

**Village of Deer Park
Regular Board Meeting Minutes
October 20, 2003**

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1. CALL TO ORDER

The Regular meeting of the Board of Trustees of the Village of Deer Park was held on Monday, October 20th, 2003 at Charles Quentin Elementary School in the Village of Deer Park, Lake County, Illinois.

President Karl called the meeting to order at 8:00 p.m. Upon roll call the following were present: Trustees Dowell, Gifford, Ekstrom, Kizior, Plautz, and Werch. Other Village Officials present were Administrator Diesen-Dahl, Clerk Smith, and Attorney Hargadon.

Guests present were: Roger Hankin (20856 Swansway); Mary Lahr (201 Rue Touraine); Sam Pecoraro (Oraro Development); Angelo Pecoraro (Oraro Development); Jim Peterson (20230 Lea Road); Teri Bridge (23675 Hedgeworth Court); Russ McElwain (Inverland Development); Jim Blankenheim (20106 Deer Chase Court); Brian LeFevre (Sikich Gardner).

2. AGENDA CHANGES AND ANNOUNCEMENTS

None.

3. CONSENT AGENDA

- A. Minutes from the:
 - i) Regular Board of Trustees Meeting held 9/15/03.
 - ii) Special Board of Trustees Meeting held 9/22/03.
 - iii) Board of Trustees Public Hearing-Annexation Seventh Day Adventists held 9/22/03.
 - iv) Board of Trustees Public Hearing-Annexation Froslan's held 9/22/03
- B. From the Engineer:
 - i) 2003 Road Maintenance-Testing Services, STS Consultants Pay Request in the amount of \$1,773.75 (Last month paid \$3,538.75. Services to date: \$5,312.50).
 - ii) 2003 Road Maintenance Program-Arrow Road Construction in the amount of \$32,337.40.
- C. From the Attorney:
 - i) Century Theater Water Service Agreement.

Trustee Kizior noted a correction in the Regular Board of Trustees Meeting Minutes on page 6 under his report—"Trustee Dowell" should be changed to "Trustee Kizior" in the last sentence of section 4.

MOTION: by Gifford second by Kizior to accept the Consent Agenda, as amended. Upon voice vote:

YES: (6)

NO: (0)

ABSENT: (0)

Motion Carried 6 /0

4. BRIAN LEFEVRE-SIKICH GARDNER

Mr. LeFevre thanked the Board for inviting Sikich Gardner this evening to provide comments on reports resulting from the audit dated April 30, 2003. Financial Statements and Auditor's Report have been completed; also assisted the Village in filing the required report with the Comptrollers Office.

Comments:

Page 4--One exception noted--no General Fixed Asset as required by government accounting standards. Cash basis is often used by Municipalities of similar size. Sikich Gardner recommends Modified Accrual Method of accounting; not significant difference at this time. FASB Statement 34 previously indicated Cash Basis of accounting would no longer be accepted. Final rules have come out; Cash Basis is allowed; however, will need to come up with Fixed Asset class to comply. As classified under the smallest level of government (under 10,000 residents)—Village is not required to retroactively inventory roads, bridges, or complete reconstruction. Will be required to inventory proactively.

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Page 6—Balance Sheet—reviewed funds shown. Noted General Fund Unreserved Fund balance of \$3.1 million is amount available for appropriations at the beginning of the fiscal year operating in now. Additionally, in the General Long Term Debt Account Group the installment contract certificates issued for the Vehe Farm shows a balance of \$516,000 still outstanding as of April 30.

Page 8—Operating Statement. Excessive Revenues collected over Expenditures for General Fund—indicates the Village collected enough over the year to cover the costs of the Village. Did not draw down on prior year funds. Special Revenue and Capital Project Funds had decreasing balances. Both funds were appropriated and anticipated to draw down; not a cause for concern. All funds were in black with positive fund balances.

Page 11 is the Operating Statement for the sewer fund; operated at breakeven for the year with a slight decrease in Retained Earnings.

Notes to bring to the attention of the Board:

Page 16—Note 2 gives applicable information for the repayment on installment payments for the Vehe Farm.

Note 2b--Special Service Bonds outstanding total slightly less than \$28 million as of April 30, 2003.

Note 3-Deposits with Financial Institutions—states allowable deposits and investments and discloses insurance or collateral status of securing of funds on behalf of the Village. Some deposits in Category 3 this year; not provided sufficient evidence to classify as 2 or 1. Harris states collateral at the Federal Reserve; Federal Reserve has not substantiated. Harris has not supplied the verification of the Federal Reserve Collateral agreement. Believe Harris had sufficient time to substantiate. Only information received was from the branch. Collateral pledge held at the bank is no different than no collateral at all. There appears to be an informational exchange which has not occurred. Other clients (municipalities) who work with Harris have had same issue; believe funds are set aside correctly, but need the documentation to verify. May need the Village to help achieve documentation. Trustee Dowell indicated in the past the Village has received a letter from stating funds on reserve with the Federal Reserve. Can understand why the auditors had to take this position; believe Harris is in compliance; need to verify with Harris. Mr. LeFevre noted the Federal Reserve should be providing a quarterly statement to the Village verifying reserve is on deposit.

5. JIM PETERSON—UPDATE ON BARN RESTORATION

Mr. Peterson reported work on the restoration of the barn is moving along well. Exterior enclosure of main barn building and exterior of some of the outbuildings will be complete at the end of the year on schedule and on or under budget. Absorbed approximately \$40,000 of heavy timber work which needed to be done.

Village funding of the Vehe Farm Foundation, the bulk of which has been allocated towards the renovation, was spread out evenly this fiscal year. However, construction work will be complete at end of year; request the balance of funds allocated for this year be dispersed between now and end of January instead of between now and the end of the fiscal year. Does not increase the funding; changes the disbursement schedule.

Mr. Peterson indicated the Foundation would like to begin next year's construction phase as early as possible in the year, and would like to complete all building activity next year. (Proposal for the new construction schedule and an updated budget projection were included in Board packets.) Would allow meetings to be held approximately one year from January in the facility (as opposed to completing over a multi-year time frame). Would require approximately \$250,000 additional in this fiscal year to cover estimated construction expenses which would occur.

Foundation has been pleased with the support received so far. Strongest indication of that support has been the number of hours spent by Foundation and Village residents.

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Trustee Gifford noted proposed the proposed new construction schedule does not include phases 5 and 7. Those were setup of exhibits; will not happen until later. Everything else is lumped together. Board requested work be broken into separate phases for funding purposes to handle changes in Village ability to fund. Mr. Peterson indicated the Foundation could prepare for next month a breakdown with deadlines for funding for remaining work. President Karl noted if Board commits to the \$250,000, committing to construction of interior. Looking for contractor to begin work by February of 2004.

Trustee Dowell indicated, from a procedural point of view, the Foundation presents budget. Looking for an advance on the next fiscal year to begin the next phase.

Trustee Werch noted the sooner the Village can begin holding functions, the sooner can begin seeing return on investment. Could hold back items which may make amenable to outside functions (another revenue source for return on investment). Mr. Peterson noted some of these amenities would be appropriate for grant funding requests. The \$250,000 figure was derived as a function of funds allocated in proposed budget for the next fiscal year divided by the number of months desiring to accelerate payments. Looking to achieve a seamless transition from fiscal years while allowing construction to continue.

Board members expressed concern about the timing of funding; requested a breakout of items which could be deferred if necessary.

Investment environment (interest cost of money advanced) is low—money market funds for municipalities are at approximately 1%—impact on investments is low. Additionally, Board needs to look at opportunity cost of not proceeding.

MOTION: by Kizior second by Ekstrom to accelerate the payouts earmarked for the Vehe Farm Foundation for the rest of the fiscal year for the restoration of the barn due in January, February, March and April to be equally distributed in November, December, and January. Upon roll call:

YES: (6) Dowell, Gifford, Ekstrom, Kizior, Plautz, Werch
NO: (0)

Motion Carried 6/0

Board will wait for breakout of phases and itemization of costs to act on additional funding request. Also, need to analyze the impact of the Vehe Farm Foundation Agreement on the request for the \$250,000.

6. JIM BLANKENHEIM—DEER CHASE COURT ENTRANCE PLANS

Drawing submitted to Board in packets for proposed Subdivision Entrance changes (dated 7/14/03). Subdivision is located on the southwest corner of the Village east of Ela off of Lake Cook Road.

Safety issue with "S" curve: dogwood bushes obscure vision, no lights. Interested in installing lights. Have engaged an architect. Work is scheduled on a phased basis. Contractor applied for building permit; told they needed to address Board, as sign and plantings are on Village-owned outlot. Costs will be borne by homeowners through the Association (voluntary). Homeowners have been paying maintenance on the entrances for the last few years (since developer sold the last lot).

MOTION: by Werch second by Gifford to approve conceptual proposal for the Deer Chase Court entrance landscape plan dated 7/14/03. Upon voice vote:

YES: (6)
NO: (0)

Motion Carried 6/0

Attorney Hargadon noted need easement and insurance for work. At Village cost, Attorney Hargadon to draw up agreement. No formal association; direct to Mr. Blankenheim, as he will be signing authority for the homeowners on the contract.

7. **INVERNESS DEVELOPMENT CONSULTATION: VILLAGIO TOWNE CENTRE**

Russ McElwain, Inverness Development, addressed the Board. At the last presentation before the Board, concern was expressed with density of proposed development. As a result, presented revised plan for proposed Villagio Towne Centre Subdivision proposed for the corner of Long Grove and Quentin Road.

Mr. McElwain indicated number of units have been reduced, and split parcel of land. Has been some interest expressed on the part of the Village in acquiring a part of that land for public purpose. Looking for direction with regard to plan presented to the Village. Reduced density to be in compliance with the Comprehensive Plan (previously proposed 132; now down to 76 units). Southerly line moved to north of the property line of the northerly most house in Rue Vallee Subdivision to allow open space views and a larger open space area along the east side of the subdivision.

Mr. McElwain indicated he was interested in discussing the appropriate avenue for moving forward on this property. Current contract to purchase the land expires in a little less than two years.

Homes in proposal are “essentially” the same size as those approved for Deer Park Place.

Trustee Kizior indicated he was not comfortable with the amount of setback along Quentin Road—100 feet is the guideline, which he would view as the minimum. President Karl noted concerns regarding setbacks come from protecting neighbors; this proposal borders park area.

No guest parking is shown on the proposal--conceptual plan only.

Trustee Werch indicated the Village has, in the past, stopped commercial development that would generate income because the proposal did not reflect the intent of the Village. Feels this level of residential is too accelerated. Not enhancing the Village, other than filling up space. Being asked to approve a volume of homes that are all essentially the same in an area that was originally supposed to support a variety of residential uses, and in a volume that makes the Village no different than other residential areas surrounding. Not “Deer Park”. The Town Center was unique, and has attracted attention from other communities. This is “me too”; do not feel good about it. Trustee Plautz agreed.

President Karl noted the Village will be addressing this parcel in Executive Session later this evening. Not really at a point to give clear direction now. Welcome other comments so as not to leave developers hanging.

Trustee Gifford indicated he was hesitant about the sheer volume of the development; questions how will it enhance the Village.

Trustee Werch noted the Board has an opportunity to send a message to developers about what type of development the Village is looking for in the Comprehensive Plan. Mr. McElwain noted this is conceptual only; can manipulate garages for more side load garages. This proposal is actually less dense than the Deer Park Place Subdivision. Believe it is in compliance with the Comprehensive Plan. Trustee Werch indicated he is not opposed to townhomes; however, the looking for spirit of what Deer Park has enjoyed—not homogenous homes, varied setbacks, etc. Variety, character, integration, bike paths, open spaces. Mr. McElwain indicated he believes this is what he is proposing—architecture is different on each building, although footprints look the same. Elevations are fairly complicated; building these floor plans next to Little City in Palatine. Not exactly the same elevations, but as elaborate. Try to “shoot high” on the architectural and service side; open to working with Village on plans to achieve suitable plans.

Trustee Ekstrom stated she was concerned about the detail of the architecture, open space, and parking. Mr. McElwain indicated space was aggregated to achieve open space for

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neighbors across Quentin (Rue Vallee), rather than dispersing throughout. Approximately 200' separation back to back.

Trustee Plautz asked if developer had considered some single family homes and row houses (as suggested in the Comprehensive Plan)—a mix of housing styles. Mr. McElwain stated plan was developed while trying to connect up with Deer Park Place, and fall in line with the Comprehensive Plan. Do not see this as a single family residence area. Can give appearance of single family homes, especially along Quentin.

8. ORARO DEVELOPMENT GROUP PROPOSAL—FOXDALE SUBDIVISION

Continuation of last month's discussion. Mr. Pecoraro was directed to proceed with Lake Zurich; sent letter drafted by Attorney Hargadon. Lake Zurich now wants to deal directly with the Village of Deer Park. Have to annex to Deer Park; Deer Park needs to work with Lake Zurich. Board expressed interest in obtaining sewer to protect wetland areas. Some concern regarding maintenance, etc. which may be borne by Deer Park. Attorney Hargadon noted parallel to Palatine water agreement; Village of Deer Park would be buying sewer service from another Village. Deer Park becomes customer and reseller. If a service issue were to arise, Deer Park would be the provider. Could create a lot of work for the Village, with little upside. Need to investigate if other areas on similarly marginal soils south of the property which could be served.

Attorney Hargadon spoke to Lake Zurich Village Attorney to confirm parameters of agreement. Deer Park wants Lake Zurich to build, own, and maintain. Lake Zurich Village Attorney confirmed Deer Park needs to be buyer of services, then resell.

Board discussed functional implications of undertaking this project for eight homes. Village staff is limited now, would unduly burden. Other municipalities have infrastructure in place whereby that Village is billing individual homeowners for services. Deer Park does not; would need to handle similar to sewer billing in the Triangle. Board opposed to adding responsibilities to Village, not opposed to building homes. Wetland preservation near this area makes sense; attempt to work with Lake Zurich to arrive at a mutually desirable agreement.

Need letter from Oraro Development regarding bearing of costs if desire to move forward, as there is no formal application in front of the Village (thus, not subject to reimbursement process for costs).

9. REPORTS

A. Attorney Hargadon

- i) Ordinance 03-16: Amendment to the Deer Park Municipal Code Chapter 158.37.
Requires that any additions to the incorporated area of the Village shall be classified as R-1, 43,560 square foot Single Family Residential District. Public Hearing held earlier this evening; Plan Commission approved unanimously.

MOTION: by Dowell second by Gifford to approve Ordinance 03-16:
Amendment to the Deer Park Municipal Code chapter 158.37. Upon voice vote:
YES: (6)
NO: (0) Motion Carried 6/0

- ii) Ordinance 03-17: Fees Schedule for Offenses and Violations
Section 10-99. Schedule provided by Kildeer Police.

MOTION: by Werch second by Gifford to approve Ordinance 03-17: Fee Schedule for Offenses and Violations. Upon roll call vote:
YES: (6) Dowell, Gifford, Ekstrom, Kizior, Plautz, Werch
NO: (0) Motion Carried 6/0

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- iii) Resolution 03-2: Adopting a Fine Schedule Pursuant to Section 10.99(E)
Ancillary to Ordinance 03-17—this is a Resolution adopting the Fee Schedule set forth in Ordinance 03-17.

Kildeer fines virtually double after 5 days; Deer Park is less restrictive.

MOTION: by Werch second by Dowell to approve Resolution 03-02: Resolution Adopting a Fine Schedule Pursuant to Section 10.99(E) of the Village of Deer Park Municipal Code. Upon roll call vote:

YES: (6) Dowell, Gifford, Ekstrom, Kizior, Plautz, Werch

NO: (0) Motion Carried 6/0

- iv) Intergovernmental Cooperation Contract with Illinois Municipal League Risk Management Association.

Attorney Hargadon summarized in a memo dated October 3, 2003. Contract by which Village participates in municipal insurance pool. Have not entered into this agreement during Attorney Hargadon's term. Verified coverages; approves agreement. Trustee Dowell cautioned this agreement should be reviewed at each renewal possibility due to the pooling of risks, which makes sense in good years. Village could have good track record; losses elsewhere could impact future years, and should be monitored year to year.

MOTION: by Gifford second by Dowell to approve the Intergovernmental Cooperation Contract with the Illinois Municipal League Risk Management Association. Upon roll call vote:

YES: (6) Dowell, Ekstrom, Gifford, Kizior, Plautz, Werch

NO: (0) Motion Carried 6/0

- v) Ela Township Intergovernmental Agreement

Text was dropped from one of the provisions. Approve amended contract to add section 3(H) to state "in accordance with the Village of Deer Park snow plow standards."

MOTION: by Dowell second by Gifford to approve the amended Ela Township Intergovernmental Agreement to add text adopting Village of Deer Park snow plow standards to the Agreement. Upon roll call vote:

YES: (5) Dowell, Gifford, Ekstrom, Kizior, Werch

NO: (0)

ABSENT: (1) Plautz Motion Carried 5/0

Trustee Plautz was not present for the above vote.

B. President Karl

- i) Meeting with Kildeer regarding police services. Tentatively set to meet Wednesday.

C. Trustee Dowell--Finance

- i) Budget input worksheets will be available for the next meeting to be filled out for next fiscal year. Will need to return by middle of January.

D. Trustee Ekstrom—Roads and Public Utilities

- i) Resident getting letter regarding storage of recreational vehicle. Only on property to fill prior to use, then removed--not stored on property. Administrator Diesen Dahl received list from B&Z Inspector Holmes, writes letters for him. Administrator Diesen-Dahl to request B&Z Holmes to monitor during the week, not just prior to or after weekends.
- ii) Trees have been planted and treated.

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E. Administrator Diesen-Dahl

i) Water Softener for the Village Office

Lake Zurich water is hard; plumber and Building & Zoning Inspector Holmes recommend softener. Board requested Trustee Plautz work with Administrator Diesen Dahl regarding need for water softener.

ii) Outside Maintenance-Peeling Paint

Peeled to bare wood; needs to be painted to preserve wood. Driveway has been installed. Sidewalk on north end of property that needs step and correction of the fence for handicap parking.

Board directed Administrator to obtain proposals, including one from contractor currently working on the Barn for potential savings.

F. Trustee Kizior—Parks and Recreation

i) Light Guard—to be incorporated into lights on Rue Royale and Quentin Road.

ii) Swale improvements—Lake Cook Road improvements to plan without any cost changes.

iii) Michael D'Angelo Soccer Parking Issue—Only received one phone call in three weeks. Trustee Ekstrom stated resident Carrie Groeller has been calling her instead of Trustee Kizior. Mrs. Groeller has stated the situation is actually worse now, as practicing after dark and parking in her driveway with headlights on. Trustee Kizior to follow up; President Karl also to speak with President Adrienne Virgilio.

G. Trustee Plautz--Sanitation

i) Outside Bulletin Board by the Village Office--Vehe Farm Foundation will have this type of device.

ii) SWALCO--notified Trustee only, and then two days after strike began. From now on will send notices to both office and Trustee. Were able to give advance information to the Town Center.

iii) Email policy—Attorney Hargadon to draft policy.

10. TREASURERS INFORMATION

MOTION: by Dowell second by Gifford to approve the Treasurers Information dated 9/30/2003. Upon voice vote:

YES: (6)

NO: (0)

Motion Carried 6/0

11. CASH DISBURSEMENTS

MOTION: by Dowell second by Kizior to approve the Cash Disbursements for the period 9/16/03 through 10/20/03 in the amount of \$415,314.

Upon roll call:

YES: (6) Dowell, Gifford, Ekstrom, Kizior, Plautz, Werch

NO: (0)

Motion Carried 6/0

12. PUBLIC COMMENTS

None.

13. ADJOURNMENT TO EXECUTIVE SESSION

MOTION: by Gifford second by Kizior to adjourn to Executive Session to discuss possible land acquisition and imminent litigation/annexation by the Village. Upon voice vote:

YES: (6)

NO: (0)

Motion Carried 6/0

The Regular Meeting of the Board of Trustees was temporarily adjourned at 10:14 p.m.

14. REOPEN REGULAR MEETING

MOTION: by Dowell second by Gifford to reopen the Regular Meeting of the Board of Trustees. Upon voice vote:

YES: (6)

NO: (0)

Motion Carried 6/0

The Regular Meeting of the Board of Trustees was reopened at 11:45 p.m.

15. ADJOURNMENT

MOTION: by Dowell second by Gifford to adjourn the Regular Meeting of the Board of Trustees. Upon voice vote:

YES: (6)

NO: (0)

Motion Carried 6/0

The Regular Meeting of the Board of Trustees was adjourned at 11:45 p.m.

Richard C. Karl, President

Sandra R. Smith, Village Clerk