

**VILLAGE OF LAKE BLUFF
BOARD OF TRUSTEES
REGULAR MEETING
April 8, 2019**

APPROVED MINUTES

1. CALL TO ORDER AND ROLL CALL

Village President O’Hara called the meeting to order at 7:05 p.m. in the Lake Bluff Village Hall Board Room, and Village Clerk Joy Markee called the roll.

The following were present:

Village President: Kathleen O’Hara

Trustees: Barbara Ankenman
Mark Dewart
Paul Lemieux
William Meyer
Aaron Towle

Absent: Eric Grenier, Village Trustee

Also Present: Joy Markee, Village Clerk
Peter Friedman, Village Attorney
Drew Irvin, Village Administrator
Bettina O’Connell, Finance Director
Jeff Hansen, Village Engineer
Mike Croak, Building Codes Supervisor
Jake Terlap, Public Works Superintendent
Mike Hosking, Interim Police Chief
Glen Cole, Assistant to the Village Administrator (A to VA)
John Scopelliti, Administrative Intern

2. PLEDGE OF ALLEGIANCE

President O’Hara led the Pledge of Allegiance.

3. AWARD AND PROCLAMATIONS

President O’Hara said Postal Carrier Paula Nordeen has been a cheerful and positive face for Lake Bluff and that it is an honor to recognize her 30 years of public service. She invited Ms. Nordeen to the podium then read the proclamation honoring her, presented her with a framed copy of the proclamation, and thanked her for her service.

Ms. Nordeen said she loves Lake Bluff, the post office and everyone she has met over the years. She said Lake Bluff is a really special place and she was blessed to have an opportunity to serve the community. Ms. Nordeen said the recognition is a perfect reflection of what Lake Bluff represents, a little bubble of caring and generous people. She thanked everyone for being special to her.

Following the presentation, President O'Hara allowed a brief intermission to allow people an opportunity to leave the meeting.

President O'Hara read the proclamations designating April 26, 2019 as *Arbor Day* in the Village of Lake Bluff and April 2019 *Fair Housing Month*. President O'Hara said the proclamations will be approved by the Board if there are no objections. There were no objections from the Board.

President O'Hara reported the Village of Lake Bluff is a proud recipient of two prestigious financial awards from the Government Finance Officers Association of the United States and Canada (GFOA). These awards represent a significant accomplishment by staff, namely Village Finance Director Bettina O'Connell and her team, in implementing the highest standards and best practices in municipal budgeting and financial reporting and setting an example to other agencies.

➤ The Government Finance Officers Association (GFOA) has presented a **Distinguished Budget Presentation Award** to the Village of Lake Bluff, for its Biennial Budget being May 1, 2018. The Distinguished Budget Award is the highest form of recognition in governmental budgeting. GFOA established the Distinguished Budget Presentation Awards Program (Budget Awards Program) in 1984 to encourage and assist state and local governments to prepare budget documents of the very highest quality that reflect both the guidelines established by the National Advisory Council on State and Local Budgeting and the GFOA's best practices on budgeting and then to recognize individual governments that succeed in achieving that goal.

➤ The Village of Lake Bluff was also awarded the **Certificate of Achievement for the Excellence in Financial Reporting** for its fiscal year 2018 comprehensive annual financial report. This is the highest form of recognition in governmental accounting and financial reporting. The GFOA established the Certificate of Achievement for Excellence in Financial Reporting Program (CAFR Program) in 1945 to encourage and assist state and local governments to go beyond the minimum requirements of generally accepted accounting principles to prepare comprehensive annual financial reports that evidence the spirit of transparency and full disclosure and then to recognize individual governments that succeed in achieving that goal. The goal of the program is not to assess the financial health of participating governments, but rather to ensure that users of their financial statements have the information they need to do so themselves.

President O'Hara reported despite receiving these very same awards numerous times, Staff remains committed to continue working on improving the quality of financial documents and maintaining transparency in public spending. She noted that Staff is appreciative of the Village Board and Finance Committee's support and guidance in these efforts.

4. CONSIDERATION OF THE MINUTES OF THE MARCH 11, 2019 VILLAGE BOARD MEETING

Trustee Ankenman moved to approve the March 11, 2019 Board of Trustees Regular Meeting Minutes as presented. Trustee Dewart seconded the motion. The motion passed on a unanimous voice vote.

5. NON-AGENDA ITEMS AND VISITORS

President O'Hara stated the Village President and Board of Trustees allocate fifteen minutes for those individuals who would like the opportunity to address the Village Board on any matter not listed on the agenda. Each person addressing the Village Board of Trustees is asked to limit their comments to a maximum of five (5) minutes.

Casey Murray a junior at Lake Forest High School said he recently read that the Lake Bluff Park District, specifically, Sunrise Park and Beach plans to accept sand dredged from Waukegan Harbor. It is his understanding that the documents released by the U.S. Army Corps of Engineers indicates there are measurable quantities of PCBs in the sand and Waukegan Harbor is a designated Superfund site pursuant to Environmental Protection Agency regulations. Mr. Murray asked why a public referendum was not initiated prior to acceptance and why the public was not made aware of this matter. He is concerned that residents will be exposed to PCB contamination from sand approved by the Park District without prior approval by the Village.

President O'Hara said this is a Federal pilot program initiated and controlled by the U.S. Army Corps of Engineers to ship excess dredged sand to Lake Bluff, North Chicago, Evanston and Glencoe. She said all concerns should be addressed with the Park District as this entity is responsible for the beach and any decisions regarding participation in the pilot program.

Village Administrator Drew Irvin commented on his recent discussions with Lake Bluff Park District Executive Director Ron Salski regarding this pilot program. It is his understanding that the Park District desires to participate in the pilot program but the Park District Board must take formal action, which consists of public meetings, regarding their intent. Village Administrator Irvin commented that the former Lake Bluff Village Engineer had served on the Sand Management Team and there was a document published by the U.S. Army Corps of Engineers describing the project.

Following a request from Village Administrator Irvin, Village Engineer Jeff Hansen expressed his understanding that the sand will not be dredged from the contaminated areas of Waukegan Harbor, but from clean sand that has migrated from northerly beaches, and the sand will be retested before redeposited on the beaches. He said there is a rule that any material dredged out of Lake Michigan cannot be disposed into Lake Michigan and explained why. He said on the federal level this is a positive step but safety is of the utmost importance and he does not believe the program will be initiated without additional testing.

Susan McMurray, a resident, expressed her concern regarding chemical exposure as there are many industries that discharge into the Waukegan Harbor, such as a former asbestos plant. Ms. McMurray commented on an article which stated "the sand will be dredged from the Waukegan Harbor and not from the waterway" and said she is hopefully that the U.S. Army Corps of Engineers will do the right thing because it does bother her that the intent is to dredge sand from the Waukegan Harbor.

President O'Hara thanked everyone for their comments and encourage everyone to contact the Park District as this matter is not within the purview of the Village Board.

Following a request from President O'Hara, Village Administrator Irvin explained that the sand pilot project was not the same Park District business later on the Village Board agenda. He said the State awarded the Village grant funds for costs associated with access improvements to Sunrise Park and Beach. This evening the Board will consider entering into an intergovernmental agreement to memorialize the

respective obligations of each agency regarding the grant and beach improvements. If approved, under the terms of the agreement, the Park District will be provided the funds from the grant and shall act as the lead agency.

Ms. McMurray expressed her preference to receive updated data, have the sand deposited in the water and not on the beach, and that the Village be involved in this matter so as not to put its constituents at risk.

In response to a question from Trustee Meyer, Village Administrator Irvin said the Village may have input regarding construction permit process or road access but the Park District is a separate taxing agency. It is his understanding that the Park District petitioned to be a part of the Federal pilot program.

Trustee Dewart encouraged anyone concerned to contact their elected officials and request proof of assurance that the U.S. Army Corps of Engineers has followed the appropriate guidelines associated with sand dredging sites.

6. VILLAGE BOARD SETS THE ORDER OF THE MEETING

There were no request to change the order of the meeting.

7. ITEM #7A – WARRANT REPORT FOR MARCH 16-31, 2019, APRIL 1-15, 2019 AND MARCH 2019 PAYROLL EXPENDITURES

President O’Hara reported expenditure of Village funds for payment of invoices in the amount of \$385,599.71 for March 16-31, 2019, funds for payment of invoices in the amount of \$343,258.66 for April 1-15, 2019, and Village funds for payroll in the amount of \$328,590.71 for March 2019. As such total expenditures in the amount of \$1,057,449.08.

As there were no questions from the Board, Trustee Dewart moved to approve the Warrant Report. Trustee Meyer seconded the motion. The motion passed on the following roll call vote:

Ayes: (5) Ankenman, Dewart, Lemieux, Meyer and Towle
Nays: (0)
Absent: (1) Grenier

8. ITEM #8 – VILLAGE ADMINISTRATOR’S REPORT

Village Administrator Irvin had no report.

9. ITEM #9 – VILLAGE ATTORNEY’S REPORT

Village Attorney Friedman had no report.

10. ITEM #10 – VILLAGE PRESIDENT’S REPORT

President O’Hara had no report.

11. ITEM #11 – ACCEPTANCE OF THE CORRESPONDENCE

President O'Hara introduced the correspondence from the Informational Reports on March 8, 15, 22, and 29, 2019.

Trustee Towle moved to accept the correspondence as submitted. Trustee Lemieux seconded the motion. The motion passed on a unanimous voice vote.

12. ITEM #12 – AN ORDINANCE AMENDING THE FIRST YEAR OF THE BIENNIAL BUDGET OF THE VILLAGE OF LAKE BLUFF, COUNTY OF LAKE, STATE OF ILLINOIS, FOR THE FISCAL YEAR BEGINNING MAY 1, 2018 AND ENDING APRIL 30, 2019

President O'Hara reported Staff recommends amending the FY19 budget in the amount of \$207,797 to align expenses in resolution change orders and resolution modifications with budgeted amounts in the FY2018-2020 Biennial Budget. Funds are available to effectuate the revisions from sources other than tax levy. In summary the amendment amounts are related to the following:

- Resolution #2019-2 – establishing an agreement with HRGov for the Police Chief recruitment in the amount of \$20,000.
- Resolution #2018-59 – modifying the pay plan to include the part-time and temporary staffing positions of Firefighter/Paramedic/EMT and the pre-employment recruitment expenses association with the temporary appointments.
- Resolution #2018-66 - adding contractual costs associated with the State of Illinois Office of Procurement's 48% rock salt price per ton increase.
- Resolution #2018-69 & 2019-18, 19, 20 – related to the non-mft paving contract change orders.
- Resolution #2018-70 – amending the Landscape Waste agreement with DK Organic.
- Village Administrator approved expenses related to the Simpson Alley tree removal, and storm sewer repair on Mawman and Cambridge.

Village Administrator Irvin said this bookkeeping matter is being presented because there were substantial changes to the budget this year.

Trustee Lemieux moved to approve first reading of the ordinance. Trustee Meyer seconded the motion. The motion passed on a unanimous voice vote.

13. ITEM #13 - A PUBLIC HEARING CONCERNING THE VILLAGE OF LAKE BLUFF PROPOSED FISCAL YEAR 2020 BIENNIAL BUDGET UPDATE

President O'Hara introduced the agenda item then opened the public hearing.

Finance Director Bettina O'Connell said the public hearing is for the Village's biennial budget update document for fiscal period beginning May 1, 2019 and ending April 30, 2020. The 2023 Strategic Plan expresses that "The Village of Lake Bluff's mission is to provide vision, stewardship, and valued services, and fosters a vibrant community culture to enhance our quality of life." The mission is directly correlated to the planning and commitment of resources, for which the budget is a building block. Finance Director O'Connell said the Village's organizational goals are also the basis for the budget.

Finance Director O'Connell said FY2020 is the second year of the biennial budget noting this type of budget provides more certainty, and diligent reviewing. The budget is organized by funds which allows for the allocation of resources and the various funds in the budget account for activities with different

objectives. The general fund typically includes department expenses, while special revenue funds include fire tax, IMRF, Social Security, MTF and 911. She said the Village's special revenues are proceeds from specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt or service capital projects, the capital fund for special projects, debt to account for bond debt. The water fund is a business enterprise with revenues for water infrastructure services related to providing water to the community and the police pension fund is a separate trust fund. She said the Library is considered a component fund; however, they levy their own taxes.

Finance Director O'Connell said the total FY20 Village and Library operational budget which consist of all costs except capital and contingency is \$12.1 million, representing about an 8.49% increase from FY19. The changes are related to negotiated collective bargaining agreements that provided retroactive annual increases for FY16, 17 and 18, fire department personnel and contract costs. She said the draft fund balance projects for FY20 include assumptions for project expenses and an annual contribution to the capital fund of \$400,000. General fund revenue projections remain fairly flat, assuming no further changes are made to local government distributions. In addition to departmental expenses, changes are due to project rollover costs for bike path lighting, the underpass pedestrian bridge, underpass handrails, and Forest Cove out falls expenses. Finance Director O'Connell said that interfund transfers were reassessed and vehicle equipment useful lives and values were charted cyclically increasing the annual contributions to the replacement fund by \$30,000. The FY20 Budget includes new capital improvement project fund expenses. The fund was created for the purpose of utilizing general fund reserves to address capital improvements. A balanced operating budget is presented with operating revenues expected to exceed operating expenditures. The Village continues to balance available resources with the costs of providing appropriate services.

Finance Director O'Connell showed a slide of the FY20 Projected Revenues noting economically sensitive revenues are flat with very little change from the prior year. She reviewed the assumptions used regarding property tax, sales tax and other taxes noting the assumptions have some adjustments this budget cycle depending on year-to-date historical amounts, but overall a conservative approach was taken.

Finance Director O'Connell showed a slide of the history of major revenue sources noting a 6-year comparison to the budget shows the stability of property tax revenue, the sales and home rule tax included with the additions in the western business corridor. She showed a slide of the tax chart and said from a taxable perspective the Village strives to balance taxes, user fees and other revenue sources to ensure finances. The Village represents 9% of the total tax bill and distribution of the 2018 property taxes will be collected in budget year 2020. She showed a slide of a graph displaying general fund balances for FY15 through FY18 based on actual audited financials and projected FY19 and 20. In addition to department expenses changes to general fund balances have been affected by transfers to the capital fund for \$2 million in FY19 and \$400,000 and FY20. The graph represents where the fund balance policy dictates that the Village should have approximately 50% of one year's operating expenses in reserve.

Finance Director O'Connell showed a slide of the total budget vs. operating budget and noted the chart does not include the Library and represents all Village funds excluding interfund transfers. The operating costs have increased due to Fire Department expenses. The operating budget includes personnel costs, contracts, commodities and pension costs. She showed a slide of the total Library budget and noted its long-range plan is under development to chart a course through the significant ongoing change experienced by today's public libraries. The FY19 Library budget was higher than FY18 to account for facilities projects. The roof of both the main building and annex were replaced in these one-time additional capital cost used reserves and noted this year the Library anticipates transferring \$34,900 to replenish

reserves. The minor repairs are ongoing and the Staff and Library Board of Trustees remain committed to providing safe accessible and welcoming facilities. The FY20 capital cost include replacement of aging computers.

Finance Director O'Connell showed a slide of the FY20 expenditures and noted capital, as a whole, increased 2%, contracts and commodities 4%, and personal services 5%. She showed a slide with a chart of capital spending vs. operations. Finance Director O'Connell said the capital expenditure budget of \$5.75 million represents 34% of the total budget in FY20. The chart illustrates the changes in actual capital versus operational expenditures from FY15 through FY20. The FY19 proposed capital schedules was 38.5% more aggressive than the previous 10 year average. For FY20 the capital fund expenditures are 64% greater than FY18. The expenditures include water main and water meter replacement, valve and hydrant rehabilitation, and West Sheridan Place storm sewer expansion.

Finance Director O'Connell showed a slide of the capital improvements and noted the slide graphically displays planned sanitary storm sewer, water and walkway, and street improvements. She showed a slide of the capital improvements and noted the asterisk indicate rollover costs. There are changes requested for FY20 including bike path lighting phase II, underpass pedestrian bridge phase II, underpass handrails, Forest Cove outfalls, and the lift station rehabilitation project.

Village Administrator Irvin said Staff is waiting for a response to a Safe Routes to School grant submitted for the bike path lighting project. This evening the Board will consider a resolution regarding capital improvements bonds, specifically for water projects.

Finance Director O'Connell thanked the Board for their support, the Finance Committee for their direction and all the Departments for their work and collaboration.

Finance Committee Chair Dewart said it has been a privilege to work with Finance Director O'Connell noting she has done a fine job in communicating how Village funds are used and resourced. He also thanked the Village Engineer and Staff for their work on the additional capital improvement opportunities.

President O'Hara thanked Staff and closed the public hearing.

14. ITEM #14 – AN ORDINANCE ADOPTING THE BIENNIAL BUDGET UPDATE FOR THE VILLAGE OF LAKE BLUFF FOR THE FISCAL YEAR COMMENCING MAY 1, 2019 AND ENDING APRIL 30, 2020

President O'Hara reported this tentative budget, in the amount of **\$18,174,014** plus **\$1,976,595** in inter-fund transfers for FY2020, includes the Village of Lake Bluff funds and the Lake Bluff Public Library funds. The Village is submitting an update to its two-year fiscal plan; this update to the multi-year budget process emphasizes long-range planning, budgeting for results, effective program management, and fiscal responsibility. Specifically, the primary objectives of this budget are to: (i) maintain current fund balances at or above Village minimum reserve levels, (ii) control operational costs, (iii) continue reinvestment in Village infrastructure, and (iv) continue to deliver quality and efficient services residents expect from the Village of Lake Bluff. Additionally, this budget has been assembled with the intention to allocate resources consistent with the developed 2023 Village Strategic Plan.

President O'Hara reported the operating budget (all costs except capital and contingency) for the Village and the Library is \$12.13 million for FY2020, representing an 8.4% increase from the previous year

budget. The capital expenditure budget of \$5.78 million for FY2020 represents 32% of the total budget. Property taxes and sales taxes continue to be the two largest sources of revenue at \$4.33 million and \$4.17 million. Sales tax revenue projections are flat for FY2020. While sales have recovered from prior years and remain consistent, the State continues to raise concerns as they seek to find additional revenues streams that may have a direct impact on municipal budgets. The tentative budget includes \$1.9 million in new debt to fund important water system infrastructure. President O'Hara further reported on March 11, 2019 the Village Finance Committee discussed and recommended approval of this tentative budget document, which was available for public inspection on March 27, 2019 at the Village Hall, the Public Safety Building as well as on-line at the Village's website at lakebluff.org.

As there were no questions from the Board, Trustee Dewart moved to approve first reading of the ordinance. Trustee Ankenman seconded the motion. The motion passed on a unanimous voice vote.

15. ITEM #15 – A RESOLUTION EXPRESSING OFFICIAL INTENT REGARDING CERTAIN CAPITAL EXPENDITURES TO BE REIMBURSED FROM PROCEEDS OF AN OBLIGATION TO BE ISSUED BY THE VILLAGE OF LAKE BLUFF, LAKE COUNTY, ILLINOIS (2019 Capital Improvements Bonds-Water Fund)

President O'Hara reported at the March 11, 2019 Finance Committee meeting members unanimously recommended to proceed with the issuance of debt for the purposes of funding:

- A Village-wide Water Meter Replacement Project and the installation of a new electronic meter reading system to collect readings remotely;
- A Water Main Replacement Project to replace three challenged sections of water main totaling 2,200 lineal feet of new water main; and
- A Water Valve and Hydrant Replacement Project to replace nonfunctioning valves and certain hydrants in the Village.

President O'Hara reported in order to allow reimbursement of expenses related to these projects a formal reimbursement resolution must be passed. The attached simply expresses the official intent regarding the capital expenditures to be reimbursed from proceeds of an obligation to be issued by the Village of Lake Bluff, which is expected to occur in July of 2019.

As there were no questions from the Board, Trustee Dewart moved to adopt the resolution. Trustee Meyer seconded the motion. The motion passed on the following roll call vote:

Ayes: (5) Dewart, Lemieux, Meyer, Towle and Ankenman
Nays: (0)
Absent: (1) Grenier

16. ITEM #16 – AN ORDINANCE AMENDING TITLE I OF THE MUNICIPAL CODE OF THE VILLAGE OF LAKE BLUFF REGARDING THE COMPREHENSIVE FEE SCHEDULE

President O'Hara reported as part of the budget development process, the Finance Committee reviews the comprehensive fee schedule. At its March 11 meeting, the Committee recommended the Village Board increase water fees by 1.5% to adequately cover projected operating and capital costs associated with the Village water system. She further reported that, following a discussion with the Finance Committee, the

Village Administrator recommends a minor technical change to the comprehensive fee schedule to clarify the treatment of certain minor subdivisions.

As there were no questions from the Board, Trustee Lemieux moved to approve first reading of the ordinance. Trustee Towle seconded the motion. The motion passed on a unanimous voice vote.

17. ITEM #17 – A RESOLUTION AUTHORIZING THE EXECUTION OF A CONSTRUCTION CONTRACT WITH VIAN CONSTRUCTION FOR THE 2019 WATERMAIN IMPROVEMENTS PROJECT

President O’Hara reported on Wednesday March 6, 2019, the Village of Lake Bluff opened bids for the 2019 Watermain Improvements Project. Four bids were received, with the lowest responsive bid of \$486,232.00 submitted by Vian Construction Company, Inc. of Elk Grove Village, Illinois. She further reported the project includes replacing existing cast or ductile iron watermain in three locations where breaks have occurred in the past with new ductile iron pipe. The locations are on Cambridge Lane, on East Sheridan Place in front of the Lake Bluff Middle School, and on Armour Drive between Lancaster Court and Inverness Court.

President O’Hara reported the Villages tentative FY20 Budget includes \$510,000 for the project. In addition to the construction contact, the Village intends to hire Gewalt Hamilton Associates to provide construction engineering services for the project at a cost of approximately \$20,000 for a total estimated project cost of \$506,232.00. She further reported the Village Engineer is recommending the award of a contract for the construction of the 2019 Watermain Improvements Project to the low bidder, Vian Construction in the bid amount of \$486,232.00.

As there were no questions from the Board, Trustee Ankenman moved to adopt the resolution. Trustee Lemieux seconded the motion. The motion passed on the following roll call vote:

Ayes: (5) Lemieux, Meyer, Towle, Ankenman and Dewart
Nays: (0)
Absent: (1) Grenier

18. ITEM #18 – A RESOLUTION AUTHORIZING AN INTERGOVERNMENTAL FUNDING AGREEMENT FOR IMPROVEMENTS TO SUNRISE PARK AND BEACH BETWEEN THE VILLAGE OF LAKE BLUFF AND THE PARK DISTRICT OF LAKE BLUFF

President O’Hara reported last summer the Lake Bluff Park District announced it received \$350,000 in grant funds from the Build Illinois Bond Fund to the Office of the Secretary of State for costs associated with access improvements to Sunrise Park and Beach (“Grant”). The Lake Bluff Park District (“Park District”) is the owner of Sunrise Park and Beach (“Beach”) and is responsible for the maintenance and operation of the Beach. Because the Grant legislation technically awarded the funds to the Village of Lake Bluff and amending the appropriation act is not possible, it is necessary for the Village and the Park District to enter into an intergovernmental agreement (“Agreement”) to memorialize the respective obligations of each agency regarding the Grant and the Beach improvements. Under the terms of the Agreement, the Park District will be provided the funds from the Grant and shall act as the lead agency – it is responsible for coordinating all aspects of the Grant. She further reported it is anticipated that the Park District will bring the plans for the proposed access improvements to the Village for review later this year.

As there were no questions from the Board, Trustee Towle moved to adopt the resolution. Trustee Lemieux seconded the motion. The motion passed on the following roll call vote:

Ayes: (5) Meyer, Towle, Ankenman, Dewart and Lemieux
Nays: (0)
Absent: (1) Grenier

19. ITEM #19 – AN ORDINANCE GRANTING A SPECIAL USE PERMIT FOR THE PROPERTY LOCATED AT 1875 SHORE ACRES DRIVE TO PERMIT THE CONSTRUCTION OF AN ELECTRIC LIFT SYSTEM ON A BLUFF

President O’Hara reported that, at its regular meeting in April, the PCZBA held a public hearing to consider granting a special use permit that would allow the construction of an electric lift system on a bluff at 1875 Shore Acres Drive (a residential property). A copy of the staff memorandum, application for zoning relief, and plans are attached that further describe the request. At the conclusion of the public hearing, the PCZBA recommended unanimously that the Village Board grant the special use permit.

As there were no questions from the Board, Trustee Ankenman moved to approve first reading of the ordinance. Trustee Meyer seconded the motion. The motion passed on a unanimous voice vote.

20. ITEM #20 – AN ORDINANCE AMENDING TITLE 7 OF THE MUNICIPAL CODE TO REGULATE SMALL WIRELESS FACILITIES (SWFs)

President O’Hara reported the “Small Wireless Facilities Deployment Act” (“SWF Act”), which became effective on June 1, 2018, significantly restricts the ability of municipalities to regulate the installation and operation of small wireless facilities (“SWFs”) by wireless services providers such as AT&T and Verizon and by installers of SWFs. She further reported in July 2018, the Village adopted fees for SWF permits that conform to the SWF Act as required by statute. Following considerable regional dialogue regarding best practices in SWF regulation, the Village Attorney has drafted the attached amendment to Title 7, Chapter 3 of the Village Municipal Code that adjusts the Village’s existing right-of-way ordinance to conform to the SWF Act. The ordinance regulates, to the extent possible under the SWF Act:

- Location of SWFs, including restrictions on their construction in residential areas;
- Appearance, color, screening, and concealment of SWFs;
- Removal of abandoned SWFs; and,
- Best practices in designing, engineering, and operating SWFs including emergency respond.

President O’Hara reported the Ordinance also includes a model pole license agreement, which would be entered into by and between the Village and a wireless service provider seeking to install and operate equipment on Village facilities pursuant to the SWF Act. She further reported adoption of these regulations is a direct extension of the Village’s current policies to minimize the potential adverse impacts of monopoles and cellular facilities, to the extent that these goals can be realized within the framework of the SWF Act.

In response to questions from Trustee Lemieux, Village Attorney Peter Friedman confirmed that the draft ordinance is as stringent as allowed pursuant to the SWF Act.

In response to a comment from the Board, President O'Hara said it is her understanding that the State's SWF bill has been passed and the Village must comply with the SWF Act. A discussion followed.

Trustee Lemieux expressed concern regarding the size of the utility boxes. He asked if there are requirements for difference carriers to cohabitate or will there be multiple poles for multiple carriers. Village Administrator Irvin said during the U-Verse rollout the Village addressed how to minimize the impact of "quasi-refrigerators" placed in the Village right-of-way. He said by definition "small wireless facilities" are smaller in nature and these guidelines allows the Village to place accessories underground and specific utility boxes either higher or lower on the telephone poles. A discussion regarding size restrictions followed.

In response to a comment from Trustee Lemieux, Village Attorney Friedman said the Village cannot compel wireless service providers such as AT&T and Verizon to use the existing facilities strapped to existing poles.

Trustee Towle shared information and suggested action that was provided in the email from a manufacturer in the industry and noted the email was provided to Staff. He also mentioned there are other competitors which the Village may consider that build 5G antennas. Trustee Towle asked if the Village could encourage wireless service providers and installers to go toward what the Village envision as the most aesthetically pleasing antenna. He expressed his concern that the Village may have to allow additional cabinets.

Village Attorney Friedman said many of the existing utility poles do not belong to the Village; therefore, it may encourage, not impose, certain requirements in the draft ordinance.

In response to an aforementioned comment regarding colocation, Village Administrator Irvin responded by reading Section 7-3-17F, Guidance on SWF Locations and noted that Section 7-3-17G, Decorative Utility Poles. These sections addresses concealment with collaboration and the actions which the Deputy Building Commissioner may pursue. He commented on his discussion with Trustee Towle regarding how to incentive providers to be as subtle as possible in their deployment and infrastructure built out.

Village Attorney Friedman said the Village may encourage, but does not have the authority to condition a permit associated with a new pole or use of utility boxes. The Village would have more authority if the poles were located on private or Village owned property but State statutes regulates the existing utility poles located within public right-of-ways.

Village Administrator Irvin commented on his preliminary conversations and noted most providers did want to enter into a master agreement because they wanted to spend less time going through the permit process. There maybe opportunities for the Village to incentivize and achieve its objectives because this a continuation of the policy established with larger monopole cell tower providers. Village Administrator said the SWF Act has been approved and the Village cannot ban SWFs but the draft ordinance is a good tool to use.

In response to a question from Trustee Meyer regarding fees, Village Attorney Friedman said the Village cannot meaningfully differentiate amongst the permit fees. The permit fees limiting what you can capture together are maxed at a significantly low number, less than \$1,000 per pole.

Following an extensive discussion regarding fees, Village Attorney Friedman said Staff can investigate the matter further to ensure the Village is doing everything possible.

Village Administrator Irvin said there hypothetically could be some small cell towers placed in neighborhoods but the industry expressed their desires to place SWFs on heavily traveled State right-of-ways such as IL176.

Stephanie Bjork shared information regarding her current state of health and expressed her concern with the science associated with 5G antennas and radiation. It is her hope that the Village feels comfortable with what is happening for the health and safety of everyone.

In response to a question from Trustee Meyer, Village Attorney Friedman said the Federal Government took authority from local governments approximately 10-15 years ago; therefore, the Village cannot prohibit SWFs due to safety concerns.

As there were no further questions from the Board, Trustee Lemieux moved to approve first reading of the ordinance. Trustee Dewart seconded the motion. The motion passed on a unanimous voice vote.

Village Administrator Irvin said there may be imminent SUP permit applications from providers. It has been communicated that typically providers will expand their fiber network before applying for a permit and those activities are occurring in the Village. Given the time for expected permits, and if the Board is comfortable with these regulations, Staff is requesting waiver of second reading to ensure these rules will apply to those applications. A discussion followed.

In response to a comment from Trustee Dewart, Village Administrator Irvin said Staff will continue to review the regulations to determine if any further action should be presented to the Board.

Trustee Lemieux moved to waive second reading of the ordinance. Trustee Meyer seconded the motion. The motion passed on the following roll call vote:

Ayes: (5) Towle, Ankenman, Dewart, Lemieux and Meyer
Nays: (0)
Absent: (1) Grenier

21. ITEM #21 – AN ORDINANCE AMENDING PROVISIONS OF TITLE 3 OF THE LAKE BLUFF MUNICIPAL CODE CONCERNING CLASS P LIQUOR LICENSES

President O’Hara reported in October 2018, the Lake Bluff Park District entered into an agreement with GolfVisions Management, Inc. to assume operation of the Lake Bluff Golf Course. As required by law and as contemplated in the lease between the Park District and GolfVisions, GolfVisions must obtain its own license to vend liquor to patrons of the Golf Course. She further reported the Park District is the only Class P liquor licensee, which carries a \$0 annual fee. The most direct path to allow GolfVisions to obtain its desired license would be a technical amendment to allow Class P licenses to authorize liquor sales on property “operated [...] on behalf of a park district” and to increase the maximum number of Class P licenses from 1 to 2.

Present O’Hara said as the Liquor Commissioner she does not recommend the no fee as proposed. She said GolfVisions Management is a private for-profit entity and she thinks it would be inappropriate to

require local establishment to pay a fee while the Village waives the fee for this organization. President O'Hara said she is not in favor of a \$0 fee license and that the organization should be required to pay a normal license fee.

Village Administrator Irvin said there is no fee for a Class P license. He explained Staff rationale regarding the draft ordinance and noted that it was drafted under the assumption that this would be part of the business transaction. Staff also looked at this as an extension of the public agency and as a lease holder as well as a for-profit entity but the land owner is still the Park District. Village Administrator Irvin said there was a sense of urgency from the Park District which indicated the lease holder would not have a problem paying a fee but it would require the creation of a new license.

President O'Hara reiterated she would prefer the organization operate and be treated in the same manner as other for-profit businesses.

Trustee Meyer concurred with President O'Hara and asked how much would the fee cost. Village Administrator Irvin said the one-time annual fee could be \$1,250 or \$2,500 or another figure.

In response to a question from Trustee Meyer, Village Administrator Irvin confirmed that a background investigation would apply to GolfVision Management. Trustee Meyer expressed his opinion that GolfVision Management should be required to pay a fee and go through the background investigation.

Trustee Dewart said he thinks GolfVision Management is operating in the public interest with respect to the Park District and he would be in favor of the fee waiver assuming all the other requirements, including a background check, are done.

Trustee Lemieux said he does not see how the Village could justify applying a fee to other for-profit organizations and not this one; therefore, he is in favor of charging a fee.

Trustee Towle asked if GolfVision Management would delay or not serve alcohol if the Class P liquor license is not approved. A discussion followed.

In response to a question from Trustee Towle, Village Administrator Irvin said a new liquor license is required because the existing license classes authorizing outdoor dining would not apply to the beer cart, restaurant, and special events services offered by GolfVision Management.

In response to a question from Trustee Meyer, Village Administrator Irvin said the golf course is not a public roadway and he believes individuals are allowed to operate golf carts there while consuming alcoholic beverages.

Following a brief discussion, it was recommended that the draft ordinance be amended for second reading.

As there were no further questions from the Board, Trustee Lemieux moved to approve first reading of the ordinance as amended. Trustee Meyer seconded the motion. The motion passed on a voice vote with Trustee Dewart (Nay) and Trustee Grenier (Absent)

22. ITEM #22 – TRUSTEE'S REPORT

There was no Trustee's report.

23. ITEM #23 – EXECUTIVE SESSION

At 8:27 p.m. Trustee Lemieux moved to enter into Executive Session for the purpose of discussing Property Disposition (5 ILCS 120/2(c)(6)). Trustee Meyer seconded the motion. The motion passed on the following roll call vote:

Ayes: (5) Ankenman, Dewart, Lemieux, Meyer and Towle
Nays: (0)
Absent: (1) Grenier

There being no further business to discuss, Trustee Dewart moved to adjourn out of executive session. Trustee Meyer seconded the motion and the motion passed on a unanimous voice vote at 8:48 p.m.

24. ITEM #24 – ADJOURNMENT

Trustee Ankenman moved to adjourn the regular meeting. Trustee Towle seconded the motion and the motion passed on a unanimous voice vote. The meeting adjourned at 8:48 p.m.

Respectfully Submitted,

R. Drew Irvin
Village Administrator

Joy Markee
Village Clerk