

**MINUTES OF THE REGULAR MEETING  
OF THE GURNEE VILLAGE BOARD**

**GURNEE VILLAGE HALL  
MARCH 19, 2018**

**Call to Order**

Mayor Kovarik called the meeting to order at 7:00 p.m.

**Other Officials in Attendance**

Patrick Muetz, Village Administrator; David Ziegler, Assistant Village Administrator/Community Development Director; Bryan Winter, Village Attorney; Brian Gosnell, Finance Director; Christine Palmieri, Director of Human Resources; Tom Rigwood, Director of Public Works; John Kavanagh, Fire Chief; Kevin Woodside, Police Chief; Ellen Dean, Economic Development Director, Jack Linehan, Assistant to the Administrator

**Roll Call**

**PRESENT: 6-Balmes, Hood, Thorstenson, Jacobs, Ross, Garner**  
**ABSENT: 0-None**

**Pledge of Allegiance**

A Webelo Cub Scout Troop led the Pledge of Allegiance.

**A. PUBLIC COMMENT**

**Keira Rodriguez**  
**Woodland District**  
**50 Student/Member**  
**HCHY**  
**Gurnee, IL**

Ms. Rodriguez read a prepared statement supporting the Tobacco 21 ordinance up for consideration by the Village Board. Ms. Rodriguez outlined reasons that Healthy Community Healthy Youth (HCHY) supports the policy change. She concluded by sharing the list of all Healthy Community Healthy Youth member organizations.

**Celeste Flores**  
**Faith in Place**  
**1 N. Genesee Street,**  
**Office 303**  
**Waukegan, IL**

Ms. Flores informed the Village Board of a Winter's Farmers Market on April 7th from 9:00am to 1:00pm at Annunciation of Our Lady Episcopal Church - 5725 Stearns School Road. She continued to share additional information about the group and the work they are doing.

**Marcia Smith**  
**Smokes & Such**  
**3567 Grand Ave**  
**Gurnee, IL**

Ms. Smith read a prepared statement in opposition to the Tobacco 21 ordinance up for consideration by the Village Board. Ms. Smith shared information regarding the rights that young adults at the age of 18 had and stated she does not believe the ordinance will have any impact on individual decision-making. She requested the Village Board conduct additional research before taking action.

**Carolyn Cerf**  
**Govt. Relations**  
**Director**  
**American Heart**  
**Association**  
**208 S LaSalle**  
**Street, Suite 1500**  
**Chicago, IL**

Ms. Cerf read a prepared statement supporting the Tobacco 21 ordinance up for consideration by the Village Board. She concluded by stating she hopes Gurnee becomes the 18th community in the state to take action to raise the purchase age of tobacco products to 21 years old.

**B. APPROVAL OF CONSENT AGENDA**

It was moved by Trustee Jacobs, seconded by Trustee Balmes to approve the Consent Agenda as presented.

**Roll call,**

**AYE: 6- Balmes, Hood, Thorstenson, Jacobs, Ross, Garner**  
**NAY: 0- None**  
**ABSENT: 0- None**  
**Motion Carried.**

**C. CONSENT AGENDA / OMNIBUS VOTE**

The Village Administrator read the consent agenda for an omnibus vote as follows:

1. Approval of minutes from the February 26, 2018 and March 5, 2018 Village Board meetings.
2. Approval of Ord. 2018 - 22 executing a three-year contract with the Mad Bomber Fireworks Productions for fireworks display services.

3. Approval of Ord. 2018 - 23 approving and publishing the official Zoning Map of the Village of Gurnee.
4. Approval of Res. 2018 - 03 reallocating 2018 volume cap to the Village of Buffalo Grove, Illinois.
5. Approval of request to allow Canine Officer Dan Ruth and Canine Bear to attend advanced narcotics detection training in Johnson, IA from April 9 - 12, 2018 at a cost not to exceed \$350.00.
6. Approval of Payroll for period ending March 2, 2018 in the amount of \$786,468.93.
7. Approval of Bills for the period ending March 19, 2018 in the amount of \$817,075.93.

It was moved by Trustee Garner, seconded by Trustee Ross to approve the Consent Agenda for an omnibus vote as read.

**Roll call,**

**AYE: 6- Balmes, Hood, Thorstenson, Jacobs, Ross, Garner**

**NAY: 0- None**

**ABSENT: 0- None**

**Motion Carried.**

**D. PETITIONS AND COMMUNICATIONS**

1. Presentation of plaques in honor of achieving the rank of Eagle Scout:

- Jacob Stutzman
- Rahil Verma

Mayor Kovarik presented each Scout with a plaque and had each introduce their family and explain their Eagle Scout project to the Board and audience.

2. Approval of Proclamation designating April as “Fair Housing Month” in the Village of Gurnee.

Mayor Kovarik read proclamation into record.

It was moved by Trustee Thorstenson, seconded by Trustee Balmes to approve of a Proclamation designating April as “Fair Housing Month” in the Village of Gurnee.

**Voice Vote: ALL AYE: Motion Carried**

3. Approval of Proclamation designating April as “Alcohol Awareness Month” in the Village of Gurnee.

Mayor Kovarik read proclamation into record.

It was moved by Trustee Garner, seconded by Trustee Jacobs to approve of a Proclamation designating April as “Alcohol Awareness Month” in the Village of Gurnee.

**Voice Vote: ALL AYE: Motion Carried**

4. Reminder: FY 2018/2019 Budget Hearing – 6:40pm, April 2, 2018.

**E. REPORTS**

1. Report from Maureen Riedy, President of Visit Lake County - Convention and Visitors Bureau update.

**The Role of Destination Organizations**

Destination promotion efforts create a positive image not just for potential tourists, but for potential businesses as well.

**Visit Lake County (VLC)**

Funding:

FY '18 state grant as Certified CVB was \$1.13 million – one of the largest awards in the State.

Twelve municipalities plus Lake County, as well as 200 industry partners

and Co-op advertising programs contribute funding which is then matched by the State.

VLC's office is located in Gurnee and has a staff of seven. Board representatives from Gurnee include Cheryl Ross, Chairman of VLC Board; Randy Ebertowski, Secretary; and Directors John Krajnak, Six Flags Emilio Fabico, Great Wolf Lodge.

### **Marketing Strategies**

Marketing strategies are aimed at building a strong, authentic, identifiable brand. VLC using multiple resources such as its Website and Visitors Guide, as well as unique advertising campaigns/special promotions including Lake County Restaurant Week and Lake County Libation Trail.

### **Trip Planning Resources: Website & Visitors Guide**

162 Gurnee Events listed last year with 58,162 Views of Gurnee Special Offers & Hotel Travel Packages.

### **Summer Advertising Boots Demand**

Six Flags - centerpiece of summer campaign with the target audience being Chicago & suburbs.

The advertising included TV, Pandora, online ads, outdoor boards, & digital marketing campaign and was viewed 22.5 million times.

Co-op Six Flags media buy in outer markets.

### **Summer Digital Campaign Results**

Focused heavily on Facebook & Instagram Ads with 16,006 Contest visits, 4,147 Entries, 3,589 Email Opt-Ins and a 2.93% Click-through rate.

Produced "story-telling" videos which led to 300,314 impressions (Six Flags) and 120,825 Video Views.

Total of 4.9 million digital impressions.

### **Summer Advertising Survey Results**

63% visited Lake County (non-residents). The most popular attractions visited were Six Flags (53%), Gurnee Mills (51%). 64% of visitors identified as families with an average party size of 4.3 people, average length of stay of 2.96 nights and average spending per travel party of \$528.

### **Lake County "Spooks & Spirits" Fall Marketing Campaign**

Anchored by Fright Fest and included a landing page, newspaper inserts, as well as advertising on TV & Pandora.

Impressions: 927,011  
Post Engagement: 72,936  
Post Reactions: 20,499

### **Holiday Digital Campaign**

Co-op Partners included Gurnee & Libertyville. Each invested \$4,000 and VKC invested \$15,000.

Gurnee Results: 203,642 impressions

### **Digital Marketing Featuring Gurnee**

Top Performer Facebook Great Wolf Lodge  
Reach: 215,000+, 7,000+ Reactions, 3,800+ "Likes"

Ms. Reidy then asked the key partners from Gurnee to say a few words about their participation and the value that VLC brings to his organization.

John Krajnak stated VLC isn't your typical visitor's bureau, her team thinks outside the box and is very dedicated. He stated they are a great partner and the Park appreciates their support. Mr. Krajnak then provided an update of upcoming events and improvements at Six Flags, including a Mardi Gras festival, the Mardi Gras Hangover loop coaster, a new eatery and other general investments in the property.

Randy Ebertowski, General Manager Gurnee Mills, echoed the comments of Mr. Krajnak. He then provided a status update on the Mall's renovation project.

Emilio Fabico, General Manager Great Wolf Lodge Gurnee, introduced himself to the Village Board and community and provide an update on the progress at the property. He stated he has been welcomed to the area with open arms.

Mayor Kovarik thanked Maureen for the updated and stated VLC adds great value to the Village.

2. Presentation by Finance Director Brian Gosnell – Fiscal Year 17/18 Third Quarter financial performance.

Mr. Gosnell presented the following PowerPoint presentation to the Board.

Fiscal Year 2017/2018  
3rd Quarter Financial Review  
May 1, 2017 – January 31, 2018

**Cash & Investments:**

- Total \$28,939,484
  - General Fund 75%
  - W&S 15%
  - 37% Checking/Money Market – First Midwest
  - 35% Short-Term Fixed Income – Schwab
  - 28% in Money Markets - IL Funds
- Yield vs. Benchmark
  - Village Portfolio – 1.253%
  - 91 Day T-Bill – 1.130%

**General Fund – Major Revenues:**

Major revenues in the General Fund, which account for about 75% of all revenues, finished the quarter 1.76% behind the seasonally adjusted budget and 0.07% behind of last year.

Sales Tax is the biggest concern as it is approximately 3% off of budget and last year. This is partly due to the administrative fee and a supplemental payment the Village did not get this year. December sales tax was down 4.3% compared to the prior year.

Income Tax is well ahead of budget and last year but this is due to two additional payments made by the state in July and September. On a cash basis, FY18 will receive 14 payments and likely end with a positive variance even with the 10% reduction from the State.

Use Tax continues to outperform both budget and last year as more and more online retailers are collecting sales taxes. South Dakota vs. Wayfair which attempts to address the collection of sales tax on items sold online will be heard by the Supreme Court in April.

Telecom taxes are down 0.78% compared to the budget and down 7.78% from last year. Staff anticipated this trend and budgeted a 7% drop.

Amusement Tax finished strong 2.6% ahead of budget.

Food & Beverage receipts continue to track ahead of budget and last year.

Hotel Tax is down 39.65% from last year but ahead of budget by 3.59%. This is the impact of KeyLime Cove closing, which was anticipated.

Building Permits are tracking behind budget due to timing.

**General Fund – Other Revenues and Expenditures:**

Licenses & Permits (excluding those detailed above) finished the quarter at 50.29% of budget due to the timing of Business and Liquor licenses.

Intergovernmental Revenues (excluding those detailed above) finished the quarter at 70.73% of budget, primarily due to the timing of replacement tax receipts and an unbudgeted grant for energy efficiency.

Salaries & Wages finished the quarter at 75.77% of budget due to the timing of payrolls and adjustments to overtime in the Police Department.

Employee Benefits finished the quarter at 86.18% of budget due to the timing of insurance and Police and Fire pension payments.

Contractual Services finished the quarter at 75.22% of budget due to the timing of seasonal contracts for items such as mowing.

Other Contractual Services finished the quarter at 84.74% of budget due to the timing of liability insurance premiums, flood related expenses and seasonal contracts.

All other categories are at or under budget.

**Water & Sewer Fund – Revenues and Expenditures:**

Water & Sewer Fund revenues finished the quarter at 75.13% of budget.

Charges for service finished the quarter at 74.91% of budget. Water usage was down approximately 6.1% after the 2nd quarter, but has rebounded through the 3rd quarter.

Fines & Forfeitures finished the quarter at 99.71% of budget due to greater than anticipated delinquencies.

Interest Income finished the quarter at 74.34% due to rising interest rates and strong interest from investments as noted in the General Fund, this category is expected to finish the year over budget.

Water & Sewer Fund expenditures finished the quarter at 72.03% of budget.

Employee Benefits finished the quarter at 84.31% of budget due to the timing of the workers compensation premium and medical insurance.

Other Contracted Services finished the quarter at 80.11% of budget due to the timing of insurance premiums.

Other Financing Uses finished the quarter at 80.68% of budget due to timing of the administrative reimbursement to the General Fund.

All other categories are at or under budget.

**Police & Fire Pension Funds:**

- Police Pension (Ziegler & Stratford)
  - Avg. Monthly Portfolio Balance - \$45.8m
  - FY18 Gains/Income – \$6.5m
  - FY18 Annualized Return – 18.93%
  - 12 month Rolling Return – 17.84%
  - 36 month Rolling Return – 8.78%
- Fire Pension (Sawyer Falduto)
  - Avg. Monthly Portfolio Balance - \$38.3m
  - FY18 Gains/Income – \$3.9m
  - FY18 Annualized Return – 14.66%
  - 12 month Rolling Return – 14.71%
  - 36 month Rolling Return – 8.80%

**Questions:**

None.

**F. OLD BUSINESS**

None.

**G. NEW BUSINESS**

- 1. Approval of Ord. 2018 - 24 amending Chapter 78 of the Gurnee Municipal Code by adding Section 78-1-12-610.2(B) to prohibit the use of Mobile Electronic Devices while operating a motor vehicle.

Chief Woodside stated this ordinance mirrors a state law that prohibits talking on a cell phone while holding it or texting while driving. He said this ordinance creates an option for Gurnee officers. It provides something other than a uniform traffic citation or a warning ticket, which the Department believes will lead to increased enforcement and traffic safety. He stated the primary focus of traffic enforcement is to reduce accident and injuries and has focused on speed, alcohol and seatbelt enforcement. With the 2014 State legislation, distracted driving is also a priority now and the Department feels this ordinance will help in that area.

It was moved by Trustee Balmes, seconded by Trustee Jacobs to approve of Ord. 2018 - 24 amending Chapter 78 of the Gurnee Municipal Code by adding Section 78-1-12-610.2(B) to prohibit the use of Mobile Electronic Devices while operating a motor vehicle.

**Roll call,**

**AYE: 6- Balmes, Hood, Thorstenson, Jacobs, Ross, Garner**  
**NAY: 0- None**  
**ABSENT: 0- None**

**Motion Carried.**

- 2. Approval of Ord. 2018 - 25 amending section 46-174 of the Gurnee Municipal Code to increase the minimum age for the purchase and sale of tobacco products to the age of twenty-one.

Chief Woodside stated this started as a health care concern from the Lake County Health Department. He continued to state there is a law enforcement component and includes retail compliance checks. Chief Woodside stated the two main provisions of the ordinance is it changes the age for purchase and sale of tobacco products and expands the definition of tobacco products. It does not affect the legal age for possession.

Trustee Garner asked if making possession of tobacco under the age of 21 illegal is being looked into.

Chief Woodside said that is not being addressed and that would need to be done at the State level.

Trustee Jacobs thanked each that spoke tonight regarding this issue during public comment. He said when he was 18 he thought he knew everything. He said while cigarette smoking and vaping may not impair you it can lead to health issues and he feels this ordinance will make a difference.

Trustee Balmes said she doesn't like to regulate everything but we all know we didn't make the best decisions at the age of 18. She said this is a tough decision but sometimes we have to help people make these decisions.

Mayor Kovarik said most kids are law abiding. She said if this will delay 40% of our youth from doing tobacco until the age of 21 then we will have helped some. She compared it to regulations to prohibit smoking indoors and the effects it has had and not had.

It was moved by Trustee Jacobs, seconded by Trustee Thorstenson to approve of Ord. 2018 - 25 amending section 46-174 of the Gurnee Municipal Code to increase the minimum age for the purchase and sale of tobacco products to the age of twenty-one.

**Roll call,**

**AYE: 6- Balmes, Hood, Thorstenson, Jacobs, Ross, Garner**  
**NAY: 0- None**  
**ABSENT: 0- None**

**Motion Carried.**

3. Approval of Ord. 2018 - 26 creating Chapter 32, Section 32-33 entitled "Building and Development Fees," of the Gurnee Municipal Code (Residential Building Permit Fees).

Mr. Ziegler said the Village hasn't updated its building permit fees since 2004. As such, staff has been working to update the fees, with a focus on simplifying and rebalancing the fees. Fees are divided between residential and commercial. This update focuses on residential, with commercial fees expected to follow in the near future.

Mr. Ziegler then provided the Board information on how current fees are determined and the proposed new approach. Which rather than focus on value, the Village will focus on items such as square footage, staff time involved and what neighboring communities charge.

As it relates to repairs and remodels, once the costs to the Village were accounted for, a discount of 40% was applied. The discounted rate keeps the Building Permit revenue whole compared to the prior permit fees. The thought also being that the Village does not want permit fees so high that it discourages applicants from following the permit process.

He concluded by stating the fees will be included in the Municipal Code. Attorney Winter added with the online system these rates will be available online for the public within a week.

Trustee Garner asked if we give an explanation to residents when permits are issued.

Mr. Ziegler said when we issue the permits an itemized fee schedule is presented and explained.

Trustee Thorstenson asked Mr. Ziegler to run through an example of a variance for a large item to illustrate how the costs compare.

Mr. Ziegler provided a few examples of a project and how current fees and proposed fees compare, including windows/doors and reroofs.

Trustee Jacobs asked about emergency situations and how permitting impacts that.

Mr. Ziegler stated staff will not allow permitting to delay the process and staff will follow-up afterwards to make sure everything is installed to code and safely.

It was moved by Trustee Thorstenson, seconded by Trustee Garner to approve of Ord. 2018 - 26 creating Chapter 32, Section 32-33 entitled "Building and Development Fees," of the Gurnee Municipal Code (Residential Building Permit Fees).

**Roll call,**

**AYE: 6- Balmes, Hood, Thorstenson, Jacobs, Ross, Garner**

**NAY: 0- None**

**ABSENT: 0- None**

**Motion Carried.**

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**H. PUBLIC COMMENT**

None.

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**Closing Comments**

None.

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**Adjournment**

It was moved by Trustee Balmes, seconded by Trustee Jacobs to adjourn the meeting.

**Voice Vote: ALL AYE: Motion Carried.**

Mayor Kovarik adjourned the meeting at 8:32 p.m.

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**Andrew Harris,  
Village Clerk**

