



**MINUTES
COMMITTEE OF THE WHOLE MEETING
Monday, November 9, 2015**

Present:

Mayor Brandt	Trustee Feldman (Left at 8:17 p.m.)
Trustee Grujanac	Trustee Hancock
Trustee McDonough	Trustee Servi
Trustee Leider	Village Clerk Mastandrea
Village Attorney Simon	Village Manager Burke
Chief of Police Kinsey	Treasurer/Finance Director Peterson
Public Works Director Woodbury	Community & Economic Development
Village Planner Robles	Director McNellis
Management Analyst Shoukry	

ROLL CALL

Mayor Brandt called the meeting to order at 7:20 p.m. and Village Manager Burke called the Roll.

2.0 APPROVAL OF MINUTES

2.1 Acceptance of the October 26, 2015 Committee of the Whole Minutes

The minutes of the October 26, 2015 Committee of the Whole Meeting were approved as submitted.

3.0 ITEMS OF GENERAL BUSINESS

3.1 Planning, Zoning and Land Use

3.11 Consideration of Architectural Review Board Recommendation Regarding Updates to Lincolnshire Design Guidelines for Construction and Development along Major Thoroughfares (Village of Lincolnshire)

Village Planner Robles provided a presentation of the Architectural Review Board (ARB) recommendation regarding updates to the Lincolnshire Design Guidelines for construction and development along major thoroughfares. The current guidelines have never been updated since their adoption. Village Planner Robles noted the intentions of the updates are to modernize guidelines.

Trustee Feldman noted it was her opinion not to dictate architectural style due to constant change but noted other elements presented are acceptable to change. Trustee Hancock noted he is not familiar with some of the architectural terms related to style of architecture used in the presentation and agreed with Trustee Feldman. Trustee Hancock noted it was his opinion to change or soften the terminology to state "suggested" and/or "recommended" instead of implying that certain

defined styles are required or are the only types permitted. A brief discussion followed regarding architectural design approvals in the past. Village Planner Robles noted staff would revise some of the language to be more general in nature.

There was a consensus of the Board to revise some of the language regarding architecture and to place this item on the Consent Agenda for approval at the next Regular Village Board Meeting.

3.2 Finance and Administration

3.21 Public Comment Regarding the Proposed Fiscal Year 2016 Budget (Village of Lincolnshire)

Village Manager Burke noted this item is in accordance with the budget schedule for fiscal year 2016. The proposed budget has been posted online; has been made available at the Vernon Area Library and the Village Hall for review. Village Manager Burke noted staff has not received any public comments as a result of the proposed 2016 Budget posting.

3.3 Public Works

3.31 Consideration and Discussion of Concept Plans for Stage 2 of the Illinois Transportation Enhancement Project (ITEP) Grant (Village of Lincolnshire)

Public Works Director Woodbury provided a summary of the concept plans for Stage 2 of the ITEP Grant, which are for enhancements of the right-of-way area along the north side of Olde Half Day Road. Two different concept plans are being presented. One is a base plan and the other is an enhanced plan. The enhanced plan would require funds above the approved budget and beyond the current ITEP Grant allocation. Staff seeks direction and feedback regarding the design concepts.

Village Manager Burke noted the Stage 1 funding and Stage 2 funding of the ITEP Grant are both included in the proposed 2016 budget. Village Manager Burke provided a summary of what is included in each stage and what the Village would like to accomplish with this project. Trustee Hancock noted he saw the Stage 2 budget but not the Stage 1. Public Works Director Woodbury noted Stage 1 was bid in the current year, only one bid was received and the contractor who bid was not a qualified vendor through Illinois Department of Transportation (IDOT) standards, so this will be re-bid in January. Trustee Hancock asked if staff is confident the state share of the Grant will be received by the Village. Village Manager Burke noted the funds were allocated for the Village of Lincolnshire years ago and staff has confirmed with IDOT through this process that the funds are available; regardless of the state budget, these are federal funds the state administers. Village Manager Burke explained this is an 80/20 split with 20% being the responsibility of the Village.

Mr. Craig Most with 3D Design Studio provided a presentation highlighting both the base plan and the enhanced plan for the Olde Half Day Road right-of-way area to the east and north of the Village Hall.

Mayor Brandt asked if the current kiosk sign would be replaced. Village Manager Burke noted near term, the kiosk mentioned in the plan would be in addition to the current kiosk and on a smaller scale, for travelers on the path.

Trustee Grujanac noted concern that the proposed plan appears as if the natural areas are being taken out to be more manicured at Route 22. Mr. Most noted the area is currently natural, but most plant material to be removed is invasive plant material such as buckthorn. Trustee Grujanac stated it was her opinion she liked the natural look and did not want to be able to see Route 22 when walking down the path. Village Trustee Feldman noted she was in agreement with Trustee Grujanac. Mr. Most described in more detail the intentions of the area in question and the desire to open up the vistas to the existing ponds on Lake County Forest Preserve property which are currently obscured by overgrowth. A brief conversation regarding the location on Route 22 where the proposed enhancement would start followed. Mayor Brandt noted the lake area is Lake County property, and they approved the proposed plans to open up the views. Mr. Most noted the area in question would still be heavily wooded, the intention would be to clear more of the path, and all vegetation north of the path will stay.

Mr. Most continued with his presentation. Conversations regarding the proposed views and the removal of trees and vegetation followed. Trustees Hancock and McDonough noted their approval of the proposed base plan. Trustees Grujanac and Feldman noted their opinion in support of the current more natural look.

Mr. Most continued with his presentation highlighting the area on Olde Half Day Road moving toward Village Green.

Trustee Leider asked if by opening up the view to the lake, would this open up liabilities regarding the lake and children on the bike path. Trustee McDonough noted this would be the liability of Lake County since it is their property.

Trustee Grujanac noted concern regarding the removal of the crab apple trees on Olde Half Day Road. Trustee Hancock asked if it was possible to keep some of the trees. Mr. Most noted the plan reflects not all the crab apple trees are to be removed and additional trees will be added towards the Village Green. It was the consensus of the Village Board to explore ways to retain the existing crab apple trees.

Mr. Most continued with his presentation highlighting proposed lighting and benches.

Mr. Most continued his presentation and explained details of the enhanced plan.

Mayor Brandt suggested moving the proposed Lake County kiosk sign further down where the path splits so it does not conflict with the current Village kiosk sign.

Trustee Leider noted his opinion was the less man-made materials the better and the more cost effective; less time and money to maintain the area is his desire. Trustee McDonough noted his agreement with Trustee Leider's suggestion. It was the consensus of the Board not to pursue the more enhanced plan with site structures or public art in order to reduce initial costs and long-term maintenance expenses.

Trustee Hancock asked since the plan was done in stages, would the work actually be done in stages. Public Works Director Woodbury noted Stage 1 is the median work and will be handled separately. However, the work contemplated by the base plan for Stage 2 would all be completed at one time.

Trustee Grujanac suggested combining the proposed kiosk with the current kiosk instead of adding an additional kiosk.

Lighting was discussed briefly and staff noted it was added to the proposed plan for safety. Village Manager Burke noted some of the desire behind the proposed plan is related to economic development interests and the goal for people driving by to get a sense of space and arrival at the Village's central business area.

Staff will make revisions based on comments made regarding moving forward with the base plan; retaining some of the trees and increasing the amount of native plantings in areas throughout the base plan.

There was a consensus of the Board to move forward with the base plan and make revisions based on comments to explore ways to retain the trees and increase the native plantings.

3.4 Public Safety

3.41 Consideration and Discussion of an Amendment to Section 3-3-2-6 of Title 3-3, Liquor Control, for the Creation and Issuance of Class "N" and Class "J" Liquor License for Half Day Brewing, LLC (Half Day Brewing Company)

Chief of Police Kinsey provided a summary of the proposed amendment to the Code regarding liquor control, for the creation and issuance of Class "N" and Class "J" liquor licenses for Half Day Brewing, LLC.

There was a consensus of the Board to place this item on the Consent

Agenda for approval at the next Regular Village Board Meeting.

3.5 Parks and Recreation

3.6 Judiciary and Personnel

4.0 UNFINISHED BUSINESS

4.1 Village of Lincolnshire Proposed 2016 Budget Follow Up

a. Central Area Corridor Plan – Update

Village Manager Burke provided a Central Area Corridor Plan update. As a result of the Budget meetings it was requested staff seek out information regarding engaging planning and/or architectural design students for this project. Community & Economic Development Director McNellis has created a timeline for the process of reaching out to area Universities to see if it is possible to market this as a spring semester project for planning students. If the timeline cannot be met with the Universities, staff would engage the consulting community to see if they have ideas regarding an RFP incorporating student work.

Trustee McDonough asked if there was any budget money being applied for this. Village Manager Burke noted no additional dollars would be budgeted and spent for this aspect of the project. There is \$65,000 in the budget for the actual corridor plan and RFP.

b. Discussion of Options Regarding Utility Rates

Village Manager Burke noted at the October 21, 2015 meeting there was discussion regarding water and sewer rates. There was a proposed budget amount for water rates based on Highland Park increasing the rates they charge Lincolnshire for purchase of water. Staff included a report in the packet proposing a number of options based on discussion at the October 21, 2015 meeting. Village Manager Burke provided information about minimum billing.

Trustees Hancock and McDonough asked for clarification regarding the minimum charge for water. Management Analyst Shoukry noted the proposal would not change the minimum charge in terms of gallons but the rate will change. Trustee McDonough asked if the current minimum charge is for 4,000 gallons per quarter. Management Analyst Shoukry noted the minimum charge is based on 4,000 gallons per month. A brief conversation followed regarding the sanitary sewer rate versus the water rate, and it was noted Lincolnshire has rates below the average.

Trustee McDonough noted over time the Village Board made decisions to establish rates at a certain level and rely on transfers from the General Fund to cover needed costs. General Fund revenues such as sales tax have helped the Village to minimize the amount of increases applied to the water and sewer rate over time. Village Manager Burke noted connection fees also used to be a huge revenue source to cover

cost of needed capital expense; however, much of this revenue has gone away due to reductions in construction activity as well as the Village nearing build out status.

Village Manager Burke stated Trustee Servi suggested looking into a graduated or tiered rate structure. Village Manager Burke noted the survey data included in the agenda materials reflect a number of communities incorporating some type of tiered structure for their billing. Some municipalities charge a different amount for higher users. An analysis was done of Lincolnshire's top users and found the tiered scale would largely affect institutions; such as Sedgebrook, Stevenson High School, and Riverside Foundation.

Management Analyst Shoukry provided a presentation regarding proposed options for utility rates. The presentation covered the current state of the funds, recommended options, the impact on homeowners, and long term considerations.

Trustee Hancock asked what the capital outlays are based upon in the reports since the last four years the Village has had basically no expenses and according to the charts presented, the next six years the Village will have a great capital expense for these utilities. Village Manager Burke noted in the late 1990's there was a study of the water system that identified a number of recommended improvements needed for the system which have been deferred until now. The Jamestown Lane looping planned for 2016 was one of these projects. The Westwood Lane/Bedford Lane project that was completed in the current year was another of these projects which is a million dollar project and will improve the overall system. Projects identified as critical path have been included in the Village's Long-Term Capital Plan, which then are reflected in the amount of capital expenditures planned over the next several years. Village Manager Burke noted there are other projects identified in the projected capital plan but is uncertain if these can be accomplished with existing staff/resources.

Management Analyst Shoukry continued with his presentation.

Trustee McDonough asked how much of the \$60 per household total per year would be revenue for the Village. Village Manager Burke stated the total per year would be \$144,000 in additional revenue. Trustee Leider asked why the initial proposed \$10 monthly infrastructure fee was reduced to \$5. Management Analyst Shoukry noted as a result of the budget meeting and discussion by the Village Board at that time, it was stated the \$10 was very aggressive and may not go over well with residents. Trustee Leider asked what the rates have been over the last five years. Village Manager Burke stated the water rates had increased 4% over the last two years and sewer rates were increased significantly four years ago due to a pending Lake County sewer rate increase that never happened. Trustee Leider asked what the expected increase is compared to the last few years. Village Manager Burke stated it is

higher than normal since the past increases have only been to cover the charge of the Highland Park increase for the wholesale purchase of water and not needed infrastructure.

Trustee Hancock noted if this is being subsidized, the power users are getting even more subsidized and asked what the economic impact would be if the tiered or power user received a higher increase. Management Analyst Shoukry stated a lot of the high tier usage is in the business community; the top ten commercial users which are primarily institutions would drive approximately 70% of additional revenues from a tiered structure. When the tiered analysis was done; staff based this off of three tiers with an additional 3% on top of the previous tier based on their usage. Trustee Hancock asked why this tiered system would not be fair since the top ten users are driving the increased costs and not the residents. Trustee McDonough agreed with Trustee Hancock regarding possibly implementing a tiered system for water rate increases based on usage. Management Analyst Shoukry noted when putting together information on the tiered model, it was only applied to commercial. There would be an impact on residential but residential use is significantly lower.

Trustee McDonough asked Village Attorney Simon if the Village would have to justify the rate increase. Village Attorney Simon stated the expenses far outweigh the revenues so no justification would need to be made to increase the rates but a rational basis would need to be made to develop categories. Separating commercial from residential is a rational basis. Trustee McDonough asked if the tiered system was split between commercial and residential and as an example usage was the same for both commercial and residential but the rate increase was different; could this be disputed. Village Attorney Simon noted there is a rational basis for distinguishing between commercial user and residential user.

Mayor Brandt asked what the average residential water usage was. Management Analyst Shoukry noted residential usage is about 6,000 gallons per month with little variance overall between users. Commercial average is 23,000 gallons per month with a wide range of variance between users.

Trustee Grujanac noted her concern regarding a tiered system specifically if this could affect Stevenson High School since they are not a business and this would involve tax dollars. Trustee McDonough noted Lincolnshire has approximately 10% of the taxpayers for Stevenson and Lincolnshire is subsidizing a big portion of Stevenson's water rate bill. Trustee Grujanac noted concern that this might take away funds going towards education and the classroom.

Management Analyst Shoukry noted the top users are significantly above the next tier. Finance Director/Treasurer Peterson stated the water meters for commercial are significantly more money and next year

many of the mentioned power users are due to exchange their meters as part of the new automated meter reading system. Village Attorney Simon stated the power users in a tiered system also have the greater ability to conserve with the potential and incentive to decrease their usage.

Trustee McDonough noted he did not believe the \$5 a month increase or \$144,000 a year would do anything to help the current problem.

Trustee Hancock suggested getting additional analysis on the power users and a possible tiered system. Mayor Brandt and several Trustees asked staff to gather how much of an increase it would be for each power user. Management Analyst Shoukry noted there are different ways to allocate the tiers and based on the model used as the example an increase to Stevenson High School per year could be approximately \$44,000.

Trustee Grujanac suggested getting the power users mentioned into a room for a conversation prior to implementing a tiered system. Mayor Brandt and Trustee McDonough noted this is a decision of the Board and not the power users. Mayor Brandt noted the Village gave Stevenson High School their water connection at no charge.

Mayor Brandt noted one of the jobs of the Board is to be fiscally responsible and protect the Village and the infrastructure.

A brief conversation followed regarding the tier structure used in the model and what percentage of increase would be recommended based on usage. Trustee Hancock recommended including revenues per tier when staff figures increases. Mayor Brandt asked if there are other known communities using the tiered approach. Management Analyst Shoukry noted many other communities use the tiered approach. Each community has different factors involved in their tiered systems making it difficult to compare.

A conversation followed regarding the infrastructure fee verses the tiered structure.

There was a consensus of the Board for staff to research a tiered structure and report back prior to the last meeting of the year with information related to how many tiers, what the affect would be regarding the proposed change, revenue impact per tier, information and comparison to fair market rates, and infrastructure fees.

5.0 NEW BUSINESS

6.0 EXECUTIVE SESSION

7.0 ADJOURNMENT

Trustee McDonough moved and Trustee Hancock seconded the motion to adjourn. Upon a voice vote, the motion was approved unanimously and Mayor Brandt declared the meeting adjourned at 9:32 p.m.

Respectfully submitted,

VILLAGE OF LINCOLNSHIRE

Barbara Mastandrea
Village Clerk