

**VILLAGE OF HUNTLEY
COMMITTEE OF THE WHOLE MEETING
Thursday, February 2, 2012
MINUTES**

CALL TO ORDER:

A meeting of the Committee of the Whole of the Village of Huntley was called to order on Thursday, February 2, 2012 at 7:00 p.m. in the Municipal Complex, Village Board Room, 10987 Main St., Huntley, Illinois 60142.

ATTENDANCE:

PRESENT: Mayor Pro-Tem Harry Leopold; Trustees: Pam Fender, Ron Hahn, Nick Hanson, Niko Kanakaris and John Piwko.

ABSENT: Mayor Charles Sass

IN ATTENDANCE: Village Manager David Johnson, Senior Assistant to the Village Manager Lisa Armour, Management Assistant Barbara Read, Director of Development Services Charles Nordman, Director of Finance and Human Resources Jennifer Chernak and Village Attorney Mike Coppedge.

PLEDGE OF ALLEGIANCE: Mayor Pro-Tem Leopold led the Pledge of Allegiance.

PUBLIC COMMENTS: None

ITEMS FOR DISCUSSION:

- a) Discussion – January 12, 2012 Village Board and January 19, 2012 Committee of the Whole Meeting Minutes

Mayor Pro-Tem Leopold asked if the Committee had any comments or changes to the Minutes; there were none.

It was the consensus of the Committee of the Whole to forward on to the Village Board for approval the January 12, 2012 Village Board and January 19, 2012 Committee of the Whole Meeting Minutes.

- b) Discussion – February 9, 2012 Bill List in the amount of \$287,698.19

Mayor Pro-Tem Leopold reported that \$83,213.70(or 29%) of the bill list expenditures is from the FY11 Budget and the remaining \$204,484.49 is from the FY12 Budget. He also reported that \$40,050.47 (or 14%) of the total bill list is payment to Graef for Engineering Services for Route 47/I-90 Phase II, of which 67% (\$26,700.14) will be recovered by reimbursement from KDOT & MCDOT. \$93,532.58 (or 33%) of the total bill list is payment of Construction Draw#3 to Podolsky Northstar Realty (Commercial Development north of Reed Road) of which 100% is recovered through Escrow Funds.

Mayor Pro-Tem Leopold asked if the Committee had any comments or questions; there were none.

It was the consensus of the Committee of the Whole to forward on to the Village Board for approval the

February 9, 2012 Bill List in the amount of \$287,698.19.

c) Presentation – Downtown Streetscape Master Plan Concepts

Senior Assistant to the Village Manager Lisa Armour reported that Vision 7 of the Village's 2011-2015 Strategic Plan is to preserve and revitalize downtown Huntley, as well as fostering redevelopment along the Route 47 corridor and infill development in adjacent areas. Goals associated with the vision statement include establishing downtown Huntley as a destination location for residents and visitors and pursuing redevelopment opportunities along Route 47. Key objectives include implementing the recommendations of the 2010 Downtown Revitalization Plan. One of the recommendations of this plan was to develop a streetscape plan to enhance the appearance of Main Street. The original Capital Improvement Plan (CIP) developed in 2008 included streetscape improvements on Main Street from Route 47 to Church Street. As part of the FY 2012 Budget, a new fund was established to continue implementation of the 2010 Downtown Revitalization Plan. This fund was included in the 2012 – 2016 CIP, which identifies funding for streetscape improvements spread out over the next four years.

Staff Analysis

Staff has worked with Christopher Burke Engineering (CBBEL) to take the recommendations of the 2010 Downtown Revitalization Plan and prepare a set of concepts for the downtown streetscape. The plan identifies phases for the area between Route 47 and Myrtle Street and more detailed components in Phase I, which is the area from Route 47 to Woodstock Street. Representatives from CBBEL will be in attendance to present the plan. The master plan would also serve as a useful tool in applying for grants to assist with implementation.

Financial Impact

The estimated overall cost for the various improvements is \$750,000. The CIP spreads the cost out over several years, with \$50,000 included in the FY2012 budget. Another source of supplemental funding may be the monies donated by the Florence Schaffenegger Trust. The Village received a total gift of \$184,917 from the trust.

It was also discussed that by preparing this Downtown Streetscape Master Plan would assist in applying for ITEP grants.

Ms. Armour then introduced Mr. Mike Kerr and Mr. Doug Gotham from CBBEL who reviewed a Power Point Presentation showing various options for the intersection of Route 47 and Main Street.

After the presentation, Mayor Pro-Tem Leopold asked if the Committee had any comments or questions.

Trustee Fender stated that on the message sign element she liked the planters and the grasses; and, suggested that the wall be shorter or tapered. She also stated that instead of a white picket fence she would like a black wrought-iron type fence.

Trustee Piwko agreed that the wall is a little too tall and stated that he liked the fence; he also stated that this feature should also be duplicated on the other side of the intersection.

Trustee Hanson stated that the message board should be able to be seen on Route 47 as commuters head north.

Trustee Hahn asked if a dual-side message board may provide substantial cost savings; Mr. Gotham stated

that elements such as these have two message boards placed back-to-back so there probably would not be a substantial cost savings.

Trustee Kanakaris agreed with the Committee's comments and said that he especially liked the possibility of Federal funding.

Mayor Pro-Tem Leopold stated that it was a wonderful start and suggested the addition of Evergreen trees and a meandering sidewalk on the southeast side of the structure. He also stated that planting should be irrigated.

Discussion continued regarding the Dwyer Street/Main Street green area. Trustee Fender suggested that a message board at this corner would be good as many people sit at that intersection for a while. Trustee Fender also suggested that this area might be a good place to include a Veteran's Memorial.

Trustee Piwko asked about elements on the southeast corner. Mr. Kerr reported that it was an IDOT corner and decorative grasses and possibly one or two trees might be allowed.

During discussion of Phase II plans, Trustee Fender stated that parking needs will need to be included. Village Manager Johnson stated that the Village has committed to the business owners that the parking will be reworked.

Mayor Pro-Tem Leopold asked if the Committee had any other comments or questions; there were none.

It was the consensus of the Committee of the Whole to move forward with the planning and design process for the southeast and southwest corners of Main Street and Route 47.

- d) Discussion - Resolution (R)2012-02.05 – Authorization to Enter Into an Agreement for Energy Consulting Services with Independent Energy Consultants

Village Manager David Johnson reported that Illinois Public Act 096-0176 (20 ILCS 3855/1-92) provides municipalities with the authority to aggregate residential and small commercial retail accounts and buy electricity at a negotiated group rate. The Village of Huntley is a member of the McHenry Council of Governments (MCCG) and has joined in a collaborative effort to purchase electricity on behalf of our residents and small business accounts through a local government opt-out aggregation program.

Staff Analysis

In October 2011, several municipalities including Algonquin, Barrington Hills, Genoa, Huntley, Lakewood, Lake in the Hills, Marengo, McCullom Lake, McHenry, Prairie Grove, Spring Grove and Woodstock and McHenry County expressed an interest in both going through the electricity aggregation process on behalf of their residents and possibly working together to conduct this process through an intergovernmental collaborative arrangement.

On November 10, 2011, the Village Board passed a resolution authorizing placement of the question regarding an opt-out program on the ballot for the March 20, 2012, primary election. At the same time, McHenry County issued an RFP, which included the municipalities listed above, to solicit proposals for consultant services to coordinate an aggregation process for the county and participating municipalities. Proposals from the County's RFP for consultant services were due November 21st and the County received five responses to the RFP by the deadline. A consultant selection committee was created to review responses and interview responding firms.

The firms were evaluated based on four criteria: Company Experience, Independence, Cost and Accessibility. While cost was a criterion for consideration, the committee placed greater weight on each firm's experience, independence and accessibility. Of the five firms, two were considered to best meet the criteria. After conducting interviews, the selection committee chose Independent Energy Consultants (IEC) as the consultant to manage the McHenry County municipal collaborative aggregation process. IEC was selected because of their extensive experience in managing municipal and county electrical aggregation programs in Ohio where municipal and county electricity aggregation has been in place for several years. The committee believed that because IEC has managed similar joint aggregation programs, that the process for McHenry County and participating municipalities would be much smoother and that IEC's expertise in aggregation may provide an advantage when seeking pricing from alternative energy suppliers, thus resulting in lower rates for residents and small businesses.

The group discussed a two-year term for the consultant as one year is too short because consulting services will be needed before and after entering into a contract which will take longer than a year. IEC has agreed to a two-year term (or longer if an existing power supply agreement is for a longer term). To be clear, if the consortium chooses to enter into a contract for power purchases that is longer than the two-year IEC contract, the IEC contract will last for the length of the longer power purchase contract. So if the group decides a three-year purchase agreement gets the best price, the IEC contract change will not prevent us from entering into such a beneficial power purchase contract.

Next Steps for the McHenry County-MCCG Municipal Aggregation Collaborative Process:

1. Contract with Independent Energy Consultants (IEC) to manage the joint aggregation process for participating municipalities and McHenry County. (McHenry County approved their agreement at the County Board meeting held on Tuesday, January 17, 2012).
2. Approve a resolution authorizing the corporate authorities to enter into an intergovernmental agreement (IGA) to participate in a joint aggregation process. McHenry County is expected to approve their IGA at their Board meeting on February 21, 2012 with the participating municipalities to follow after the County Board approval. The agreement is expected to be presented to the Village of Huntley Village Board Committee of the Whole meeting on Thursday, March 1, 2012.

Meetings have been scheduled in February to discuss the details of the IGA, the bid parameters and to meet with the consultant. The consultant will provide a timeline which will be very aggressive as the goal is to go to bid as soon as referendum results are obtained.

The Director of Finance will represent the Village of Huntley on the McHenry County-MCCG Municipal Aggregation Collaborative Steering Committee.

Legal Analysis

The agreement has been reviewed and approved by legal counsel of the Village of Huntley, McHenry County and MCCG Collaborative.

Financial Impact

Members of this collaboration will share in the administrative and legal expenses incurred as part of the joint aggregation process. Sarah Jansen, Corporation Counsel for McHenry County (representing the County) and Ruth Schlossberg, Attorney with the firm of Zukowski, Rogers, Flood and McArdle

(representing participating municipalities) will prepare and/or review all of the legal documents required for this process including the contract with IEC, the resolution authorizing the intergovernmental agreement, the intergovernmental agreement, the RFP and any other relevant documents. The County will pay for the services of Ms. Jansen and the participating municipalities will share equally for the services of Ms. Schlossberg. It is expected that all legal costs will not exceed \$1,000 per member.

Mayor Pro-Tem Leopold asked if the Committee had any comments or questions; there were none.

It was the consensus of the Committee of the Whole to forward on to the Village Board for approval Resolution (R)2012-02.05 – Authorization to Enter Into an Agreement for Energy Consulting Services with Independent Energy Consultants (IEC).

- e) Discussion – Quarterly Financial Reports – Transmittal of the 2011 Fourth Quarter Financial Reports for the Village of Huntley – Revenue and Expense Report and Investment Report

Village Manager David Johnson reviewed the Village’s 2011 Financial and Investment Reports as of December 31, 2011 (unaudited).

Staff Analysis

As of the fourth quarter, revenues leveled off for the year and expenditures were within expected thresholds. All revenue and expense accounts are now subject to final audit adjustments. Final audit fieldwork will take place in April 2012 and distribution of the final report will be presented to the Board in June 2012.

Notes to consider when reviewing this report:

Revenues

- 01-00-0-4010, 01-00-0-4012 and 01-00-0-4015 Property Tax: Receipts as of December 31, 2011 were \$3,418,705. Kane County receipts were higher than projected due to the absence of the state multiplier calculation on the 2011 tax bills. Property tax revenue will be reduced by approximately \$30,000 to account for the adjustment, which will occur in 2012.
- 01-00-0-4020 Sales Tax: Sales tax receipts are through September 2011 and distributions to the TIF are in arrears by three months due to lag reporting from the Department of Revenue.
- 01-00-0-4025 Income Tax: Income tax receipts in the amount of \$2,113,837.63 as of December 31, 2011 include \$728,513.83 which has been recorded as revenue for 2010. The State has vouchered through December 2011 with a current balance due to the Village in the amount of \$566,244.12. Projected 2011 income tax revenues are \$1,951,000.00, however final audit adjustments need to be completed.
- 01-00-2-4210 Building Permits: Building Permit revenue as of December 31, 2011 is \$651,121.18. The FY2011 budgeted amount was \$300,000.

Expenditures

- 01-30-1-6075 Part-Time Salaries: Part-time salaries in Buildings and Grounds was higher than budgeted due to the fact that part-time employees were used to complete the renovations at the Old Village Hall which will led to savings in the Municipal Complex Fund.

- 01-60-1-6020 and 01-60-1-6075: The over-time, part-time salaries, snow plowing and snow maintenance equipment line items in the Streets and Underground Utilities budget were over the budget amount due to the Blizzard of 2011. The Village completed the required FEMA documentation to receive disaster fund reimbursement and received \$46,185.59 on October 4, 2011.
- 01-60-3-6665: The road salt line item shows the Village expenditures at almost 100% of the budgeted amount which allowed both salt storage facilities to be fully stocked.

Through the fourth quarter, the Village's fuel costs were over budget in all funds due to the volatile 2011 prices. Overall, through the fourth quarter, the Village's General Fund expenditures appear to be on target at 93.9% of the total 2011 budget (excludes interfund transfers). The Village's Water Operating and Sewer Fund expenditures are within the total 2011 budget (excluding capital transfers).

Again, all line items in this report are subject to changes during the audit process. The final fiscal year-end December 31, 2011 report will be presented in June 2012 by the Village auditors, Sikich, LLP.

Investment Report

The Village's investment report as of December 31, 2011 provides detail of the Village's cash position by financial institution, maturity and allocation by fund. In anticipation of the 2012 Tollway project, maturing investments will be transferred to short term securities or money market accounts. All funds are fully insured and/or collateralized and placed in interest bearing accounts as allowed by State Statutes.

Mayor Pro-Tem Leopold asked if the Committee had any comments or questions.

Trustee Piwko asked questions on the following:

- Liquor License revenue was 179.2% over budget; Village Manager Johnson reported that this was due to the change in timing of renewals.
- I-Clear Grant of \$65,000; Director of Finance Chernak reported that the Police Department received a grant to purchase computer equipment.
- Sludge Disposal was 181.7% over budget; Village Manager Johnson reported that costs skyrocketed in 2011; however, the 2012 budget includes the increased amount.

There were no other comments or questions from the Committee.

It was the consensus of the Committee of the Whole to forward on to the Village Board to Accept and Place on File the Fourth Quarter 2011 Financial and Investment Reports for the Village of Huntley.

VILLAGE ATTORNEY'S REPORT: None

VILLAGE MANAGER'S REPORT:

Trustee Piwko asked if the traffic signal sensors at Route 47 and Main Street were above or below ground as the signal did not work well while he was at that intersection during the heavy fog. Village Manager Johnson stated that he will follow up with IDOT.

Trustee Fender asked about the Municipal Electrical Aggregation Referendum; Director of Finance Chernak explained the public meeting process and the consortium.

VILLAGE PRESIDENT’S REPORT:

Mayor Pro-Tem Leopold reported that the next McCOG meeting will be in Woodstock on February 15th.

UNFINISHED BUSINESS: None

NEW BUSINESS: None

EXECUTIVE SESSION: None

ACTION ON CLOSED SESSION ITEM: None

ADJOURNMENT:

There being no further items to discuss, a MOTION was made to adjourn the meeting at 7:48 p.m.

MOTION: Trustee Piwko

SECOND: Trustee Fender

The Voice Vote noted all ayes and the motion carried.

Respectfully submitted,

Barbara Read
Recording Secretary