levy on these issues is not warranted. Therefore, the Village will notify the County Clerk to not extend property taxes on these abatement ordinances.

Action #1: A motion to approve Ordinance #2023-11-531 authorizing the 2023 Property Tax Levy Extension in the Amount of \$10,976,657 was made by Trustee Weider, seconded by Trustee Euker

AYES: 5 Trustees Euker, Spacone, Bobrowski, Weider, Sugrue,
NAYS: 0

ABSENT: 1 Trustee Riley

MOTION CARRIED.

Action #2: A motion to approve the following four abatement ordinances regarding debt service via a single roll-call vote was made by Trustee Weider, seconded by Trustee Spacone.

- a) Ordinance #2023-11-532 Abating Certain Taxes Levied for \$6,325,000 General Obligation Refunding Bonds, Series 2014 A.
- b) Ordinance #2023-11-533 Abating Certain Taxes Levied for \$11,775,000 General Obligation Refunding Bonds, Series 2015 A.
- c) Ordinance #2023-11-534 Abating Certain Taxes Levied for \$7,100,000 General Obligation Refunding Bonds, Series 2016 A.
- d) Ordinance #2023-11-535 Abating Certain Taxes Levied for \$1,000,000 General Obligation Bonds (Waterworks and Sewerage System Alternate Revenue Source) Series 2016 B.

AYES: 5 Trustees Sugrue, Spacone, Bobrowski, Weider, Euker.

NAYS: 0

ABSENT: 1 Trustee Riley

MOTION CARRIED.

B. Ordinance Granting a Planned Unit Development for Chipotle Mexican Grill at 442 South Rand Road (Assign Ord. #2023-11-536)

Summary: Terraco Incorporated requests approval to construct a new quick service Chipotle restaurant with a drive-through pick-up lane and outdoor patio at 442 South Rand Road, located at the southeast corner of Rand Road and Route 22. This parcel was recently created through a legal re-subdivision of the larger property into a new one-acre lot. Until recently, a significant portion of the existing three-story office building was leased to Chase Bank, which has since constructed a new bank across the road.

The Planning and Zoning Commission (*PZC*) considered the preliminary plan at a public hearing on June 21, 2023 and reiterated the following points for consideration by the Applicant:

- Visibility of the trash dumpster from surrounding right-of-way
- Circulation on the property and traffic safety concerns at the property access points

Upon conclusion of the hearing and discussion, the PZC unanimously recommended approval of Granting approval of the project. Village Staff also recommends approval of the Planned Unit Development with the conditions for approval incorporated into the attached Ordinance.

During the presentation of the proposed development, the Petitioner raised to the Board an objection to the proposed Ordinance, requesting the Board to remove Section 2 in the proposed Ordinance requiring the installation of new sidewalk along Route 12.

Trustees held a discussion on the requirements recommended by the PZC. Director Saher explained why the PZC included Route 12 sidewalk as a condition of approval. Manager Keller suggested an alternative intention to provide connectivity to the site, perhaps a fee in lieu of the sidewalk. The Board reached consensus to delay action on this ordinance until further details can be confirmed on this. This item is expected to reappear on the Board agenda for December 4, 2023.

Action: A motion to delay voting on Ordinance #2023-11-536 Granting a Planned Unit Development for Chipotle Mexican Grill at 442 South Rand Road was made by Mayor Poynton, seconded by Trustee Weider.

AYES: 5 Trustees Weider, Sugrue, Bobrowski, Euker, Spacone.

NAYS: 0

ABSENT: 1 Trustee Riley

MOTION CARRIED.

C. Collective Bargaining Agreement between the Village of Lake Zurich and the Fraternal Order of Police, Patrol Unit

Summary: This Fraternal Order of Police collective bargaining agreement with specific Police Department employees expires on December 31, 2023. The Village and Union have been in productive negotiations regarding a successor contract and in November 2023 members of the Patrol Unit accepted a new three-year contract effective January 1, 2024. This contract extends 3.5% annual increases to the covered employees from 2024 through 2026, which aligns with current market conditions including inflation trends and recent contracts with similarly-sized police departments. Details of the new contract are outlined in the attached Staff Report.

Action: A motion to approve a Collective Bargaining Agreement between the Village of Lake Zurich and the Fraternal Order of Police, Patrol Unit, effective January 1, 2024 through December 31, 2026 was made by Trustee Sugrue, seconded by Trustee Euker.

AYES: 5 Trustees Bobrowski, Sugrue, Weider, Euker, Spacone.
NAYS: 0
ABSENT: 1 Trustee Riley
MOTION CARRIED.

D. Collective Bargaining Agreement between the Village of Lake Zurich and the International Union of Operating Engineers, Local 150

Summary: This Local 150 collective bargaining agreement with specific Public Works employees expired on December 31, 2022. Since then, the Village and Union have been in productive negotiations regarding a successor contract and in November of 2023 members of Local 150 accepted a new three-year contract, retroactive to January 1, 2023.

This contract retroactively applies a 3% increase for 2023 and sets a 3% increase for 2025. For 2024, covered employees will receive a 9% adjustment, in exchange for transitioning from the union's health insurance program, of which the Village currently pays 100% of the premiums, to the Village's health insurance program, for which the employees would contribute the same as other Village employees. The Village anticipates long-term savings from having the public works employees on the Village's health insurance rather than on the union's. The 9% adjustment makes the transition cost-equivalent to the covered employees, while making the starting wage scale more competitive for attracting new employees. Details of the new contract are outlined in the new attached Staff Report.

Actions: A motion to approve a Collective Bargaining Agreement between the Village of Lake Zurich and the International Union of Operating Engineers, Local 150, effective January 1, 2023 through December 31, 2025 was made by Trustee Spacone, seconded by Trustee Euker.

AYES: 5 Trustees Spacone, Sugrue, Weider, Bobrowski, Euker.
NAYS: 0
ABSENT: 1 Trustee Riley
MOTION CARRIED.

9. TRUSTEE REPORTS

- There were none.

10. VILLAGE STAFF REPORTS

A. Monthly Data Metric Reports

B. Village Manager Ray Keller gave an overview of Lake Michigan water construction costs, highlighting the costs of transitioning to CLCJAWA vs. staying on the existing distribution system. He also reviewed the proposed route map, the proposed facilities in the Midlothian / Oakwood area, the water rate increases that are expected moving forward, and a pending referendum on a 0.5% increase in the non-home rule sales tax in November 2024.

11. ADJOURNMENT

A motion was made by Trustee Weider, seconded by Trustee Sugrue to adjourn the meeting.

AYES: 5 Trustees Euker, Spaccone, Sugrue, Weider, Bobrowski.

NAYS: 0

ABSENT: 1 Trustee Riley

MOTION CARRIED.

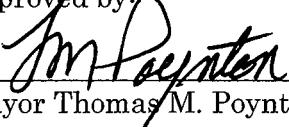
The meeting adjourned at 8:43 pm

Respectfully submitted by:

Kyle Kordell, Deputy Village Clerk

Approved by:

Approved by:



Mayor Thomas M. Poynton



Date