

**VILLAGE OF HUNTLEY
VILLAGE BOARD MEETING
November 19, 2009
MINUTES**

CALL TO ORDER:

A meeting of the Village Board of the Village of Huntley was called to order on Thursday, November 19, 2009 at 7:00 p.m. in the Municipal Complex, Village Board Room, 10987 Main St., Huntley, Illinois 60142.

ATTENDANCE:

PRESENT: Mayor Pro-Tem Paul Mercer; Trustees: Pam Fender, Jay Kadakia, Niko Kanakaris, and John Piwko.

ABSENT: Mayor Charles Sass and Trustee Harry Leopold

IN ATTENDANCE: Village Manager David Johnson, Senior Assistant to the Village Manager Lisa Armour, Director of Finance and Human Resources Jennifer Chernak, Accounting Supervisor Julie Baumgartner, Management Assistant Barbara Read and Village Attorney Mike Coppedge.

PLEDGE OF ALLEGIANCE: Mayor Pro-Tem Mercer led the Pledge of Allegiance.

PRESENTATION:

Trustee Mercer introduced Jason Stohlquist and read the following proclamation into the record:
A Proclamation Honoring Staff Sergeant Jason Stohlquist
United States Air Force
November 19, 2009

Whereas, Jason Stohlquist is a Huntley resident and 1997 graduate of Huntley High School; and

Whereas, Jason enlisted in the United States Air Force in November 2002; and

Whereas, Jason proudly serves as a Staff Sergeant in the United States Air Force serving in Iraq and Kyrgyzstan; and

Whereas, the Village of Huntley is thankful to Staff Sergeant Jason Stohlquist for his integrity, allegiance and dedication in serving in the Air Force for seven years to preserve and protect the freedom of the residents of his Community and his Country; and

Whereas, the Village of Huntley is proud and grateful to welcome Jason home.

NOW THEREFORE, BE IT PROCLAIMED that the Village of Huntley extends its gratitude and support to U.S. Air Force Staff Sergeant Jason Stohlquist as well as the entire Stohlquist and Piske families for their dedication, perseverance and commitment to serve and protect the freedom of the United States of America as we welcome Jason home this 19th day of November 2009.

APPROVAL OF AGENDA:

There were no changes to the agenda and the agenda was approved, as presented.

PUBLIC COMMENTS: None

ITEMS FOR DISCUSSION AND CONSIDERATION:

- a) Approval of the October 22, 2009 Village Board and November 5, 2009 Committee of the Whole Meeting Minutes

Mayor Pro-Tem Mercer asked if the Village Board had any questions or changes; there were none.

A MOTION was made to approve the October 22, 2009 Village Board and November 5, 2009 Committee of the Whole Meeting Minutes.

MOTION: Trustee Piwko
SECOND: Trustee Fender
AYES: Trustees Fender, Kadakia, Kanakaris, Mercer and Piwko
NAYS: None
ABSENT: Trustee Leopold
The motion carried 5-0-1

- b) Approval of the November 19, 2009 Bill List in the Amount of \$290,835.39

Mayor Pro-Tem Mercer asked if the Village Board had any comments or questions; there were none.

A MOTION was made to approve the November 19, 2009 Bill List in the Amount of \$290,835.39.

MOTION: Trustee Kanakaris
SECOND: Trustee Fender
AYES: Trustees Fender, Kadakia, Kanakaris, Mercer and Piwko
NAYS: None
ABSENT: Trustee Leopold
The motion carried 5-0-1

- c) Approval of Ordinance (O)2009-11.50 – Acceptance of Certain Public Improvements – Lion’s Chase Subdivision

Village Manager David Johnson reported that the Village Board routinely accepts subdivision public improvements for ownership and maintenance once the improvements have been successfully constructed and inspected.

Village Manager Johnson stated that the Village has received a request from Richmond American Homes for partial acceptance of the public improvements, along with adjustments to the financial securities for the public improvements.

Richmond American Homes is seeking Village acceptance of the streets with final surface course of asphalt completed, the public watermain, sanitary sewer and storm sewer. The streets without surface course of asphalt, the landscaping and wetlands mitigation are not requested for acceptance at this time.

The public improvements correction list generated by the Village has been completed over the summer months and it is recommended that the Village Board accept the public improvements requested by Richmond American Homes.

Adjustment to the performance security as specified below is subject to receipt of a maintenance security in the amount of \$487,514.00 for a one-year period.

Performance Bond	Current Value	Proposed Disposition
Travelers Casualty and Security Company of America Bond #104350045	\$3,136,382.50	Reduce or replace to a new value of \$860,480.00

Village acceptance of the public streets not yet surfaced, the landscaping and wetlands mitigation will be requested at a future date.

Mayor Pro-Tem Mercer asked if the Village Board had questions.

Trustee Fender asked what percentage of streets were finished; Village Manager Johnson reported that only the northern section of the subdivision streets were completed.

Trustee Piwko asked about the improvement leading to the one house at the very south end of the subdivision; Village Manager Johnson reported that there is not yet a sidewalk and that area has not been accepted. Trustee Piwko asked if the resident had been informed to which Village Manager Johnson responded yes.

Trustee Kadakia inquired about the maintenance bond. Village Manager Johnson reported that the standard maintenance bond is required after the improvements are accepted.

Mayor Pro-Tem Mercer asked if the Board had any other questions; there were none.

A MOTION was made to approve Ordinance (O)2009-11.50 – Acceptance of Certain Public Improvements – Lion’s Chase Subdivision

- MOTION:** Trustee Kanakaris
- SECOND:** Trustee Piwko
- AYES:** Trustees Fender, Kadakia, Kanakaris, Mercer and Piwko
- NAYS:** None
- ABSENT:** Trustee Leopold

The motion carried 5-0-1

- d) Approval of Ordinance (O)2009-11.51 – Acceptance of Public Improvements – Shores of Covington Lakes Phase 2 and the Coves of Covington Lakes Phase 6 Subdivisions

Village Manager David Johnson reported that the Village Board routinely accepts subdivision public improvements for ownership and maintenance once the improvements have been successfully constructed and inspected.

The Village has received a request from DRH Cambridge Homes, Inc. (DRH) for acceptance of Covington Lakes Phase 2 and Phase 6 subdivisions, along with the release of the performance guarantees for the public improvements.

The public improvement correction lists generated by the Village have been successfully completed by DRH, and it is recommended that the Village accept the public improvements for Covington Lakes Subdivision Phase 2 and Phase 6 with modifications to the financial securities as follow:

Project	Original Public Improvement Cost Estimate	Current Performance Bond Amount	Proposed Disposition	Maintenance Security Required (10%)
Covington Lakes Phase 2	\$1,651,862.35	\$505,061.40	Release	\$165,186.24
Covington Lakes Phase 6	\$1,483,993.62	\$1,332,691.03	Release	\$148,399.36

The current performance securities may be released upon receipt of the one-year maintenance securities.

Mayor Pro-Tem Mercer asked if the Village Board had questions.

Trustee Fender asked about the pile of dirt and trailers on site. Village Manager Johnson reported that the site has been cleaned up. The dirt pile was lowered, cleaned up and a silt fence was installed. Trustee Fender asked if the dirt pile will stay until the subdivision is built out; Village Manager Johnson responded yes.

Trustee Kadakia asked about the different amounts of bonds per phase. Village Manager Johnson reported that only certain improvements have been completed and the dollar amount is based on the value of the outstanding public improvements.

Mayor Pro-Tem Mercer asked if the Village Board had additional questions; there were none.

A MOTION was made to approve Ordinance (O)2009-11.51 – Acceptance of Public Improvements – Shores of Covington Lakes Phase 2 and the Coves of Covington Lakes Phase 6 Subdivisions

MOTION: Trustee Kanakaris
SECOND: Trustee Piwko
AYES: Trustees Fender, Kadakia, Kanakaris, Mercer and Piwko
NAYS: None
ABSENT: Trustee Leopold
The motion carried 5-0-1

- e) Approval of Ordinance (O)2009-11.52 – An Ordinance Approving and Authorizing the Execution of an Intergovernmental Agreement Establishing the Northern Illinois Municipal Natural Gas Franchise Consortium

Village Manager David Johnson reported that on September 24, 2009, the Village Board authorized the Village Manager to execute a Letter of Intent to join the DuPage Mayors and Manager's Conference Consortium to create a model franchise agreement for natural gas utilities.

A Steering Committee had been formed with members from each of the nine Councils of Government in the region. The Committee has separated the project into three (3) phases. The first phase is an Intergovernmental Agreement (IGA) to be executed by all municipalities wishing to join the Consortium. The second phase will be to draft a model natural gas franchise agreement. The third and final phase will be the negotiations between the natural gas utilities and the Consortium.

The Steering Committee has prepared a draft IGA creating the Northern Illinois Municipal Natural Gas Franchise Consortium. The Agreement defines the Consortium's membership, creates structure and procedures for doing business, provides for management of contributed funds, and sets standards for withdrawal and dissolution. This joint effort will give participating municipalities greater negotiating power with the natural gas utilities and will reduce the cost to each municipality of drafting, negotiating, and finalizing a new gas franchise.

The adoption of the IGA by all participating communities will officially establish the Consortium.

Mayor Pro-Tem Mercer asked if the Village Board had any questions.

Trustee Fender asked if this consortium was similar to what the Village joined for electricity and if it would be able to lower homeowner rates. Village Manager Johnson reported that the consortium will work to give the municipalities a wider scope of power over activity in their rights-of-way but will not affect homeowner rates.

Trustee Kadakia asked how the Village got involved with the DuPage Mayors and Manager's Conference in participating in this consortium. Village Manager Johnson reported that the invitation to participate was received through the McHenry County Council of Governments as these two Council of Governments are working together; therefore, the Village is not required to be part of the DuPage Mayors and Manager's Conference in order to participate in the consortium.

Mayor Pro-Tem Mercer asked if there were additional questions; there were none.

A MOTION was made to approve Ordinance (O)2009-11.52 – An Ordinance Approving and Authorizing the Execution of an Intergovernmental Agreement Establishing the Northern Illinois Municipal Natural Gas Franchise Consortium

MOTION: Trustee Piwko
SECOND: Trustee Fender
AYES: Trustees Fender, Kadakia, Kanakaris, Mercer and Piwko
NAYS: None
ABSENT: Trustee Leopold
The motion carried 5-0-1

f) Approval of Payment Request No. 3 – Wm. Tonyan and Sons, Inc. for Police Department Second Floor Build-Out - \$45,000.00

Mayor Pro-Tem Mercer reported that on August 13, 2009, the Village Board of Trustees awarded Wm. Tonyan and Sons, Inc. the contract to complete the build-out of the unfinished second floor area in the Police Department. The contract amount awarded was \$142,850.00.

The project is funded out of the Municipal Building Fund which had a beginning balance of \$300,000.00 in budget line item number 05-10-4-7600 for the project.

Wm. Tonyan and Sons, Inc. started work on September 10th and is now requesting partial payment for work performed and materials purchased through November 2, 2009.

In the opinion of the Village's Public Works Director, the amount due and payable to Wm. Tonyan and Sons, Inc. in accordance with the terms of the construction contract documents for this project is \$45,000.00.

Payout	Work Performed	Deduct	Extra	Date Approved	Amount Approved
#1	\$14,000.00	0	0	10/08/09	\$14,000.00
#2	\$40,000.00	0	0	11/12/09	\$40,000.00
#3	\$45,000.00	0	0	Proposed	\$45,000.00

Funds paid to date including the proposed is \$99,000.00. The awarded contract amount of \$142,850.00 minus payouts to date of \$99,000.00 leaves an outstanding balance of \$43,850.00.

Mayor Pro-Tem Mercer asked if the Board had questions; there were none.

A MOTION was made to approve Payment Request No. 3 – Wm. Tonyan and Sons, Inc. for Police Department Second Floor Build-Out - \$45,000.00

MOTION: Trustee Kadakia
SECOND: Trustee Fender
AYES: Trustees Fender, Kadakia, Kanakaris, Mercer and Piwko
NAYS: None

ABSENT: Trustee Leopold
The motion carried 5-0-1

g) Policy Direction -Village of Huntley Property Tax Levy Ordinance

Director of Finance and Human Resources Jennifer Chernak reviewed a PowerPoint Presentation and reported that the Village Board must approve the annual property tax levy in sufficient time to file the approved property tax levy ordinance with the County Clerks by the last Tuesday in December, which is December 29, 2009.

Property Tax Extension Limitation Law (PTELL)

The collar counties (DuPage, Kane, Lake, McHenry and Will) became subject to the PTELL for the 1991 levy year for taxes paid in 1992. Cook County was added in 1994. Under this property tax cap legislation (for non-home rule taxing districts), the Village's maximum property tax increase without requiring referendum approval is limited to the lower of 5.0% or the consumer price index (CPI). The County Clerks have notified the Village that the CPI to use for the 2009 property tax levy is 0.1%, which is significantly lower than the 2008 CPI rate of 4.1%.

Truth-in-Taxation Disclosure Requirements

The Village of Huntley is required to comply with Public Act 89-102, known as the "Truth in Taxation Act." This Act places requirements on the Village in the adoption of the 2009 property tax levy if the proposed 2009 gross property tax levy is 105% greater than the 2008 net property tax extension. The actual Truth in Taxation publication percentage increase is distorted because the required comparison is from the *prior year actual levy receipts* to the *current year request*. For example, the actual increase in property tax extensions from 2007 levy (\$3,220,979) compared to the actual extensions from the 2008 levy (\$3,489,390) is 8.33% however; the Truth in Taxation increase for 2009 will show a 5.03% increase. (\$3,489,390 actual 2009 receipts vs. \$3,665,000 request).

Village Board policy has been for the levy request to exceed 105% of the prior year's property tax extension for the following reasons:

1. The Village does not levy for the tax rate, the Village levys for dollars. By requesting the maximum amount available, the rate is calculated based on the total request. It is recommended that the dollar request be greater than the anticipated dollar amount to allow for adjustments by the counties in their calculations of the assessed values and added multipliers.
2. As a non-home rule community, the Village cannot recover any lost levy dollars if a levy request is not maximized due to the calculation of the property tax caps.

Tax Rate Analysis

Levy Year	Tax rate per \$100 Equalized Assessed Valuation
1999	.5734
2000	.5712
2001	.5416
2002	.5304
2003	.4678

2004	.4520
2005	.4442
2006	.4296
2007	.4155
2008	.4138
2009	.4095 estimate

Assessed Valuation Analysis

The estimated 2009 assessed valuation is estimated to increase for the 11th consecutive year:

Levy Year	Assessed Valuation	Increase	Percentage
1999	\$104,126,744		
2000	\$154,736,202	\$ 50,609,458	48.60%
2001	\$213,675,280	\$ 58,939,078	38.09%
2002	\$274,778,282	\$ 61,103,002	28.60%
2003	\$358,059,795	\$ 83,271,513	30.31%
2004	\$455,734,372	\$ 97,674,577	27.28%
2005	\$557,318,704	\$119,584,332	22.29%
2006	\$676,220,947	\$118,902,243	21.33%
2007	\$775,261,883	\$ 99,064,667	4.65%
2008	\$843,255,156	\$ 67,993,273	8.77%
2009 estimate	\$881,322,860	\$ 38,067,764	4.51%

Levy Tax Dollars Received by the Village of Huntley

Levy Year	Levy Request	Actual Levy Dollars Rec'd	Increase
2001	\$1,500,000	\$1,257,595	
2002	\$1,800,000	\$1,457,428	\$199,833
2003	\$2,100,000	\$1,674,170	\$216,742
2004	\$2,500,000	\$2,059,825	\$385,655
2005	\$3,000,000	\$2,476,135	\$416,310
2006	\$3,500,000	\$2,904,886	\$428,751
2007	\$3,750,000	\$3,220,979	\$316,093
2008	\$3,950,000	\$3,489,390	\$268,411
2009	\$3,665,000	\$3,609,450 estimate	\$120,060

Summary

- The tax levy process is an **estimation** based on assessed valuations, estimated new construction and annexations that have occurred during the year.
- By maximizing the Village's levy capacity, the Village of Huntley is able to capture the maximum dollars allowed under the tax caps.
- The Township Assessors calculate the estimated valuations and the County Clerks ensure that the Village's net levy does not exceed authorized limits.
- Final valuations are affected by rate multipliers imposed by the Counties and the State of Illinois.

It should be noted that property tax revenues do not affect any enterprise funds, such as the water/sewer funds. The water/sewer funds operate like a business where user fees are the primary source of income.

The following schedule will be followed for the 2009 Tax Levy process:

- November 19, 2009 Present a notice estimating the amount of funds to be levied for 2009 tax levy.
- November 30, 2009 Publish Notice of Public Hearing and Truth in Taxation disclosure.
- December 10, 2009 Public Hearing held during the scheduled Village Board Meeting
- December 10, 2009 Village Board to approve:
 - a.) 2010 Annual Budget
 - b.) 2009 Property Tax Levy Ordinance
 - c.) 2009 Special Service Area Levy Ordinances**

**Truth in taxation requirements and public hearings are not part of the Special Service Area levies because these levies are strictly bond and interest repayments. The Special Service Area levies are calculated by the Service Area Administrator based on debt service repayment needs.

Mayor Pro-Tem Mercer asked if the Village Board had any questions; there were none.

This item was for discussion purposes only and no action was required.

h) Presentation – 2009 Farmers Market Summary

Management Assistant Barbara Read reported that the 2009 Farmers' Market was held each Saturday from June 6th through October 3rd from 8:00 a.m. until 12:30 p.m. Including the special Plant Your Garden Day in May, 19 markets were held during the 2009 season.

Highlights of the Market

- The season began with eight vendors in attendance (the 2008 season started with six vendors) and during the peak weeks the market had 13 - 16 vendors in attendance. Of all the vendors in attendance during the season the following products were sold:
 - 6 – Vegetable vendors (4 of these also offered some fruit)
 - 3 – Bakers (breads, cookies, muffins, brownies, fruit tarts, pies)
 - 0 – Fruit only vendor (2008 one vendor offered plums and apples only)
 - 1 – Salsa only vendor
 - 1 – Jams, jellies and honey only vendor
 - 1 – Gourmet dog treat vendor
 - 1 – Plants and Outdoor Decorations (8 weeks)
 - 1 – Honey only (2 weeks)
 - 1 – Relish only (3 weeks)
 - 1 – Certified Organic Fruits and Vegetables (4 weeks)

- Orion Samuelson from WGN radio and Master Gardner Jim Fizzell attended the market once during the season and mentioned the market on the radio several times during the summer.
- The market had 13 free performances during the market season.
- Farmers' Market canvas tote bags were purchased for sale and/or giveaway during the season.

Advertising Grant

The Village was awarded \$4,550 as part of the Illinois Department of Agriculture's 2009 Farmers Market Advertising Grant program. The award was a matching fund grant and was to be used for weekly print publications and new signs. Considering the much larger visitor turn out at the market and the calls for more information on events, Staff believes this helped the market out tremendously. The vendors were also very appreciative of the marketing efforts as each vendor's name was listed on the weekly ads.

Theme/Special Events Held in Conjunction with the Market

- The market held a Plant Your Garden Day in May where annual and perennial plants were offered for sale. This event also included a Friends of the Library Book Sale and a Craft Fair.
- The market held a craft fair on the first Saturday of each month (5 fairs). The combination of the farmers market and craft fair seemed to work well together.
- The Friends of the Library had a book sale the first Saturday of the month from June through September in the old village hall which was well received.
- Pet Adoption Days sponsored by Animal House Shelter were held twice during the market season. This event was held as more of a public service for Animal House Shelter and did not increase attendance of the farmers' market.
- A special July 4th Family Fun Day was held in conjunction with the market and was a huge success with over 750 people in attendance.
- Healthy Huntley Day was held on August 8th.
- August 22nd featured the McHenry County Antique Farm Equipment Association's display of antique equipment.
- The market's 2nd Annual Apple Pie Contest was held on September 12th. The winners received a small bushel basket full of products from the market vendors. This market also had a mini Pie Fest where a couple of our vendors offered fruit pies and a pie baker from Stockton, IL was also in attendance. This event was well received. This market also hosted the taping of a portion of *The Biggest Loser* TV show as a contestant lives in a neighboring community.
- The final market on October 3rd began with the Coach Tomaso Celebration Walk & 5k Fun Run and the Historic Commission sponsored event.

The entertainment and special events held in conjunction with the farmers' market helped attendance considerably as staff was able to see fluctuations in attendance depending on the scheduled/advertised event.

During the 2009 markets, staff recorded weekly attendance numbers; computation of the numbers estimate that the market had over 4,000 visitors throughout the season averaging 211

visitors per week. This number is encouraging in light of the very rainy, cold Saturdays we experienced this summer.

As done in the past, staff will coordinate a meeting with 2009 vendors to both recap and plan for next year.

Mayor Pro-Tem Mercer asked if the Village Board had questions; there were none.

VILLAGE ATTORNEY'S REPORT: None

VILLAGE MANAGER'S REPORT:

Trustee Fender asked that Staff provide an update in the future regarding the Village's Neighborhood Watch Program. Village Manager Johnson reported that staff will provide an update in the Village Board's next packet.

Trustee Kadakia noted the status report on the Special Census timeline and asked how that now affects the Home Rule Ordinance. Village Manager Johnson reported that due to the change in the Census Bureau's computations, the Home Rule Ordinance is not enforceable. Village Manager Johnson reported that fortunately, this change of information was received in time to adjust the 2010 budget.

VILLAGE PRESIDENT'S REPORT:

Mayor Pro-Tem Mercer asked Trustee Fender to report on the November 18th McCOG meeting. Trustee Fender reported that they discussed municipalities reaching out to each other and sharing resources and ideas.

Mayor Pro-Tem Mercer reported that there will not be a meeting on November 26th as it is Thanksgiving; there will also be no meeting on December 3rd.

Mayor Pro-Tem noted that the FY2010 Budget was distributed to the Board and that individual Trustee Budget Workshops with staff will be held during the week of November 30th.

UNFINISHED BUSINESS: None

NEW BUSINESS: None

EXECUTIVE SESSION:

A MOTION was made to enter into Executive Session for a) Pending Litigation at 7:34 p.m.

MOTION: Trustee Piwko

SECOND: Trustee Fender

The Voice Vote noted all ayes and the motion carried.

A MOTION was made to exit Executive Session at 7:46 p.m.

MOTION: Trustee Kanakaris

SECOND: Trustee Kadakia

The Voice Vote noted all ayes and the motion carried.

ACTION ON CLOSED SESSION ITEM: None

ADJOURNMENT:

A MOTION was made to adjourn the meeting at 7:47 p.m.

MOTION: Trustee Fender

SECOND: Trustee Mercer

The Voice Vote noted all ayes and the motion carried

Respectfully submitted,

Barbara Read
Recording Secretary