

REGULAR MEETING OF THE BOARD OF TRUSTEES
MINUTES
March 17, 2022

The regular meeting of the Village Board of Hampshire was called to order by Village President Michael J. Reid, Jr. at 7:00 p.m. in the Village of Hampshire Village Board Room, 234 S. State Street, on Thursday, March 17, 2022.

Roll Call by Village Clerk Vasquez:

Present: Heather Fodor, Aaron Kelly, Toby Koth, Lionel Mott, Laura Pollastrini, Erik Robinson.

A quorum was established.

In addition, present in-person were Village Manager Jay Hedges, Finance Director Lori Lyons, Assistant to the Village Manager Josh Wray, Village Attorney Mark Schuster, and Police Chief Brian Thompson. Also, present electronically: Tim Paulsen – EEI

President Reid led the Pledge of Allegiance.

Village President Reid wished everyone a Happy St. Patrick's Day.

PUBLIC COMMENTS

Kevin Penkaty thanked the Village for putting the article about his son Hunter's eagle scout project in the newsletter.

MINUTES

Trustee Pollastrini requested that the word "necessary" on page 5 could be changed to "significant."

Trustee Pollastrini also corrected the discussion of easements on page 10.

Trustee Pollastrini moved to approve the minutes of March 3, 2022, with the changes Trustee Pollastrini mentioned.

Seconded by Trustee Fodor
Motion carried by roll call vote.
Ayes: Robinson, Mott, Pollastrini, Kelly, Fodor
Nays: None
Abstained: Koth
Absent: None

VILLAGE MANAGER'S REPORT

A Motion to award the Water System Connection Project to the low bidder, Kane County Excavating, in the sum of \$966,642.52 (Estimate was \$1,368,726.25)

Mr. Hedges noted that agenda items A and B are related, A being the construction cost and B being the engineering contract. He also noted that the funding for this project will come from two state member initiative grants totaling \$875,000, and the remainder will come from the General Fund since the Village will be receiving ARPA funds.

Trustee Kelly asked why there is so much discrepancy in the line-item estimates from EEI and the bids. For example, the estimate for connecting to water mains was estimated \$38,000 higher than the bid. He is concerned that we might estimate a project too high and decide not to move forward because of that. Mr. Hedges responded that the contractors are generally concerned with the bottom line and getting the bid rather than each line-item bid, which means they may be very aggressive on some line-items and conservative on others. Tim Paulsen of EEI added that engineering estimates are always hoped to be in the middle of the eventual bids which reflects a balanced approach to estimating.

Mr. Hedges added that Kane County Excavating is currently doing work for Lennar in Tamms Farm.

Trustee Kelly asked if the project schedule from the low-bidder consistent with the engineering schedule for the next agenda item. Mr. Hedges responded yes.

Trustee Pollastrini moved to award the Water System Connection Project to the low bidder, Kane County Excavating, in the sum of \$966,642.52.

Seconded by Trustee Mott
Motion carried by roll call vote.
Ayes: Koth, Mott, Pollastrini, Kelly, Fodor, Robinson
Nays: None
Absent: None

A Motion to approve the Professional Services Agreement with EEI for Phase III Engineering Services in the amount of \$136,400.

Trustee Robinson moved to approve the Professional Services Agreement with EEI for Phase III Engineering Services in the amount of \$136,400.

Seconded by Trustee Fodor
Motion carried by roll call vote.
Ayes: Koth, Mott, Pollastrini, Kelly, Fodor, Robinson
Nays: None
Absent: None

A Motion to authorize staff to renew Medical, Dental and Vision Insurance for FY23.

Ms. Lyons noted that the approximate increase in medical insurance rates was 7.81%. The Village remarkets this concurrent with the police department FOP contract, which will take place again next year. There is no increase for dental or vision insurance this year.

Trustee Pollastrini asked for confirmation on the deductibles for the HMO and PPO medical plans. Ms. Lyons confirmed there is no deductible for the HMO plan, and the stated deductible for the PPO plan is for the full year.

Ms. Lyons also noted that the employee contribution increases as a percentage when they add dependents to the plan.

Trustee Pollastrini expressed concern that these medical plans are too rich for the Village's employees. She does not think it is right that the taxpayers contribute such a high majority of the cost, up to 95%, especially as people struggle to pay their own healthcare costs. President Reid added that he understands her perspective, but the Village has always struggled to attract and retain employees with salary, so the Village tries to have excellent benefits. Ms. Lyons added that the FOP contract states that the insurance plans will stay substantially the same during the

contract, so she recommends waiting until next year before considering any major changes to this insurance renewal.

Trustee Koth moved to authorize staff to renew Medical, Dental and Vision Insurance for FY23.

Seconded by Trustee Robinson
Motion carried by roll call vote.
Ayes: Koth, Mott, Kelly, Fodor, Robinson
Nays: Pollastrini
Absent: None

An Ordinance authorizing the sale of certain municipal property (2017 Dodge Charger)

Mr. Hedges noted that the plan is to sell this vehicle to Veto Enterprises for \$8,000.

Trustee Kelly asked if we keep any of the equipment. Chief Thompson responded yes. The police department keeps any equipment they can to be transferred to a new vehicle.

Trustee Kelly moved to approve Ordinance 22-04: An Ordinance authorizing the sale of certain municipal property (2017 Dodge Charger).

Seconded by Trustee Fodor
Motion carried by roll call vote.
Ayes: Koth, Mott, Pollastrini, Kelly, Fodor, Robinson
Nays: None
Absent: None

A Presentation of the utilities master plan from EEI (No Action Required).

Steve Dennison from EEI presented on a master plan for the Village's water and wastewater system. The presentation included background on both systems including previous planning and construction, a breakdown of the approach to a master plan, and information on several components of the analysis. The completed plan will include capacity studies given expected development, maintenance needs for current and future facilities and infrastructure, individual project cost estimates, and a water rate study that matches funding needs with billing. Mr. Dennison made special note that the Village is not in immediate danger of running low on water supply from the deep aquifers; it is probably something to start looking at in 15-20 years. The proposed fee for completing this study is \$198,903, which is based on EEI's 2020 schedule of charges to help keep this project cost as palatable as possible. Completion is expected 12 months after approval with most of the work being completed in the first 8-10 months. Mr. Hedges clarified that the \$198,903 cost is included in the proposed budget for FY23.

Mr. Hedges noted that staff decided to pursue this project because the Village had been requesting proposals for many individual studies based on development needs, which was amounting to much more than \$200,000. This compiles those individual studies into a more comprehensive approach to get a better understanding of needs while also saving money.

Village President Reid reported we have done lots of projects over the years but have done so without any type of comprehensive plan like this study proposes.

Trustee Kelly asked if EEI would currently approve any development plans including 4"-6" water lines. Mr. Dennison responded no; the minimum today would be 8" which could be increased from there depending on the specific circumstances.

An Introduction of the 2023 Annual Budget

Ms. Lyons provided an overview of the budget process and highlighted the changes that have been made since presentation to the Budget Committee. These changes include increasing the sidewalk repair program from \$10,000 to \$20,000, increased funding for Coon Creek Country Days and the Hampshire Area Chamber of Commerce to requested levels, correction of small discrepancies with the SSA funds, and a reallocation of the utility capital improvement funds. She then highlighted important components of the proposed budget as follows:

Human Capital:

34 full-time and 3 part-time employees, including 1 additional full-time employee in the Streets Division and 1 additional part-time crossing guard in the Police Department.

Technology:

Continued SCADA upgrades in the Utilities Department
Migration of the Village's ERP system from MSI to Incode
Implementation of a Safety Management Program

Capital Improvements:

Rt. 72 and State Street Intersection Improvements
Streetscape
North/South Water System Connection
Surge Suppression Improvements
Sidewalk Construction under the Safe Routes to School Grant Program
Drone for the Police Department
Trucks for both the Streets and Utilities Divisions
Wheel Loader for the Streets Division
Gator for the Utilities Division

A deeper presentation of the budget will be presented during the public hearing at the next Village Board meeting.

President Reid thanked Ms. Lyons and staff for their hard work on preparing the budget.

Trustee Pollastrini noted that one of the Budget Committee's goals was to keep the operating funds balanced.

Trustee Kelly asked if sales tax and income tax are population-based numbers. Ms. Lyons responded that income tax is population-based, but sales tax is based on actual sales in the Village. The large increase in income tax from the previous year is due to the new census numbers.

Trustee Kelly asked why water rates are increasing 4.1% when expenditures are planned to decrease by \$30,000. Ms. Lyons responded that water revenue does not support all the water-related expenses including capital projects, so other funds, including the capital improvement fee, are transferred to help. She also noted that the water rates automatically increase each year per ordinance unless the Village Board acts otherwise. Mr. Hedges noted that the utilities master plan will likely result in staff asking the Village Board to significantly increase rates to pay for the major capital projects that will be coming in the next several years. President Reid added that the Village has always struggled with the Water Fund, and the coming capital projects are only going to make it worse. Trustee Kelly further noted that the Water Improvement Fund expects to see over \$300,000 in revenue each year, so he still has a problem raising rates to help pay for capital expenses. Mr. Hedges responded that the Capital Improvement Plan shows over \$15 million worth of water and sewer projects, and that does not include many of the unknown costs associated with the large projects to be studied in the utilities master plan.

Trustee Koth asked if the Public Relation Committee's request is included in this proposed budget. Ms. Lyons responded that there is \$1,000 to support the events committee, \$12,000 for a

social media contract, and \$9,000 for printing newsletters.

A Motion to schedule a Public Hearing for the FY2023 Annual Budget on April 7, 2022.

Trustee Pollastrini motion to schedule a Public Hearing for the FY2023 Annual Budget on April 7, 2022.

Seconded by Trustee Fodor

Motion carried by roll call vote.

Ayes: Koth, Mott, Pollastrini, Kelly, Fodor, Robinson

Nays: None

Absent: None

MONTHLY REPORTS

February Financial Report

Trustee Kelly asked for clarification on page 110 of the packet where it says the YTD budget is \$937,000 deficit, but the YTD actual is \$1.3 million surplus – are there any major expenses the Village will realize before the end of the fiscal year. Ms. Lyons noted that a portion of the ARPA funds are being held in the current year but will be transferred to next year, so there are definitely some things that will eat into the current surplus. She added that she is confident that the Village will still end the fiscal year with a surplus though due to many postponed projects.

February Police Incidents Report

No comments or questions.

February Engineering Report

Trustee Pollastrini asked if we have a start date for Streetscape yet. Mr. Hedges responded that there is a pre-construction meeting and a downtown business meeting schedule for the second week of April where staff will walk everyone through the project and the schedule.

Trustee Koth asked if there are penalties if the contractor does not complete the project within the specified timeline. Mr. Hedges responded yes.

Tim Paulson from EEI reported at the D300 Elementary School at Oakstead there will be no traffic light, will have a full crossing walk, a flashing light, decrease the speed limit to 25 m.p.h. and have a morning and evening crossing guard for an hour. Laura Pollastrini asked about the Love's Matrix punch list, Mr. Paulson reported we have had meeting to address many items on the list and by spring, it should be ready to be accepted.

ACCOUNTS PAYABLE

A Motion to approve the March 17, 2022 Accounts Payable to Personnel

Trustee Koth moved to approve the Accounts Payable for John Huff in the sum of \$40.00 paid on or before March 23, 2022.

Seconded by Trustee Robinson

Motion carried by roll call vote.

Ayes: Fodor, Kelly, Pollastrini, Robinson, Koth, Mott

Nays: None

Absent: None

A Motion to approve the March 17, 2022 Regular Accounts Payable

Trustee Pollastrini asked about the Nicor Bill of \$1.55. Ms. Lyons explained that this bill is for a very small structure that houses some controls which is heated.

Trustee Robinson moved to approve the Accounts Payable in the sum of \$339,569.21 paid on or before March 23, 2022.

Seconded by Trustee Mott
Motion carried by roll call vote.
Ayes: Fodor, Kelly, Pollastrini, Koth, Mott, Robinson
Nays: None
Absent: None

COMMITTEE / COMMISSION REPORTS

- a) Business Development Commission – Trustee Kelly reported the BDC met last week, and they are continuing the Economic Development Strategy with the help of Mr. Wray. The Commission received updates on the façade program, including a note that the proposed budget for FY23 brings the program back to \$100,000 after being down to \$75,000 for the past two years. Mr. Wray updated the commission on developments.
- b) Public Relations – Trustee Fodor will have a meeting on March 24 at 6:30 p.m.
- c) Public Works – Trustee Koth mentioned the Public Works are preparing for the spring clean-up. He also noted that the salt dome collapsed, and the cost to fix it will be around \$15,000.
- d) Budget Committee – Trustee Pollastrini thanked Ms. Lyons and everyone participating with the budget process.

ANNOUNCEMENTS

President Reid announced the Rose Garden will be closing on March 27 after 20 years in the Village. Trustee Koth said we should do a special interview and article about them in the next newsletter. Clerk Vasquez added there will be a farewell parade on Sunday, March 27, and there will be an event on Thursday, March 24 with balloons, photos, snacks, etc. that is open to everyone.

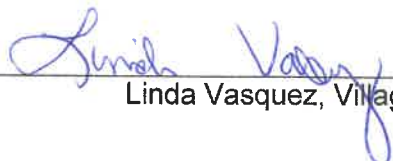
Rose Letheby from the Assessor's Office announced that the multiplier for Hampshire Township this year will bring property values up 6%.

President Reid congratulated Trustee Robinson's wife Dana who completed her doctorate in education.

ADJOURNMENT

Trustee Fodor moved to adjourn the Village Board meeting at 9:08 p.m.

Seconded by Trustee Kelly
Motion carried by roll call vote.
Ayes: Fodor, Kelly, Pollastrini, Koth, Mott, and Robinson
Nays: None
Absent: None



Linda Vasquez, Village Clerk