

**VILLAGE OF HUNTLEY
VILLAGE BOARD
December 9, 2021
MEETING MINUTES**

CALL TO ORDER:

A meeting of the Village Board of the Village of Huntley was called to order on Thursday, December 9, 2021 at 7:00 p.m. in the Municipal Complex, Village Board Room, 10987 Main St., Huntley, Illinois 60142.

ATTENDANCE:

PRESENT: Mayor Timothy Hoeft; Trustees: Ronda Goldman, Curt Kittel, Harry Leopold, and JR Westberg.

ABSENT: Trustees: Mary Holzkopf and Niko Kanakaris

IN ATTENDANCE: Village Manager David Johnson, Deputy Village Manager Lisa Armour, Management Assistant Barbara Read, Director of Public Works and Engineering Timothy Farrell, Director of Development Services Charles Nordman, Director of Finance Cathy Haley, Chief Robert Porter, Director of Human Resources Chrissy Hoover, and Village Attorney Betsy Gates-Alford.

PLEDGE OF ALLEGIANCE: Mayor Hoeft led the Pledge of Allegiance.

PUBLIC HEARING: Village of Huntley Fiscal Year 2022 Annual Operating and Capital Budget

A MOTION was made at 7:01 p.m. to Open the Public Hearing

MOTION: Trustee Leopold

SECOND: Trustee Westberg

AYES: Trustees: Goldman, Kittel, Leopold, and Westberg

NAYS: None

ABSENT: Trustees: Holzkopf and Kanakaris

The motion carried: 4-0-2

Village Manager David Johnson reviewed a Power Point presentation and reported on the following:

- The 2022 Fiscal Year (FY22) Operating and Capital Budget totals \$42,440,246 in expenditures for all funds. Compared to the FY21 Budget, the FY22 Budget proposes \$11,761,270 (38%) more in total expenditures. The proposed budget is the largest in the Village's history, is proactive in meeting current and future operational and infrastructure needs and, perhaps most importantly, is reflective of a healthy and growing local economy.
- The increase in expenditures from FY21 to FY22 is directly attributable to the following:
 - *Re-engaging in Downtown Revitalization and Redevelopment (26% of increase)*
 - *Water and Wastewater Infrastructure Maintenance and Expansion Projects (24% of increase)*
 - *Annual Street/Right-of-Way Improvement Program and Kreutzer Road Widening (23% of increase)*
 - *Village Workforce Investment and Expansion (17% of increase)*

Budget Format: The annual budget document represents the single most important policy document adopted annually by the Village President and Board of Trustees. The Village makes it a goal to prepare a budget document that clearly communicates Village priorities in providing services, programs and public improvements for the benefit of Village residents. The budget document includes:

- Budget Authority and Formulation
- FY21 General Operating Fund Review: Staff continuously monitors the Village’s financial performance throughout the year, and at the end of the year, it is expected that the Village will realize a General Fund surplus of an estimated \$3,088,500. As noted above, revenues are \$2,976,520 (23%) higher than budgeted. Expenditures have been held in check and are estimated to be \$111,980 less than budgeted.
- Water and Wastewater Funds Review: The Water and Wastewater Funds are separate enterprise accounts that do not receive any property tax or other tax-related income. Revenue is derived from the usage of Village utility services and connection fees to the system and is the reason the funds are classified as enterprise funds. Revenues and expenditures in the fund are directly related to the demand for water and wastewater services. The estimated water operating revenue exceeded expenditures by \$921,342.

FY21 Water Operating Revenue/Expenditures

	FY21 Budget	FY21 Estimated	Difference	% Over/Under
Operating Revenue	\$2,856,821	\$3,245,273	\$388,452	+13.6%
Expenditures (less transfers)	\$2,357,313	\$2,323,931	\$33,382	(-1.4%)

FY21 Wastewater Operating Revenue/Expenditures

	FY21 Budget	FY21 Estimated	Difference	% Over/Under
Operating Revenue	\$2,920,100	\$3,185,440	\$265,340	+9.1%
Expenditures (less transfers)	\$2,498,954	\$2,499,110	\$156	(-.006%)

- 2021 Major Initiatives: Several of the notable project and initiatives completed in FY21 were reviewed.
- Current Economic Outlook: The local Village economy is vibrant and strong. Huntley continues to be a desirable place to live and conduct business. Through September 2021, the Village issued building permits with an estimated new construction value in the amount of \$100,042,084, more than double that for the same period in 2020. New home construction remains steady in the Village and accounted for 58% of permit revenue generated. Huntley continues to be one of the fastest growing communities in the State of Illinois and has been since the late 1990’s.
- Private sector investment in the form of construction activity is strong and includes the following recently completed or on-going projects:

- Development of 261 acres by Venture One for the construction of a 630,000 square-foot Amazon Receive Center and 1.1 million square-foot Amazon Fulfillment Center
- Hampton Inn Hotel at Huntley Crossings Phase I remains under construction
- Construction of 129 (through October) new single-family traditional and age-targeted units as well as townhomes in the Talamore subdivision
- Construction commenced on the 180-unit Phase II of the Cider Grove Subdivision

FY22 Budget

The proposed FY22 budget for 19 funds includes \$44,792,073 in revenues and \$42,440,246 in expenditures excluding transfers. There are no budgeted operating fund deficits. Other funds indicating more expenditures than revenue are balanced by existing fund balance, interfund transfers, and surplus revenue transfers. Expenses are allocated as follows:

	FY 22
Personnel	\$14,890,691 (35%)
Contractual Services	\$6,779,747 (16%)
Capital	\$18,481,349 (44%)
Commodities	\$1,303,995 (3%)

FY22 General Operating Fund

In accordance with Village financial and budget policies, the proposed budget for the General Operating Fund is balanced with \$14,899,221 in revenues and expenditures.

Revenues

Historically, the Village is conservative in estimating General Fund revenues and FY22 continues this practice that has served the Village well for decades. The projected FY22 State Shared Revenues are as follows:

State Shared Revenues

	FY21 Estimated	FY22 Budget	Difference	% Over/Under
Local Use Tax	\$1,000,000	\$1,126,244	+\$126,244	+12.62%
Income Tax	\$3,200,000	\$3,100,000	-\$100,000	-3.1%
Replacement Tax	\$123,450	\$140,000	+\$16,550	+13.4%
Cannabis Use Tax	\$34,500	\$49,932	+15,432	+44.73%

The Village’s property tax base growth has continued over the past year. The final rate setting 2020 EAV (equalized assessed valuation) was \$981,005,463, for an increase of 3.19% from the 2019 EAV. The rate setting 2021 EAV is expected to increase by over \$37 million due to new construction and increased valuations by township assessors. The 2021 EAV is estimated to be \$1,018,493,759, which represents a 3.82% increase in valuation from 2020 and the highest to date in Village history.

Village Board policy direction for the 2021 levy for taxes payable in 2022 was to increase the levy from \$4,798,956 to \$4,982,607, an increase of \$183,651 (3.83%). This adjustment is anticipated to maintain the same tax rate of .4923. By comparison, the Village’s tax rate for taxes collected in FY18 was .5318. The proposed property tax rate for taxes to be paid in FY22 is 8% lower than the tax rate for FY18.

Sales tax revenue has increased 24.7% since 2018, going from \$2,805,675 to a projected \$3,500,000 in

2021. This is another indicator of the strong local economy, the expanding retail sector within the Village, and the change in how the State determines the point of sale for e-commerce transactions. The estimated revenue in FY21 exceeds the budgeted amount of \$2,900,000 by \$600,000. Sales tax revenue is projected to remain steady in FY22 and is budgeted at \$3,650,000. This does not include the additional dollars received from the 1% home rule sales tax, which is dedicated to capital projects. FY21 was the first full year of collections for this tax.

Building permit revenue for FY21 was strong, and is estimated to be \$1,500,000. The budgeted amount for FY21 was \$300,000. The FY22 budget includes \$650,000 in building permit revenue.

Expenditures

The 105.5 employees proposed for FY22 equates to 3.8 employees per 1,000 residents. Historically, the Village's ratio of employees per 1,000 residents has been below comparable communities in the region. This ratio is calculated using the Village's official 2020 Census population of 27,740. Utilizing the Village's population estimate of 29,560 based on residential building permits actually issued lowers the ratio to 3.57 employees per 1,000 residents.

The Village has been a leader for many years in utilizing a shared services model for the delivery of services through intergovernmental agreements with other agencies and will continue to do so in FY22. Most notably the Village's partnership with the Village of Algonquin for building and code enforcement services has provided quality services in a cost-effective manner. In addition, the Village contracts with SEECOM to provide emergency 911 dispatch services and supplements landscaping and snow removal operations by utilizing private contractors.

FY22 Water and Wastewater Fund: The FY22 Water Operating Fund budget estimated revenues are \$3,331,450 and expenses are \$2,445,493 excluding transfers.

The FY22 Wastewater Operating Fund budget estimated revenues are \$3,068,650 and expenses are \$2,687,459.

Alignment with 2022-2025 Strategic Plan: The new Strategic Plan, adopted on October 28, 2021, identifies five new Strategic Areas of Focus and goals for each. The Strategic Focus Areas are as follows:

1. Healthy, Safe, and Attractive Community
2. Strong Local Economy
3. Engaged Community
4. Forward Looking Community
5. Organizational Excellence

It is the Executive Leadership Team's belief that the FY22 Budget is proactive and diligent in aligning with the goals of the new Strategic Plan. In addition to including the plan in the budget document, each department includes specific goals that tie directly to the plan.

Citizen input has been and will continue to be the foundation for measuring the Village's success in meeting the intended purpose of the plan. There were 1,165 respondents to the 2021 Annual Resident Survey, an increase of 16% from 2020. A key performance measure across all areas of strategic focus will be the annual survey ratings. The 2021 survey provided feedback as it relates to the specifically identified goals.

Staff believes that the proposed FY22 Budget is consistent with the Mission Statement of the Village as expressed in the Strategic Plan: “Huntley’s mission is to achieve excellence in the planning, management, and delivery of services in a reliable, efficient, fiscally, and environmentally responsible manner that enhances the quality of life for all those living, working, or conducting business in the Village.”

Conclusion: Village Manager Johnson recognized and thanked the Department Heads for their work in presenting budget requests that align with the new Strategic Plan and are ultimately intended to enhance the quality of life for our community. Special recognition and thanks is extended to Cathy Haley, Director of Finance, and Lisa Armour, Deputy Village Manager, for making this an award-winning document.

Mayor Hoeft stated that there were no members of the Public to make comment.

A MOTION was made at 7:23 p.m. to Close the Public Hearing.

MOTION: Trustee Leopold
SECOND: Trustee Kittel
AYES: Trustees: Goldman, Kittel, Leopold, and Westberg
NAYS: None
ABSENT: Trustees: Holzkopf and Kanakaris
The motion carried: 4-0-2

PUBLIC COMMENTS: None

ITEMS FOR DISCUSSION AND CONSIDERATION:

- a) Consideration – Approval of the August 26, 2021 Village Board Meeting Minutes

Mayor Hoeft asked the Village Board if there were any comments or changes to the Minutes; there were none.

A MOTION was made to approve the August 26, 2021 Village Board Meeting Minutes.

MOTION: Trustee Leopold
SECOND: Trustee Westberg
AYES: Trustees: Goldman, Kittel, Leopold, and Westberg
NAYS: None
ABSENT: Trustees: Holzkopf and Kanakaris
The motion carried: 4-0-2

- b) Consideration – An Ordinance Adopting the Village of Huntley Fiscal Year 2022 Annual Operating and Capital Budget

Mayor Hoeft thanked Village Manager Johnson and the Staff for their work and noted that everyone pulls together for the Village. Mayor Hoeft thanked the Village Board for the work they do with Staff and said he appreciates them.

Mayor Hoeft asked if the Village Board had any comments or questions. The members of the Village Board concurred that Staff did a good job with the Budget.

A MOTION was made to approve an Ordinance Adopting the Village of Huntley Fiscal Year 2022

Annual Operating and Capital Budget.

MOTION: Trustee Kittel
SECOND: Trustee Goldman
AYES: Trustees: Goldman, Kittel, Leopold, and Westberg
NAYS: None
ABSENT: Trustees: Holzkopf and Kanakaris
The motion carried: 4-0-2

- c) Consideration – An Ordinance Authorizing the Levy and Collection of Taxes for the Village of Huntley 2021 Annual Property Tax Levy in the Amount of \$4,982,607 and to direct the Village Treasurer to Record the Document Accordingly

Director of Finance Cathy Haley reported that the Village's 2021 Tax Levy request is for \$4,982,607. Once approved by the Village Board, staff will file the property tax levy ordinance with all appropriate offices at both McHenry and Kane Counties.

Staff Analysis

State law requires that the levy cannot be adopted sooner than twenty (20) days after the initial discussion on the levy, which took place at the November 18, 2021 Village Board meeting.

The Village’s 2021 levy request is \$4,982,607. The 2021 property tax levy request follows the Village’s financial policy to keep its property tax rate as low as possible. The Village is a Home Rule Community and levies for dollars. However, in an attempt to hold the 2020 rate the same, the Village can still capture additional dollars based on the increasing overall Estimated Assessed Valuations (EAV) received from McHenry and Kane County. This dollar increase equates to \$183,651.

This amount will cover the increase to the Village’s obligation to the Police Pension Fund in the amount of \$43,651. Costs for the Police Pension Fund are based on calculations done by a third party actuary. The benefits and benefit levels for the Police Pension Fund are governed by State Statute and can only be amended by the General Assembly. The current statutory requirement is that the Village’s Police Pension Fund be at least 90% funded by 2040. The Village is committed to meeting its pension obligations.

The additional dollar amount for the General Fund of \$140,000 would help cover the ongoing operational costs associated with the new staffing in the FY22 Budget. These new personnel costs are more than \$250,000 annually in wages, which does not include the Village’s increased costs to FICA, Medicare or health insurance.

2021 REQUESTED TAX LEVY - Holding the rate at the FY20 rate	2020 Tax Levy Request	2021 Tax Levy Request	\$ Increase/ Decrease over prior year	% Increase/ Decrease over prior year
Corporate	\$2,850,110	\$2,990,110	\$140,000	4.91%
IMRF	\$250,000	\$250,000	\$0	0.00%
Social Security	\$250,000	\$250,000	\$0	0.00%
Liability Insurance	\$250,000	\$250,000	\$0	0.00%
Cemetery	\$0	\$0	\$0	0.00%
Police Pension	\$1,198,846	\$1,242,497	\$43,651	3.64%

TOTAL	\$4,798,956	\$4,982,607	\$183,651	3.83%
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Financial Impact

While residents live within the Village limits, their property tax bill is comprised of no less than nine (Kane County) or ten (McHenry County) separate taxing districts. Each taxing district determines the total dollar amount to levy on the property, which resides within the taxing district boundaries. A tax rate is calculated based on this total dollar request and the total assessed value of property within the taxing district boundaries. The tax rate is what a resident sees on their tax bill for each entity having authority to place a levy on their property. The EAV of an individual resident’s property is multiplied by each tax rate to determine the amount of tax owed for the respective calendar year. The Village of Huntley is a home rule community and levies for dollars. The tax rate becomes a calculation based on the EAV (EAV/100 x Rate = Total Levy Dollars).

The EAV is determined by the township assessor’s office, while the dollars are requested by the Village for the Village’s portion of the tax bill. Therefore, the rate is a factor of these two amounts. The preliminary estimated EAV from the Counties shows a potential increase from 2020 of 3.82%. Holding the 2020 tax rate the same with the combined counties EAV showing an overall increase shows the increase of dollars.

Levy Year	Limited Rate	EAV	Dollars	Increase
2020	0.4892	\$981,005,463	\$4,798,956	
2021 est.	0.4892	\$1,018,493,759	\$4,982,607	\$183,651

Legal Analysis

Per Illinois Revised Statutes (40 ICS 5) section 3-143 “Report by Pension Board”, the Police Pension Board shall report annually to the Village Board on the condition of the pension fund at the end of its most recently completed fiscal year (see Exhibit A).

Mayor Hoeft asked if the Village Board had any comments or questions; there were none.

A MOTION was made to approve an Ordinance Authorizing the Levy and Collection of Taxes for the Village of Huntley 2021 Annual Property Tax Levy in the Amount of \$4,982,607 and to Direct the Village Treasurer to Record the Document Accordingly.

- MOTION: Trustee Leopold**
- SECOND: Trustee Kittel**
- AYES: Trustees: Goldman, Kittel, Leopold, and Westberg**
- NAYS: None**
- ABSENT: Trustees: Holzkopf and Kanakaris**
- The motion carried: 4-0-2**

- d) Consideration – Approval of the Special Tax Rolls for the Village of Huntley Special Service Areas

Director of Finance Cathy Haley reported that the Village Board is being requested to amend the tax rolls and abate taxes for each Special Service Area (SSA) in the Village. The need to amend the Special Tax Rolls and abatement of SSA taxes is the result of the actual Special Tax Requirement in each Special Service Area for the 2021 levy year for taxes payable in 2022.

Staff Analysis

The Village is not requesting to actually levy taxes for Special Service Areas 6, 7, 8, 9, and 10, but is required to file Special Service Area Ordinances to ensure that adequate funds are available to pay for the annual bond and interest payment of each Special Service Area. The actual levy was requested at the time of bond issuance for each Special Service Area.

MuniCap, Inc., the Village’s financial consultant for administering the service areas, calculates the Special Tax Requirements for Special Service Areas #6 - 10 and prepares a report pursuant to the corresponding “Rate and Method of Apportionment of the Special Tax” as stated in the bond documents. As shown in the chart below all taxes are well below the maximum tax for each Special Service Area and some are below last year’s levied amounts.

2021 Tax Levy/2022 Tax Bills

		Maximum	Abated	2021 Tax	2020 Tax	Increase/ Decrease
SSA #6	Southwind	\$2,569.42	\$554.86	\$2,014.56	\$1,884.06	\$130.50
SSA #7	Southwind	\$2,569.42	\$623.18	\$1,946.24	\$1,801.10	\$145.14
SSA #8	Southwind	\$2,632.80	\$865.26	\$1,767.54	\$1,681.44	\$86.10
SSA #8	SW/Townhome	\$1,318.72	\$433.38	\$885.34	\$842.20	\$43.14
SSA #9	Wing Pointe	\$2,619.23	\$736.01	\$1,883.22	\$1,768.60	\$114.62
SSA #9	WP/Townhome	\$1,636.44	\$459.84	\$1,176.60	\$1,104.98	\$71.62
SSA #10	Heritage	\$2,434.92	\$725.44	\$1,709.48	\$1,666.68	\$42.80

The annual debt service typically increases at around 2% per year. Assuming no other factors, this will result in a small increase in the special tax requirement each year. Another factor is the reduction in the surplus from prior year for each of the SSAs. The refunding in 2017 generated a large surplus for each of the SSAs. These surplus revenues were used to reduce the special tax requirement for the last few years. Surplus revenues have largely been expended, resulting in an increase in the special tax requirements. MuniCap expects that the increase will stabilize to around a 2% to 3% increase in future years.

Financial Impact

Special Service Areas 5, 11, 12, 13, 14, 15 and 16 are for maintenance of open space and common area in the residential subdivisions. SSA #5 (Southwind) is the only active maintenance SSA levy at this time. An increase over last year’s levy in the amount of \$5,000 is being requested for the 2021 SSA #5 levy. This increase will assist in covering the increasing cost of maintenance as well as the request from the subdivision to enhance some of the entryway landscaping. The common area and open space in the other six Special Service Areas are the responsibility of the homeowner’s associations in each of the respective neighborhoods, and the SSA’s are considered “dormant.” The Village would only enact the SSA’s if the common area and open space were not being maintained properly.

Legal Analysis

The Village’s third party tax advisors have reviewed the proposed ordinances.

Mayor Hoeft asked if the Village Board had any comments or questions; there were none.

Director Haley read the following motion:

- i. A motion is requested of the Village Board to approve an Ordinance Amending the Special Tax Roll for Special Service Area Number 5 (Southwind Subdivision) in the amount of \$36,250.00.**
- ii. A motion is requested of the Village Board to approve an Ordinance Amending the Special Tax Roll and Abating Special Service Area Taxes for Special Service Area Number 6 (Southwind Subdivision) in the amount of \$529,300.52 of which \$114,301.16 is hereby abated, *resulting in a Special Tax Requirement of \$414,999.36.***
- iii. A motion is requested of the Village Board to approve an Ordinance Amending the Special Tax Roll and Abating Special Service Area Taxes for Special Service Area Number 7 (Southwind Subdivision) in the amount of \$477,912.12 of which \$115,911.48 is hereby abated, *resulting in a Special Tax Requirement of \$362,000.64.***
- iv. A motion is requested of the Village Board to approve an Ordinance Amending the Special Tax Roll and Abating Special Service Area Taxes for Special Service Area Number 8 (Southwind Subdivision) in the amount of \$580,915.20 of which \$190,913.58 is hereby abated, *resulting in a Special Tax Requirement of \$390,001.62.***
- v. A motion is requested of the Village Board to approve an Ordinance Amending the Special Tax Roll and Abating Special Service Area Taxes for Special Service Area Number 9 (Wing Pointe Subdivision) in the amount of \$1,439,505.96 of which \$404,504.28 is hereby abated *resulting in a Special Tax Requirement of \$1,035,001.68.***
- vi. A motion is requested of the Village Board to approve an Ordinance Amending the Special Tax Roll and Abating Special Service Area Taxes for Special Service Area Number 10 (Heritage of Huntley Subdivision) in the amount of \$796,218.84 of which \$237,218.88 is hereby abated, *resulting in a Special Tax Requirement of \$558,999.96.***
- vii. A motion is requested of the Village Board to approve an Ordinance Abating the Special Service Area Taxes for Special Service Area Number 11 (Georgian Place Subdivision).**
- viii. A motion is requested of the Village Board to approve an Ordinance Abating the Special Service Area Taxes for Special Service Area Number 12 (Northbridge Subdivision).**
- ix. A motion is requested of the Village Board to approve an Ordinance Abating the Special Service Area Taxes for Special Service Area Number 13 (Covington Lakes Subdivision).**
- x. A motion is requested of the Village Board to approve an Ordinance Abating the Special Service Area Taxes for Special Service Area Number 14 (Lions Chase Subdivision).**
- xi. A motion is requested of the Village Board to approve an Ordinance Abating the Special Service Area Taxes for Special Service Area Number 15 (Cider Grove Subdivision).**
- xii. A motion is requested of the Village Board to approve an Ordinance Abating the Special Service Area Taxes for Special Service Area Number 16 (Talamore Subdivision).**

MOTION: Trustee Leopold
SECOND: Trustee Goldman
AYES: Trustees: Goldman, Kittel, Leopold, and Westberg
NAYS: None
ABSENT: Trustees: Holzkopf and Kanakaris
The motion carried: 4-0-2

- e) Consideration – Approval of an Ordinance abating the tax hereto levied for the year 2021 to pay the principal of and interest on General Obligation Bonds, Series 2021, of the Village of Huntley, McHenry and Kane Counties, Illinois

Director of Finance Cathy Haley reported that on June 11, 2020, the Village adopted Ordinance Number 2020-06.41 which provided for the issuance of General Obligation Bonds, Series 2020. This issuance was for the refunding of Debt Certificates 2015 and 2017, and the issuance of new monies to cover the cost of Downtown TIF Improvements in the amount of \$1,500,000. The property tax levies necessary to pay these bonds were included in the bond ordinance and the related notification of sale, and filed with each of the County Clerks prior to closing.

Staff Analysis

This ordinance will abate this levy in full since other revenue sources have been dedicated to the payment of this debt principal and interest. Revenue from the Wastewater Operating Fund has been dedicated to pay for the refunding of the 2017 Debt Certificate portion of the GO Bonds. Revenue sources dedicated to cover the Downtown TIF 2015 refunding and the new monies include the property tax dollars generated by the TIF increment, a portion of video gaming tax revenue, and transfers from the Water and Wastewater Operating Funds.

Legal Analysis

The ordinance was prepared by the Village's bond counsel firm of Chapman and Cutler LLP.

Mayor Hoeft asked if the Village Board had any comments or questions; there were none.

A MOTION was made to approve an Ordinance Abating the Tax Hereto Levied for the Year 2021 to Pay the Principal of and Interest on General Obligation Bonds, Series 2020, of the Village of Huntley, McHenry and Kane Counties, Illinois.

MOTION: Trustee Westberg
SECOND: Trustee Kittel
AYES: Trustees: Goldman, Kittel, Leopold, and Westberg
NAYS: None
ABSENT: Trustees: Holzkopf and Kanakaris
The motion carried: 4-0-2

- f) Policy Direction - Authorizing a Second Amendment to the Contract between the Village of Huntley and MDC Environmental Services, Inc. for Residential Wastehauling, Recycling, and Landscape Collection Services

Village Manager David Johnson reported that on November 15, 2007, the Village Board awarded the contract for residential wastehauling, recycling, and landscape collection services (exclusive of Sun City and apartments) to MDC Environmental Services for a period of seven years commencing on March 1,

2008 and ending February 28, 2015. In 2014, per Village Board direction, staff negotiated an extension of the contract for another seven-year period commencing March 1, 2015 and ending February 28, 2022.

With Village Board direction, staff will negotiate a third extension of the contract for a three-year period commencing March 1, 2022 and ending February 28, 2025.

Staff Analysis

The amendment to the contract provides for the following:

Rates:

The current regular monthly rate is \$19.96 and \$16.50 for seniors. Starting March 1, 2022, the regular rate would increase to a regular rate of \$21.60 and the senior rate of \$16.50 would remain the same. It is proposed that beginning March 1, 2023 and thereafter annually the rates would be increased by no more than three and one-half percent (3.5%).

Regular Program at 3.5%		Senior Rate at 3.5%	
Current Rate 2021	\$19.96	Current Rate 2021	\$16.50
3/1/22-2/28/23	\$21.60	3/1/22-2/28/23	\$16.50
3/1/23-2/28/24	\$22.36	3/1/23-2/28/24	\$17.08
3/1/24-2/28/25	\$23.14	3/1/24-2/28/25	\$17.68

Bulk Items:

The collection of unlimited bulk items per week at no additional charge would remain (does not include white goods, for which there is a separate charge).

Village Clean-Up/Electronic Waste Collection Events:

Free roll-off containers would be increased from 10 per year to 15 per year.

MDC has also agreed to continue to provide, free of charge, up to eight (8) roll off containers, transportation, and disposal services to each of the Village's annual Electronic Waste collection events subject to the Village limiting the events to Huntley residents. The value associated with the electronics-recycling event is estimated at approximately \$11,000.

MDC will also provide an additional, free of charge, one (1) on-site paper-shredding event per year. Staff would schedule this to take place as a second event taking place in the Fall.

Cart Exchange:

This item remains the same as with the last contract. MDC will change out at no additional cost to the resident a switch from their 95-gallon tote to a 65-gallon tote for garbage or a switch from a 65-gallon tote to a 95-gallon tote for recycling. The exchange is limited to 50 tote exchanges per year.

Financial Impact

There is no financial impact to the Village.

Legal Analysis

The Village Attorney will review the amendment if Staff is authorized to proceed with negotiations.

Village Manager Johnson reported that Noah Alexander from MDC Environmental Services was in attendance to answer questions.

Mayor Hoeft asked if the Village Board had any comments or questions.

Trustee Westberg stated that MDC is a valued resource for the Village with a great staff. Trustee Westberg noted that some of the garbage trucks are looking blighted and asked if there were plans to replace some of the blighted trucks. Mr. Alexander reported that MDC just purchased 17 new trucks.

Trustee Leopold asked if any other wastehaulers gave bids; Village Manager Johnson reported that the Village did not go out to bid. Trustee Leopold stated that we can't do better with the services from MDC.

Trustee Kittel stated that the residents are happy with their services but noted the increase is 8.5%. Mr. Alexander reported the prices of tires, oil and other variables went up 15%. Trustee Kittel asked if the rates will drop if inflation goes down. Mr. Alexander stated that they estimate that their costs will increase at about 6%. Trustee Kittel suggested that if inflation dips below the 3.5% that Staff and MDC could have a conversation. Mayor Hoeft stated that rates could also go up too and he is happy with the lock-in at 3.5% in case it goes higher. Mayor Hoeft stated that the Village has had a long relationship with MDC.

Trustee Westberg stated that he appreciates their services included the unlimited bulk pickup.

There were no additional comments or questions.

It was the consensus of the Village Board for Staff to continue working with MDC on a Second Amendment to the Contract between the Village of Huntley and MDC Environmental Services, Inc. for Residential Wastehauling, Recycling, and Landscape Collection Services.

- g) Discussion – Presentation by Patrick Engineering, Inc. for the Phase I Engineering of the Kreutzer Road Realignment Project

Director of Public Works and Engineering Timothy Farrell reported that the Capital Improvement Plan has identified the improvement of a section of Kreutzer Road, a Village jurisdiction roadway, from east of the intersection of IL Route 47 to Haligus Road, a length of approximately 6,500 feet. The typical existing roadway section within these limits is one through lane in each direction, undivided, with aggregate shoulders. The proposed improvement includes reconstruction and widening of Kreutzer Road within these limits to provide a continuous bi-directional center turn lane with curb and gutter, and storm sewers for drainage, with the addition of an 8-ft. wide multi-use path along the north side of Kreutzer Road throughout the length of the improvements, and a section of roadway realignment at the existing at-grade crossing of the Union Pacific (UP) railroad to improve existing sharp horizontal curves.

Staff Analysis

On February 27, 2020, the Village Board approved a Phase I Engineering Services Agreement for the Kreutzer Road Realignment Project to Patrick Engineering, Inc. (PEI). All work has been completed in accordance with federal project development procedures as outlined in the IDOT Bureau of Local Roads and Streets (BLRS) Manual, to ensure the project is eligible for federal funding as part of subsequent phases of engineering and project implementation. PEI is the Prime Consultant for the completion of Phase I Engineering services for this project and Christopher B. Burke Engineering (CBBEL) is a sub-consultant to PEI.

Director Farrell introduced Patrick Engineering Project Manager Jeff Pisha who reviewed a Power Point presentation of the summary of the project goals, alignment alternative evaluation, proposed improvement plan, right-of-way requirements, and estimated project costs. The next step includes a Public Information Meeting. A Phase II Engineering proposal will be submitted for Village Board consideration at a later date. Jarrord Cebulski of Patrick Engineering was also present.

Financial Impact

On July 23, 2020, the Surface Transportation Program (STP) was approved by the McHenry County Council of Mayors. The Kreutzer Road Realignment Project is funded in the STP maximum amount of \$1.5M for construction in Federal FY25. With the completion of the Phase I, the Village of Huntley is in a better position to apply and be considered for additional grant funding.

The Phase I Engineering was a budgeted expenditure at a cost of \$320,050. The remaining project estimated costs are identified in the following table:

**Kreutzer Road Realignment
Engineer's Estimate of Probable Construction Cost**

<u>Item Description</u>	<u>Estimated Cost</u>	<u>SIP Funds</u>	<u>Water Capital</u>	<u>Rebuild IL</u>	<u>STP</u>
Phase I Engineering (FY20-21)	\$ 320,050	\$ 320,050			
Phase II Engineering (FY21)	\$ 170,000			\$ 170,000	
Phase II Engineering (FY22)	\$ 601,600			\$ 601,600	
UPRR Engineering (FY22)	\$ 35,000			\$ 35,000	
Survey Plats (FY22)	\$ 50,000			\$ 50,000	
Land Acquisition Services (FY22)	\$ 147,600	\$ 147,600			
ROW Acquisition (FY22)	\$ 2,028,900	\$ 1,126,393		\$ 902,507	
Phase III Engineering (FY24)	\$ 786,300	\$ 786,300			
Construction (FY24)	\$ 7,863,000	\$ 6,120,000	\$ 243,000		\$ 1,500,000
Total Project Cost	\$ 12,002,450	\$ 8,500,343	\$ 243,000	\$ 1,759,107	\$ 1,500,000

After the presentation, Mayor Hoefft asked if the Village Board had any comments or questions.

Trustee Goldman asked how the property would be acquired; Mr. Cebulski reported that a negotiator will be hired to provide offers at the appraised value of the property as they will need clear titles. Trustee Goldman asked if he foresees any problems with working with two (2) counties. Mr. Cebulski stated that the road is under the Village's jurisdiction but they will be able to coordinate everything with the Counties.

Trustee Goldman asked if they think there will be any issues with the railroad. Mr. Cebulski stated that the railroad charges for their review of the project and those costs are already built into the budget. Director Farrell stated that the Village will have an approved agreement with the railroad.

Trustee Goldman asked if there will be a bike path. Mr. Cebulski stated that an 8' wide multi-use path will be constructed on the north side of the roadway.

Trustee Goldman noted the middle lane and stated that she thinks that trucks will still have issues getting into the driveway. Mr. Pisha stated that it is not perfect but it will be better as the trucks will wait in the middle lane for a gap in the traffic.

Trustee Westberg asked what will happen with the abandoned portion of the road; Mr. Pisha stated that it will be removed and seeded. It will still be the property of the Village.

Trustee Westberg noted the 2020-50 transportation plan with Longmeadow Parkway and asked if the proposed culverts installed should be for five (5) lanes. Mr. Cebulski stated that the current KDOT plans now show that they will not build five (5) lanes for the next 25 years and the life of culverts is 20-25 years. Mr. Cebulski stated that the culverts can be lengthened, if needed.

Trustee Leopold asked why the multi-use path is being planned for the north side and not the south side. Director Farrell reported that the existing two (2) connecting points are on the north side and the majority of the use will come from Wing Pointe.

Trustee Leopold suggested that they ask for land donations.

There were no other comments or questions.

Mayor Hoeft thanked them for the presentation and update.

h) Consideration – A Resolution Regarding Land Use and Development Objectives for Certain Undeveloped Land in the I-90/ Il 47 Gateway Planning Area

Village Manager David Johnson reported that the Village Board approved rezoning of Horizon Development Limited Partnership (HDLP) property on the east side of Route 47 south of Jewel on August 26, 2021, from C-2 Commercial to BP-Business Park (excluding outlot frontage along Rt. 47). HDLP entered into a restrictive covenant agreement with Jewel in 2001 as part of the sale to Jewel. The agreement includes a restriction that prohibits most of the uses in the BP District. This impacts approximately 10 acres of newly-zoned BP property. HDLP has made a direct request to Albertsons, the parent company of Jewel, to release the restriction to allow the 10 acres to be combined with another 20 acres not impacted by the restriction, thereby creating a larger, more marketable BP parcel for development.

Staff Analysis

HDLP has requested that the Village express its support for the BP land use and development objectives to assist with their request of Albertsons to release the restriction on the 10 acres. The Village Attorney has prepared a resolution for Village Board consideration.

Legal Analysis

Approval of the resolution in no way obligates the Village to approve any development plans that may be submitted for approval at a later date by HDLP.

Village Manager Johnson reported that Phil Waters was in attendance to answer questions.

Mayor Hoeft asked if the Village Board had any comments or questions.

Trustee Westberg asked what it was the 10 acres zoned before; Village Manager Johnson stated it was C-2 Commercial.

Trustee Goldman stated that she did not object to their request.

A MOTION was made to approve a Resolution Regarding Land Use and Development Objectives for Certain Undeveloped Land in the I-90/ II 47 Gateway Planning Area.

MOTION: Trustee Leopold
SECOND: Trustee Goldman
AYES: Trustees: Goldman, Kittel, Leopold, and Westberg
NAYS: None
ABSENT: Trustees: Holzkopf and Kanakaris
The motion carried: 4-0-2

VILLAGE ATTORNEY’S REPORT: None

VILLAGE MANAGER’S REPORT: None

VILLAGE PRESIDENT’S REPORT:

Mayor Hoeft reported:

Results of the Christmas Tree Decorating Contest from A Very Merry Huntley – the Contest collected \$700 for the Grafton Food Pantry. The participants and winning trees were announced in this week’s e-news and on Facebook (and are set up in the Lobby).

12/11: Along with the Indoor Farmers Market, Heineman Middle School’s Music Students will be Caroling in the Square from 10am – 11am followed by Girl Scout Troop 2000 Caroling from 11am-Noon.

12/16: Next VB meeting and the last meeting for 2021.

Village Manager Johnson reported that beginning with the next meeting, the agenda will now include Consent Agenda items which are items considered to be routine by the Village Board and may be approved and/or accepted by one motion with a Roll Call Vote. If further discussion is needed, any member of the Board may request that an item be moved off of the Consent Agenda to Items for Discussion and Consideration.

UNFINISHED BUSINESS: None

NEW BUSINESS: None

EXECUTIVE SESSION: None

POSSIBLE ACTION ON ANY CLOSED SESSION ITEM: None

ADJOURNMENT:

There being no further items to discuss, a MOTION was made to adjourn the meeting at 8:21 p.m.

MOTION: Trustee Leopold
SECOND: Trustee Westberg
AYES: Trustees: Goldman, Kittel, Leopold, and Westberg
NAYS: None
ABSENT: Trustees: Holzkopf and Kanakaris
The motion carried: 4-0-2

Respectfully submitted,

Barbara Read, Recording Secretary