

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

**GURNEE VILLAGE HALL
MARCH 15, 2021**

Call to Order

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

Other Officials in Attendance

Patrick Muetz, Village Administrator; Bryan Winter, Village Attorney; Brian Gosnell, Finance Director; Ellen Dean, Economic Development Director, Jack Linehan, Assistant to the Administrator

Roll Call

PRESENT: 6- Balmes, Hood, Thorstenson, Ross, Garner, O'Brien
ABSENT: 0- None

Pledge of Allegiance

Mayor Kovarik led the Pledge of Allegiance.

**A. APPROVAL OF
CONSENT AGENDA**

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

Roll call,

AYE: 6- Balmes, Hood, Thorstenson, Ross, Garner, O'Brien

NAY: 0- None

ABSENT: 0- None

Motion Carried.

**B. CONSENT
AGENDA /
OMNIBUS VOTE**

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

1. Approval of Ord. 2021 – approving a 2-year contract with Alpha Building Maintenance Services for janitorial services.
2. Approval of Res. 2021 – approving a 3-year fixed rate contract with AEP Energy for the provision of electricity for pump stations.
3. Approval of Res. 2021 - establishing certain property of the Village of Gurnee to be surplus (Public Works Units #262 & 264).
4. Approval of setting bid date of April 12, 2021 for Waveland Avenue Watermain and Culvert Replacement Project (University Avenue to Woodlawn Avenue).
5. Approval of Payroll for period ending February 26, 2021 in the amount of \$832,956.49.
6. Approval of Bills for the period ending March 15, 2021 in the amount of \$1,794,027.90.

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

Roll call,

AYE: 6- Balmes, Hood, Thorstenson, Ross, Garner, O'Brien

NAY: 0- None

ABSENT: 0- None

Motion Carried.

**C. PETITIONS AND
COMMUNICATIONS**

1. Approval of Proclamation designating April as "Fair Housing Month" in the Village of Gurnee.

It was moved by Trustee O'Brien, seconded by Trustee Thorstenson to approve a Proclamation designating April as "Fair Housing Month" in the Village of Gurnee.

Voice Vote: ALL AYE: Motion Carried.

2. Approval of Proclamation designating April as "9-1-1 Education Month" in the Village of Gurnee.

It was moved by Trustee Thorstenson, seconded by Trustee Garner to approve a Proclamation designating April as "9-1-1 Education Month" in the Village of Gurnee.

Voice Vote: ALL AYE: Motion Carried.

3. Approval of Proclamation designating April as “Child Abuse Prevention Month” and recognizing the Blue Kids Lake County Project.

It was moved by Trustee Hood, seconded by Trustee Ross to approve a Proclamation designating April as “Child Abuse Prevention Month” and recognizing the Blue Kids Lake County Project.

Voice Vote: ALL AYE: Motion Carried.

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

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

Voice Vote: ALL AYE: Motion Carried.

5. Reminder: FY 2021/2022 Budget Hearing – 6:40 pm, April 12, 2021.

D. REPORTS

1. Presentation by Finance Director Brian Gosnell:
 - COVID-19 Financial Update #13
 - American Rescue Plan Update.

Director Gosnell presented a PowerPoint related to the COVID-19 Financial Update #13 and the American Rescue Plan.

Director Gosnell noted the following in the COVID-19 Financial Update #13;

- Expected Duration
 - Restore Illinois - Phased Re-Opening
 - Currently Phase 4 Revitalization
 - Phase 5 (Fully Open) requires “vaccine or highly effective treatment widely available or the elimination of any new cases over a sustained period”
- Big Three Status
 - Six Flags
 - Currently Hiring
 - Gurnee Mills
 - Safety Protocols and Capacity Limits
 - Great Wolf Lodge
 - Safety Protocols and Capacity Limits
- General Fund Revenues
 - Gosnell noted thru February total General Fund revenues were \$7.1 million or 19.2% behind last year. The current projection is General Fund revenues will finish the year \$8 million behind last year.
 - Gosnell noted the Big Four (Sales Tax, Amusement Tax, Hotel Tax and Food & Beverage Tax) are projected to finish the year \$7.8 million or 31% behind last year.
 - Sales Tax -15%, -\$2.6m
 - Amusement Tax -82%, -\$3.1m
 - Hotel Tax -72%, -\$1.3m
 - Food & Beverage Tax -37%, -\$740k
 - Sales Tax is projected to finish the year at \$14.6 million, which is \$2.6 million or 15.3% behind last year.
 - Amusement Tax is projected to finish the year at \$677 thousand, which is \$3.1 million or 81.9% behind last year.
 - Hotel Tax is projected to finish the year at \$523 thousand, which is \$1.4 million or 72.2% behind last year.
 - Food & Beverage Tax is projected to finish the year at \$1.3 million, which is \$739 thousand or 36.9% behind last year.
- General Fund Expenditures through February are \$3.1 million or 9.0% behind the seasonally adjusted budget. Expenditures are projected to finish the year \$4.6 million or 11% behind the

FY2020/2021 budget. Gosnell noted this savings only partially offsets the loss in revenues.

- The General Fund is expected to finish the year with a \$2.3 million deficit for FY2020/2021. Gosnell noted that the deficit combined with the FY2021/2022 budgeted deficit of \$922 thousand means the Village is projected to utilize over \$3.2 Million in fund balance over a two-year period as a result of the pandemic.
- Gosnell noted the threats & opportunities associated with the pandemic, specifically noting the extension of the moratorium on foreclosures and evictions and the potential relief provided under the recently passed American Rescue Plan Act (ARPA).

Director Gosnell noted the following in the American Rescue Plan Act Update;

- American Rescue Plan Act -
 - Signed March 11, 2021
 - Includes \$65.1 Billion for Municipalities
 - Gurnee Estimate - \$3.75m
 - Eligible Costs through December 2024
 - Costs to respond to the public health emergency with respect to COVID-19...
 - Costs to respond to workers performing essential work during the COVID-19 public health emergency...
 - Costs to make necessary investments in water, sewer and broadband infrastructure...
 - Costs for the provision of government services to the extent of the reduction in revenue of a municipality due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year of the municipality...
 - Distributed Through State in Two Allotments
 - 60 Days After Enactment (May 2021)
 - 12 Months after 1st Distribution (Summer 2022)
- Gosnell noted the draft FY2021/2022 budget does not include any benefits that may come from ARPA because of unknowns about the final amount and the timing of the funding.

Mayor Kovarik noted the uncertainty around the final amount and timing of the funds, but asked Gosnell if there is confidence the Village will receive at least some funding.

Gosnell noted municipal relief is in the Act and the Village will get something but is not sure of the amount or distribution timeline and process.

Mayor Kovarik directed staff to look into providing some relief to the restaurant community from the benefits of the Act based on the impact of the pandemic.

Administrator Muetz responded that staff will come back to the Village Board with a recommendation once there is more guidance on the amount and distribution timing of the relief.

Trustee Hood asked about how the estimated amount the Village is to receive was determined.

Gosnell noted it was a per capital formula similar to what is used for CDBG allocations.

Trustee Hood noted that the distribution is based on population rather than an application process, and that gives some certainty that relief will be forthcoming.

Gosnell noted there is a high confidence the Village will receive something close to the general amount estimated but will know more once guidance from the Treasury is released which should come fairly quickly.

Trustee Ross asked that the Village consider reinstating the cost of living increases for employees that were due May 1, 2020 but were eliminated due to the pandemic.

Mayor Kovarik noted the FY2021/2022 draft budget includes the COLA that was due last year in addition to a proposed COLA for the upcoming year.

Trustee Ross asked to include the amount of a retroactive payment for what employees would have received from the COLA during FY2020/2021 in the discussion.

Administrator Muetz noted staff will add it to a list of options to be presented to the Board at a future Committee of the Whole Meeting.

E. OLD BUSINESS

None.

F. NEW BUSINESS

1. Approval of Ord. 2021 – 17 approving a Sales Tax Rebate Agreement between the Village of Gurnee and CRD Gurnee II, LLC.

Administrator Muetz stated this was the topic of the Public Hearing. Crate & Barrel opened a warehouse concept in October 2020 with plans to run it only until the end of February 2021. Staff and the property owner worked to try to get Crate & Barrel to continue at the location. Terms were reached that allowed this; however, Village assistance is required. The proposed agreement includes the Village sharing 100% of the municipal sales tax and 50% of the home rule sales tax for a term of 6-months or \$50,000, whichever comes first. The Village would retain is 0.5% Home Rule Sales Tax dedicated to capital which should be \$10,000-\$15,000. This additional six months will allow Crate & Barrel to see Gurnee during its prime shopping season.

Trustee Thorstenson stated having the building occupied will help in the future when a tenant views the site.

It was moved by Trustee Ross, seconded by Trustee Thorstenson to approve of Ord. 2021 – 17 approving a Sales Tax Rebate Agreement between the Village of Gurnee and CRD Gurnee II, LLC.

Roll call,

AYE: 6- Balmes, Hood, Thorstenson, Ross, Garner, O'Brien

NAY: 0- None

ABSENT: 0- None

Motion Carried.

2. Approval of Ord. 2021 – 18 authorizing the purchase of software and hardware from CDW Government LLC and the execution of a 5-year Cisco Systems Enterprise Agreement and purchase of firewall equipment from CDWG.

Information Systems Director Velkover summarized the request for the Village Board. He stated this is a five-year agreement with recurring services at a fixed price, as well as a hardware component that the services run on. He then provided a brief overview of endpoint protection, multi-factor authentication, multi-device access to the Village's VPN, Internet filtering and firewall hardware. He stated hardware will be reused across Village operations, with older equipment being phased-out.

Mayor Kovarik thanked Director Velkover for his efforts and stated investments in internet security are a must given the threat to networks and ransomware attacks.

Trustee Hood clarified that this benefits all Departments.

Director Velkover stated that is correct.

It was moved by Trustee Garner, seconded by Trustee O'Brien to approve of Ord. 2021 – 18 authorizing the purchase of software and hardware from CDW Government LLC and the execution of a 5-year Cisco Systems Enterprise Agreement and purchase of firewall equipment from CDWG.

Roll call,

AYE: 6- Balmes, Hood, Thorstenson, Ross, Garner, O'Brien

NAY: 0- None

ABSENT: 0- None
Motion Carried.

3. Approval of Ord. 2021 –19 approving an equipment loan with Gurnee Community Bank for a term of 36-months in the amount of \$33,339.00 (Bittersweet Golf Course - Toro Greensmaster TriFlex 3300 mower).

Administrator Muetz said Bittersweet Golf Course is in need of a new greens mower. The golf course located a demo unit with less than 100 hours on it that will also result in a better price. The course will make the loan payments; however, the loan is in the Village's name since it owns the property. Administrator Muetz stated the payment has been figured into the course's financial planning and it is able to cover it without issue.

It was moved by Trustee Thorstenson, seconded by Trustee Garner to approve of Ord. 2021 –19 approving an equipment loan with Gurnee Community Bank for a term of 36-months in the amount of \$33,339.00 (Bittersweet Golf Course - Toro Greensmaster TriFlex 3300 mower).

Roll call,

AYE: 6- Balmes, Hood, Thorstenson, Ross, Garner, O'Brien

NAY: 0- None

ABSENT: 0- None

Motion Carried.

4. Approval of Ord. 2021 – 20 authorizing the execution of a Business Service Order with Comcast Business to provide service to Fire Station #3.

Administrator Muetz said at the last meeting the Board approved the ComEd and Northshore Gas service agreements. It is now time to consider the Comcast agreement. There is no cost to the Village for the installation and it meets all of the anticipated needs. He stated the Station continues to progress at a great pace and he expects a future Committee of the Whole meeting will be held at the Station in order for the Village Board to tour it.

It was moved by Trustee O'Brien, seconded by Trustee Balmes to approve of Ord. 2021 – 20 authorizing the execution of a Business Service Order with Comcast Business to provide service to Fire Station #3.

Roll call,

AYE: 6- Balmes, Hood, Thorstenson, Ross, Garner, O'Brien

NAY: 0- None

ABSENT: 0- None

Motion Carried.

Mayor Kovarik reminded Administrator Muetz they need to work on the traffic signal permit.

G. PUBLIC COMMENT

Ryan Horath
4981 South Road
Gurnee, IL

Mr. Horath stated he had a few issues to discuss. The first was the Village's ability to use Home Rule Authority to regulate the environment. He then provided examples from the City of Chicago where it has used authority to issue environment-related permits. Mr. Horath opined that if Chicago can regulate the environment, then other communities also have the ability to do so. The next issues Mr. Horath spoke about was the Vice Mayor/Chair position. He stated he never heard this term and therefore conducted some research and submitted a FOIA Request. He then read from the enabling ordinance from October 2019. Mr. Horath stated he is concerned this position is not legal. He then referenced the Illinois Compiled Statutes related to holding office. Mr. Horath stated the only city with a Vice Mayor is Chicago. He stated he is concerned it also appears to be political. He concluded by stating he is concerned by various things he is seeing throughout the community and this is impacting his confidence in Gurnee and therefore he feels change is needed.

Mayor Kovarik clarified that the Vice Chair was by appointment and chairs the meeting when the Mayor is not available. She said the position has no executive or legislative authority. She then stated the City of Chicago is treated differently than the rest of the State due to its size. She concluded by stating Willowbrook did not use Home Rule Authority related to regulating the environment.

Closing Comments None.

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

Voice Vote: ALL AYE: Motion Carried.

Mayor Kovarik adjourned the meeting at 7:53 p.m.

**Andrew Harris,
Village Clerk**