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| <div>MINUTES OF THE REGULAR MEETING<br/>OF THE GURNEE VILLAGE BOARD</div> <div>GURNEE VILLAGE HALL<br/>JANUARY 5, 2026</div> |  |
| Call to Order  | Mayor Hood called the meeting to order at 7:00 p.m.  |
| Other Officials in Attendance  | Patrick Muetz, Village Administrator; Austin Pollack, Assistant to the Village Administrator; Bryan Winter, Village Attorney; David Ziegler, Community Development Director; Heather Galan, Public Works Director; Brian Gosnell, Finance Director; Christine Palmieri, Director of Human Resources; Erica Wells, Assistant Finance / HR Director; Ellen Dean, Economic Development Director; Nick Leach, Village Engineer; Ryan Nelson, Information Systems Director; John Kavanagh, Fire Chief; David Douglass, Deputy Fire Chief; Jeremy Gaughan, Police Chief; Jason Kalinowski, Deputy Police Chief.  |
| Roll Call  | <div>PRESENT: 5- O'Brien, Balmes, Thorstenson, Woodside, Ross</div> <div>ABSENT: 1- Garner</div>   |
| Pledge of Allegiance   | Mayor Hood led the Pledge of Allegiance.   |
| <u>A. PUBLIC COMMENT</u>   | None.  |
| <u>B. APPROVAL OF CONSENT AGENDA</u>   | <div>It was moved by Trustee Balmes, seconded by Trustee O'Brien to approve the Consent Agenda as presented.</div> <div><u>Roll call,</u><br/>AYE: 5- O'Brien, Balmes, Thorstenson, Woodside, Ross<br/>NAY: 0- None<br/>ABSENT: 1- Garner<br/>Motion Carried.</div>  |
| <u>C. CONSENT AGENDA / OMNIBUS VOTE</u>  | <div>The Village Administrator read the consent agenda for an omnibus vote as follows.</div> <div>1. Approval of minutes from the December 15, 2025, meeting.</div> <div>2. Approval of Ord. 2026 – 01 authorizing a Plat Amendment to Parcels 1, 2 and 8 in Riverside Plaza Subdivision.</div> <div>3. Approval of Engineering Division request to set the following bid dates:<div><div>a. Gages Lake Road Pedestrian Improvement – January 26, 2026</div><div>b. Grandville Avenue Sidewalk Improvement – January 26, 2026</div><div>c. Estes Region Water Main Improvements – February 9, 2026</div></div></div> <div>4. Approval of Payroll for period ending December 12, 2025, in the amount of \$1,132,119.16.</div> <div>5. Approval of Payroll for period ending December 26, 2025, in the amount of \$1,008,921.11.</div> <div>6. Approval of Bills for the period ending January 5, 2026, in the amount of \$1,911,082.50.</div> <div>It was moved by Trustee Ross, seconded by Trustee Balmes to approve the Consent Agenda for an omnibus vote as read.</div> <div><u>Roll call,</u><br/>AYE: 5- O'Brien, Balmes, Thorstenson, Woodside, Ross<br/>NAY: 0- None<br/>ABSENT: 1- Garner<br/>Motion Carried.</div> |
| <u>D. PETITIONS AND COMMUNICATIONS</u>   | 1. Approval of Proclamation designating January 19, 2026, as Dr. Martin Luther King, Jr. Day in the Village of Gurnee.   |

Mayor Hood summarized the Proclamation.

It was moved by Trustee Woodside, seconded by Trustee Thorstenson to approve of a Proclamation designating January 19, 2026, as Dr. Martin Luther King, Jr. Day in the Village of Gurnee.

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

**E. REPORTS**

1. Presentation of Fiscal Year 2026/2027 Proposed Capital Budget.

Finance Director Gosnell along with Village Department Heads reviewed the 2026/2027 Capital Budget PowerPoint that included the following:

Finance Director Gosnell reviewed the following information:

**Purpose & Objective**

- Identifies long-term strategy
  - Transportation System
  - Buildings & Improvements
  - Water & Sewer System
  - Vehicles & Equipment
  - Technology
  - Stormwater Management
- Provides a scope of capital responsibilities
- Near-term funding plan

**Executive Summary**

Director Gosnell reviewed 5-year plan and the sources of funding:

- FY2027 – 2031 Capital Plan - \$93.2M
  - Home Rule Sales Tax – 1.50%
    - 0.75% Dedicated to Capital as of January 1, 2026
  - General Fund Capital Contribution
  - Water & Sewer Rates
  - Restricted Funds
    - Motor Fuel Tax
    - Police Restricted
  - Grants
  - Minimize Debt
    - Flexible Financing
    - IEPA Loan for Knowles Road Water Tower

**FY2027 Plan Summary**

He next reviewed the breakdown of the FY2027 plan including:

- FY2027 Capital Plan - \$27.6M
  - Transportation System \$10.9M or 39.4%
  - Buildings & Improvements \$6.1M or 22.2%
  - Water & Sewer System \$5.4M or 19.6%
  - Vehicles & Equipment \$3.8M or 14.0%
  - Technology \$910K or 3.3%
  - Stormwater Management \$400K or 1.5%

Director Gosnell noted to achieve the proposed FY2027 Capital Plan \$6.5 million in excess General Fund reserves would be needed. He noted the fund balance totals at the end of FY2025 and positive variance through November.

- **General Fund Reserve Balance**
  - Policy Limit 60%-65%
  - As of 4/30/2025 - 76%
    - \$7.3M over Lower Limit
    - \$5.0M over Upper Limit
    - Excludes FY25/26 Activity
    - +\$3.2M through Nov
  - Need \$6.5M for Capital Plan
    - \$5.0M Infrastructure
    - \$1.5M Bittersweet

Village Administrator Muetz presented information regarding the capital requests for the Administration Department including the following:

- **Administration Department - FY2027 Projects**

- Buildings \$3.5M
  - Village Hall Interior Updates
  - Bittersweet Irrigation System Replacement
- Technology \$55K
  - Physical Security Improvements
  - Audio/Visual Updates
- Beyond FY2027
  - LAMA/ERP Replacement
  - Park Development at the former DQ Property

Information Systems Director Ryan Nelson presented information on Village-Wide technology-efforts including the following:

- **Information Systems** (Village-wide) - FY2027 Projects
  - Technology - \$525K
    - Enterprise Software and Applications
      - Collaboration Archiving
    - Network Equipment & Apps
      - Switching & Routing
      - Wide Area Network – Point to Point links
  - Cyber Security
    - Firewall/DMZ
    - Incident Response Planning
  - Virtualization & Storage
    - Disaster Recovery / Backup
    - Application storage

Police Chief Jeremy Gaughan presented information on the Police Department capital requests including the following:

- **Police Department** - FY2027 Projects
  - Vehicles & Equipment \$830K
    - Seven Patrol Squads/ET Vehicle
    - Drone as a First Responder Enhancements
    - Rifle Replacement Program
    - Explosive Detection K9
  - Buildings \$602K
    - Real Time Info Center
    - UPS Replacement
    - HVAC, Carpet and Concrete Floor Improvements
    - Portable Generator Integration
    - Fuel Island (Partial)
  - Technology \$171K
    - Logging & Starcom
    - A/V Distribution

Fire Chief John Kavanagh presented information on the Fire Department capital request including the following:

- **Fire Department** - FY2027 Projects
  - Vehicles & Equipment \$1.8M
    - Engine 1312 Replacement
    - Command Vehicle 1396 Replacement
    - AED and CPR Device Upgrade
  - Buildings \$1.1M
    - Fire Station Two Remodel
    - Fire Station One Masonry Repair
    - Annual General Maintenance
    - Fuel Island (Partial)
  - Technology \$46K
    - Alerting & Outdoor Sirens
    - Audio/Visual Distribution
    - Physical Security Improvements

Public Works Director Heather Galan presented information on the Public Works Department capital request including the following:

- **Public Works (Streets & Utility)** - FY2027 Projects
  - Vehicles & Equipment \$1.2M
    - Upfitting Three Five-Yard Plow Trucks
    - One Ton & Upfitting 675
    - Three Pickup Trucks 274/250/248

- Buildings \$365K
  - Fuel Island (Partial)
  - Garage Door Widening
  - Fleet Trench Drain Replacement
- Technology \$112K
  - Large Format Printer (Signs)
  - SCADA Security
  - Audio/Visual Distribution
  - Physical Security Improvements

Village Engineer Nick Leach presented information on the infrastructure plan request including the following:

- **Engineering - FY2027 Projects**
  - Transportation System - \$10.9M
    - \$3.7M Resurfacing (5.0 mi)
    - \$5.0M Reconstruction Fuller Road (1.25 mi)
    - \$845K Engineering Consulting
    - \$950K Sidewalk and Pedestrian Improvements, ADA Transition Plan

Engineer Leach reviewed maps related to the infrastructure plan including:

- 2016 Pavement Condition Index (PCI) Rating – 62
- 2020 PCI Rating – 61
- 2025 PCI Rating – 72
- Capital Projects FY2026 and FY2027
- FY2027 Proposed Projects by Type
- FY2027 Motor Fuel Tax Resurfacing Program Zones 1 through 4 Details
- FY2027 Proposed Pedestrian Improvements

Engineer Leach presented information on the Water & Sewer System plan for FY2027 including the following:

- FY2027 Projects continued
  - Water & Sewer System - \$5.4M
    - \$3.3M Watermain
    - \$1.5M Meter Replacement Year 1 of 2
    - \$325K SCADA upgrades
    - \$150K Sewer Lining
    - \$80K Washington and Hunt Club
  - Stormwater Management
    - Drainage Improvements
    - Gowe Beach
  - Looking to the Future
    - Year 2 Meter Replacements
    - Long-Term Water Main Plan

Engineer Leach presented maps and graphics including:

- FY2027 Proposed Watermain Improvements
- Cast iron watermain replacement status showing what cast iron mains have been replaced, what is proposed in FY2027 and what is remaining.
- Long-term watermain lifecycle and replacement plan.

Engineer Leach noted the next couple of years will fall slightly short of the water main replacement goal. That will allow time to get staffing in place to execute the plan in the long term. Director Gosnell noted it will also provide time to determine the actual impact of the elimination of the Grocery Tax and additional Home Rule Sales Tax.

Director Gosnell reviewed information on the impact to the General Fund reserve balance of transferring the \$6.5 million of excess reserves to fund the FY2027 Capital Plan, noting the one-time major projects that are included in the plan. Gosnell stated the fund balance will remain at 65% if the positive variance at the end of November carries through to the end of the fiscal year and the \$6.5 million is transferred.

- **General Fund Reserve Balance**
  - Assume +\$3.2M FY26 Variance
  - \$6.5M Transfer for Capital Plan

- FY26 Projected Ending at 65%
- FY27 Large Projects
  - \$5.5M Fuller Road
  - \$3.7M Roadway Resurfacing
  - \$3.3M Estes/Fuller Watermain
  - \$3.0M Bittersweet Irrigation System Replacement
  - \$1.5M Phase 1 Meter Change
  - \$1.4M Fire Engine Replacement
  - \$1.3M Fire Station #2/Village Hall Remodel
  - \$1.0M Fuel Island Replacement

**Questions:**

Trustee O’Brien asked if a portion of proposed technology funding is aimed at disaster recovery in the event of a cyber security event. Director Nelson stated there are multiple safeguards in place related to monitoring and recovery.

Trustee O’Brien stated the meter reader replacement program was four years, how will meter replacement be completed in two years. Director Galan stated the Village plans to contract with a third party to perform the work over a period of two years. She stated the company has plumbers on staff who can work extended hours including nights and weekends to complete the project.

Trustee Thorstenson asked about the impact of the water meter replacement program on residents’ homes. Director Galan clarified that the water meter is located inside the home, as opposed to the remote reader that is located on the outside of the home. The external readers will not be replaced.

Trustee Ross asked if Gowe Beach would be drained. Village Engineer Leach said no, the proposal is to remove the structures on the property, as well as the home on McClure Avenue owned by the high school. In addition, a walking path or viewing area may be installed. Administrator Muetz further clarified that the overall goal is to clean up the site and incorporate educational signage.

Trustee Balmes asked if the fence would be removed at Gowe Beach. Administrator Muetz said yes. She then asked about cyber coverage. Director Nelson and Administrator Muetz provided additional information on insurance coverage and the insurance renewal process.

Trustee Balmes asked if the Village Hall refresh would improve cooling in the server room. Director Nelson stated that improvement was completed with the replacement of the HVAC system last year. Trustee Balmes concluded by thanking staff for its efforts to remove cast iron water mains from the system.

Trustee Woodside thanked staff for their efforts. He stated he was impressed with the plans to repurpose the former Communications Center to a real-time crime center. Trustee Woodside stated efforts to adjust back-up power needs to a more cost-effective approach is also positive.

Administrator Muetz reminded the Board of the budget schedule going forward.

**F. OLD BUSINESS**

None.

**G. NEW BUSINESS**

1. Approval of Ord. 2026 – 02 granting a Special Use Permit pursuant to the Gurnee Zoning Ordinance for 5250 Route 132.

Administrator Muetz said the owners of the Pembroke Corners Shopping Center, located at 5250 Grand Avenue, are proposing to replace their existing ground sign. He stated the sign was removed in October after showing structural failure. The sign was legal non-conforming with respect to height, number of tenant panels and construction. Administrator Muetz stated the owners are requesting a Special Use Permit to allow a non-monument style sign to be re-installed. The applicant is also requesting an increase in allowable height from 12’ to 18’ (down from the original 30’) and for an increase in allowable tenant

panels from 4 to 8 (down from the original 15). Administrator Muetz stated the new sign will be like the original sign, but shorter and with less tenant panels. The request was made by the Planning & Zoning Board on December 3rd and received a unanimous favorable recommendation.

It was moved by Trustee Balmes, seconded by Trustee O'Brien to of Ord. 2026 – 02 granting a Special Use Permit pursuant to the Gurnee Zoning Ordinance for 5250 Route 132.

**Roll call,**

**AYE: 5- O'Brien, Balmes, Thorstenson, Woodside, Ross**

**NAY: 0- None**

**ABSENT: 1- Garner**

**Motion Carried.**

2. Approval of Ord. 2026 – 03 authorizing a six-month extension of a Professional Services Agreement with Mallon and Associates, Inc. for restaurant and retail recruitment and development advisory services.

Economic Development Director Dean provide a recap of the “target sites” selected as the focus of the Village’s initial six-month contract with Mallon & Associates. She stated that Mr. Mallon has met with each owner, crafted site-specific market analyses, and developed a prospect list for each site. Outreach to potential restaurateurs and retailers, of whom Mr. Mallon has worked with in other communities, is underway. Director Dean stated the goal of the recommended six-month contract extension is to continue these conversations, which would not have occurred without Mr. Mallon’s involvement and bring future investment to Gurnee, whether for the specific “target” sites or elsewhere. She indicated that the terms of the six-month extension will be identical to the first six months: \$7,000/month plus out of pocket expenses, which have been minimal thus far, paid from the Economic Development Fund. The agreement is to include six nonconsecutive months of professional fees within the time-frame January 7 – September 6, 2026.

It was moved by Trustee Ross, seconded by Trustee Woodside to approve of Ord. 2026 – 03 authorizing a six-month extension of a Professional Services Agreement with Mallon and Associates, Inc. for restaurant and retail recruitment and development advisory services.

**Roll call,**

**AYE: 5- O'Brien, Balmes, Thorstenson, Woodside, Ross**

**NAY: 0- None**

**ABSENT: 1- Garner**

**Motion Carried.**

3. Approval of request from Public Works Department to waive bidding requirements and purchase three utility service bodies, three lift gate systems, one 9’ plow and related accessories from Bonnell Industries, at a cost not to exceed \$99,715.66 (Public Works Department Units #249, #684 and #686).

Administrator Muetz said in July the Village Board approved the purchase of three pickup truck chassis that were included in the FY 25/26 Approved Budget. He stated the trucks are now ready for upfitting and that staff is once again requesting to partner with Bonnell Industries. The upfitting will include purchase and installation of utility service bodies, lift gates, lighting, rhino lining, one plow package and other associated equipment. Administrator Muetz stated over the last 13 years, Bonnell Industries and Village have cultivated a good working relationship with the purchase of new equipment as well as upgrading existing equipment. Bonnell Industries utilizes one technician to install all the equipment which is important from the standpoint of consistency and affords staff the ability to communicate as often as necessary to discuss changes to the installation or routing of equipment.

It was moved by Trustee O'Brien, seconded by Trustee Balmes to approve of request from Public Works Department to waive bidding requirements and purchase three utility service bodies, three lift gate systems, one 9’ plow and related accessories from Bonnell Industries, at a cost not to exceed \$99,715.66 (Public Works Department Units #249, #684 and #686).

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|  | <b><u>Roll call,</u></b><br><b>AYE:</b> 5- O'Brien, Balmes, Thorstenson, Woodside, Ross<br><b>NAY:</b> 0- None<br><b>ABSENT:</b> 1- Garner<br><b>Motion Carried.</b>                                      |
| <b><u>H. PUBLIC COMMENT</u></b>                      | None.   |
| <b><u>Closing Comments</u></b>                       | None.   |
| <b><u>Adjournment</u></b>                            | <p>It was moved by Trustee Balmes, seconded by Trustee O'Brien to adjourn the meeting.</p> <p><b><u>Voice Vote:</u> ALL AYE: Motion Carried.</b></p> <p>Mayor Hood adjourned the meeting at 8:08 p.m.</p> |
| <b><u>Andrew Harris,</u></b><br><b>Village Clerk</b> |   |