

**MINUTES OF A REGULAR MEETING OF THE  
OSWEGO VILLAGE PRESIDENT AND BOARD OF TRUSTEES  
OSWEGO VILLAGE HALL  
100 PARKERS MILL, OSWEGO, ILLINOIS  
August 7, 2018**

**CALL TO ORDER AND PLEDGE OF ALLEGIANCE**

President Gail Johnson called the meeting to order at 7:01 p.m. and led the Pledge of Allegiance to the Flag of the United States of America.

**ROLL CALL**

Physically Present: President Gail Johnson and Trustees Ryan Kauffman, Pam Parr, Luis Perez and Judy Sollinger.

Absent: Trustees Karin McCarthy-Lange and Joe West.

Staff Present: Dan Di Santo, Village Administrator; Tina Touchette, Village Clerk; James Jensen, Deputy Chief; Jennifer Hughes, Public Works Director; Mark Horton, Finance Director; Rod Zenner, Community Development Director; Christina Burns, AVA/HR Director; Jay Hoover, B&Z Manager; Corinna Cole, Economic Development Director; Jenette Sturges, Community Engagement Coordinator- Marketing; Tim Zasada, Asst. Public Works Director- Utilities; Abigail Cain, Intern; Carri Parker, Purchasing Manager; David Silverman, Village Attorney; and Marron Mahoney, Village Attorney.

**CONSIDERATION OF AND POSSIBLE ACTIONS ON ANY REQUESTS FOR ELECTRONIC PARTICIPATION IN MEETING**

There was no one who requested to attend electronically.

**RECOGNITIONS/APPOINTMENTS**

D.1. Employee Service Award

a. Tracy Miller- 20 Years of Service (Public Works)- Did not attend.

President Johnson congratulated him on his 20 years of service.

D.2. Historic Preservation Commission

a. Appoint John Brenneman for a Term to Expire April 30, 2019

A motion was made by Trustee Perez and seconded by Trustee Sollinger to approve the Appointment of John Brenneman to the Historic Preservation Commission for a Term to Expire April 30, 2019.

Aye: Ryan Kauffman

Pam Parr

Luis Perez

Judy Sollinger

Nay: None

Absent: Karin McCarthy-Lange

Joe West

The motion was declared carried by a roll call vote with four (4) aye votes and zero (0) nay votes.

**PUBLIC FORUM**

The Public Forum was opened at 7:02 p.m.

Jenna Woodland addressed the Board regarding The Springs apartment complex project. She recently moved here to Churchill subdivision; Village did not properly notify the residents; wildlife devastation; high end renters; noise and light pollution; potential risks for bad renters; Board members need to be accountable; comes down to money versus the residents.

There was no one else who requested to speak; the Public Forum was closed at 7:06 p.m.

## STAFF REPORTS

Asst. Administrator/HR Director Burns introduced Carri Parker, the new Purchasing Manager. This position is shared with Yorkville; she is very productive.

Attorney Silverman introduced Attorney Marron Mahoney. She will be helping with the Oswego account; excited to have her.

## CONSENT AGENDA

- G.1. July 17, 2018 Committee of the Whole Minutes
- G.2. July 17, 2018 Regular Village Board Minutes
- G.3. July 17, 2018 Closed Session Minutes (Approve, but Not Release)
- G.4. Resolution Authorizing Final Acceptance of Public Improvements for Premier Gymnastics, 2066 Mitchell Drive, Oswego, IL, Effective August 8, 2018, and Release of Project Surety. **Resolution No. 18-R-70**
- G.5. Resolution Amending the Funding Policy for the Village of Oswego Police Pension Fund. **Resolution No. 18-R-71**
- G.6. Ordinance Amending Title 3 Chapter 7; Decrease Class "J" Liquor License for Pizza Cucina, Located at 12 E. Merchants Drive. (First Read of Ordinance, Waiver of Second Read) **Ordinance No. 18-60**

A motion was made by Trustee Sollinger and seconded by Trustee Kauffman to approve the Consent Agenda; Approving the July 17, 2018 Committee of the Whole Meeting Minutes; Approving the July 17, 2018 Regular Village Board Minutes; Approving, but Not Releasing the July 17, 2018 Closed Session Minutes and approving the following ordinance and resolutions:

**Ordinance No. 18-60;** Ordinance Amending Title 3 Chapter 7; Decrease Class "J" Liquor License for Pizza Cucina, Located at 12 E. Merchants Drive. (First Read of Ordinance, Waiver of Second Read)

**Resolution No. 18-R-70;** Resolution Authorizing Final Acceptance of Public Improvements for Premier Gymnastics, 2066 Mitchell Drive, Oswego, IL, Effective August 8, 2018, and Release of Project Surety.

**Resolution No. 18-R-71;** Resolution Amending the Funding Policy for the Village of Oswego Police Pension Fund.

Aye: Ryan Kauffman  
Luis Perez

Pam Parr  
Judy Sollinger

Nay: None

Absent: Karin McCarthy-Lange Joe West

The motion was declared carried by omnibus roll call vote with four (4) aye votes and zero (0) nay votes.

## BILL LIST

H.1. Approve Bill List Dated August 7, 2018 in the Amount of \$2,026,248.53.

A motion was made by Trustee Parr and seconded by Trustee Sollinger to approve the Bill List Dated August 7, 2018 in the Amount of \$2,026,248.53.

Aye: Ryan Kauffman  
Luis Perez

Pam Parr  
Judy Sollinger

Nay: None

Absent: Karin McCarthy-Lange Joe West

The motion was declared carried by a roll call vote with four (4) aye votes and zero (0) nay votes.

## OLD BUSINESS

There was no Old Business.

## NEW BUSINESS

- J.1. Resolution Authorizing Waiving of the Competitive Sealed Bidding and the Execution of the Master Service Agreement and Service Order Agreement with Neptune Technology Group Inc., for the Purchase

of Neptune N\_sight Plus Water Meter Software and Hosting. **Resolution No. 18-R-72**

Asst. Public Works Director Zasada addressed the Board regarding an agreement for meter reading software and hosting. With the software, the Village can obtain accurate, detailed, and timely consumption data for all of the accounts; including the ability to monitor for leaks, backflow, no flow and equipment malfunctions. 96 days of hourly consumption data can be available at any time for an individual account. The account information from the utility billing software uploads into the Neptune N\_SIGHT PLUS software and then downloads all of the readings for accurate and timely meter billing. The hosting agreement will keep all of the data on a secure server that the Village will not need to service, upgrade, or replace in the future. Cost for the software and hosting will be \$9,000.00 annually up to 3,781 meters. Once the Village has 3,782 meters installed, the fee will be \$2.38 per meter. This cost includes initial software set up, annual maintenance, upgrades and full use of all the software resources. There was no further discussion.

A motion was made by Trustee Sollinger and seconded by Trustee Kauffman to approve a Resolution Authorizing Waiving of the Competitive Sealed Bidding and the Execution of the Master Service Agreement and Service Order Agreement with Neptune Technology Group Inc., for the Purchase of Neptune N\_sight Plus Water Meter Software and Hosting.

Aye: Ryan Kauffman Pam Parr  
Luis Perez Judy Sollinger  
Nay: None  
Absent: Karin McCarthy-Lange Joe West

The motion was declared carried by a roll call vote with four (4) aye votes and zero (0) nay votes.

J.2. Resolution Authorizing the Execution of a Contract with Layne Christensen Company for Repairs to Well 7 in the Amount Not to Exceed \$210,000.00 and the Waiving of the Competitive Public Bidding Requirement. **Resolution No. 18-R-73**

Asst. Public Works Director Zasada addressed the Board regarding repairs to Well 7. There has been a rapid decline in the performance of this well in the last 10 months. Well 7 was producing 750 gpm in September 2017, 710 gpm in January 2018, and is currently pumping at 603 gpm which is a performance loss of 39.7% of the overall design capacity. Staff has also measured a rapid decline in water elevation within the aquifer since January 2017. Pumping drawdowns indicate as little as 40 feet of water over the pump while pumping. There has been a slight recovery but this is most likely due to the lower pumping rate. The column pipe may also have developed a hole causing the rapid decline in production. Staff believes that based on pumping history, current performance, and past repair experience, the anticipated maintenance will not exceed \$210,000.00. This will include the pulling and reinstallation of the well components, inspection and maintenance of the motor, a new pump with new impellers, new electrical cables and 100 feet of piping to increase the overall depth of this well. Additional cost has been factored into this amount to cover rethreading of pipework and new pipe fittings. If the pump is in good condition it can be rebuilt, and new impellers installed providing a cost savings of \$40,250.00. Applying unit costs and reorganizing the proposal, the costs break down as follows:

- Minimum cost to inspect - \$64,000.00; this includes mobilization of equipment, pump and motor removal, racking the pipe onsite for inspection and televising of the well total depth to see if sand has accumulated and bailing is needed. Also included is the reinstallation of the pump and motor, a capacity test on the pump and all demobilization.
- Repairs - \$141,362.00; cost includes the motor service, new pump with new H impellers, repairs to the column pipe, new flat cable to the motor, replacement of the electrical cable, rethread pipework, replacement couplings and additional pipe to lower the pump setting.
- Contingency - \$4,638.00
- Total Estimate = \$210,000

Extras not specifically included that could cause an increase above budgeted amount:

- New Motor - \$124,375.00
- New piping – price depends on length of repair
- Sand bailing - \$449.00/Hr.

In the event repairs exceed the authorized dollar amount, staff will bring the additional repair items back to the Village Board for approval.

Board and staff discussion focused on whether the repairs will exceed the total estimate; will exceed if needing to buy a new motor; if pump is in good shape, will save \$40,250.00. There was no further discussion.

A motion was made by Trustee Kauffman and seconded by Trustee Sollinger to approve a Resolution Authorizing the Execution of a Contract with Layne Christensen Company for Repairs to Well 7 in the Amount Not to Exceed \$210,000.00 and the Waiving of the Competitive Public Bidding Requirement.

Aye: Ryan Kauffman                                      Pam Parr  
       Luis Perez     Judy Sollinger  
 Nay: None  
 Absent: Karin McCarthy-Lange                      Joe West

The motion was declared carried by a roll call vote with four (4) aye votes and zero (0) nay votes.

**J.3. Ordinance Amending Title 8 Public Ways & Property, Chapter 7 Water Regulations Section 10 Rates. (First Read of Ordinance, Waiver Second Read) Ordinance No. 18-60**

Director Horton addressed the Board regarding utility bill late fee amounts. The Village Board adopted Ordinance 12-23 on April 3, 2012 which established escalating additional late fees on unpaid balances before scheduling water service disconnections. The additional late fee for not paying the bill within 44 days of issuance is \$50 for a first-time offender, \$75 for a second time and \$100 for all who have had three or more disconnections. The escalating fee schedule was put in place to penalize those accounts who are extremely past due and to act as a deterrent to paying the bill late to avoid the disconnection of service. Finance has analyzed the overall effect of the escalating late fee and concluded it has not had the desired result. The desired result was to entice on time payment of the utility bill and reduce the number of water service disconnections. This has not occurred as noted in the following chart:

	Number of Water Service Disconnections by Month					
	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
May	176	244	139	114	146	193
July	238	76	162	89	117	164
September	203	245	130	122	131	256
November	282	156	103	205	176	247
January	240	185	249	102	150	248
March	202	203	149	154	215	221

The trends do not show a continued decline in the number of water service disconnections over the past six fiscal years for any of the respective months. Some of the low numbers resulted from internal issues where either staffing issues, computer problems, weather or extending the timeframe to pay an extra week effected the lower number of disconnections.

One of the unintended consequences of the escalating fee has been the complaining and berating of the finance department staff during the week of water disconnection. In many instances, the additional late fee is more than the original billing amount. During the past fiscal year, the additional \$75 charge was assessed 319 times and the additional \$100 charge was assessed 668 times. The Village currently allows account holders to pay their bill by

phone, in person, automatic debit from their bank account, automatic recurring charge by credit card, on line payment, dropping the payment in the Village drop box at Village Hall and other bill pay service vendors. Staff also works with customers by agreeing to a payment plan and allowing them to make a partial payment by the disconnect date with the promise to pay the balance on the account by the end of the disconnection week. Staff recommended the Village eliminate the escalating fee and replacing it with a static additional late fee of \$50.00 assessed to all accounts not paid in full within 44 days of the issuance of the utility bill. Reasons for the change:

- Provide some relief to those having difficulty paying their bill
- Eliminate many of the not so pleasant conversations with staff
- Be in line with neighboring communities charges
- Will not require a custom change and dollar charge for the new MUNIS software
- Hopefully reduce the number of water service disconnections

### Local Water Rate Information - June 29, 2018

Municipality	Water Rate 100 CF	Sewer Related Fees	Base Fees	Shut Off Fees
Aurora	\$4.55	\$6.90/month	11.10/month	\$40.00
Boulder Hill	\$5.04	n/a	\$7.20/month	\$50.00
Montgomery	\$4.20	n/a	\$4/month	\$50.00
Naperville	\$5.30	\$2.33 per 100CF	\$41.06 /2 inch meter	\$35.00
Oswego	\$4.63	\$1.28 per 100CF	\$3.17/month	\$50, \$75 or \$100
Plainfield	\$6.79	3.27 per 100CF	\$6.50/month	\$25.00
Sugar Grove	\$3.65	3.66 per 100CF	30.39/month	\$35 Tag Fee \$35 Shut Off Fee
Yorkville	\$4.85	10.44/month	\$12.25/month	\$50.00

Board and staff discussion focused on goal is to not have people getting their water disconnected; glad staff brought back something that is not working; charts provided were helpful; chart numbers are from a a week ago. There was no further discussion

A motion was made by Trustee Kauffman and seconded by Trustee Sollinger to approve an Ordinance Amending Title 8 Public Ways & Property, Chapter 7 Water Regulations Section 10 Rates. (First Read of Ordinance, Waiver Second Read).

Aye: Ryan Kauffman Pam Parr  
Luis Perez Judy Sollinger

Nay: None

Absent: Karin McCarthy-Lange Joe West

The motion was declared carried by a roll call vote with four (4) aye votes and zero (0) nay votes.

#### J.4. Resolution Creating the Economic Development Incentive Award. **Resolution No. 18-R-74**

Director Cole addressed the Board regarding the Economic Development Incentive Award (EDIA). In 2017, the Oswego Brewing Company (OBC) approached the Village with a request for incentives to fill a modest gap in their total sources. OBC took over the old Fire Station which needed major functional improvements to

accommodate their new business. Staff considered the current Façade Improvement Program, but found that it is limiting because it only allows for exterior improvements to buildings to rehabilitate and enhance the downtown's visibility. OBC needed an award with more flexibility, which led to the creation of the Economic Development Incentive Award to replace the Façade Grant, using the same funds. A more flexible award would motivate businesses to invest in the TIF district because it allows for a wider range of projects to meet their diverse needs, without losing the rigor of eligibility requirements. The conversion of this award will support long-term economic development by financing projects that protect the existing tax base and account for changing economic conditions.

Intern Cain addressed the Board regarding the outline of the award terms and the specific project requirements. An initial version of the EDIA was used to finance OBC's renovations. Staff assembled the necessary elements to create an award with definitive project eligibility terms and restrictions. EDIA will be eligible for new or existing businesses in Oswego's TIF District to aid in property improvements and new construction; which includes elements of the façade program. The improvements can be exterior or functional either to enhance the appearance of the downtown, or to elevate its commercial real estate. Funds will not be eligible for working capital, or to be used as a cash flow mechanism to float recipients' other sources of funding. The award requires applicants to invest an amount equal to or greater than the Village's portion of the award. The Village's EDIA financial commitment to any project will not exceed 50% of the total project costs and is likely to be awarded in an amount far less than that 50% limit. As outlined in the Committee of the Whole discussion, the program has been designed to meet the following goals:

- The application materials should spell out the goals and eligibility requirements of the EDIA
- All small business incentives will share a single application
- The incentive will align with the 2016 TIF District Goals, but include flexibility to account for changing economic conditions
- The application will assist potential awardees in creating robust business plans and projections
- The award will be available as a potential tool in a strong downtown business attraction or business retention/expansion program

There is a new application process to assist applicants in creating strong business plans and financial projections. From the applicants, the Village requires substantive documentation to determine their eligibility. The documentation includes but is not limited to:

- A business plan or business model canvas
- An implementation plan and schedule, including key milestones and dates provided by the applicant
- A comprehensive project budget, including build-out and equipment costs

Applicants are encouraged to utilize resources which will be made available as part of the new standardized due diligence process. Businesses applying for the award will be required to participate in an in-person interview, with Village Staff, after submitting an application. It will be up to the Economic Development Director, Finance Director, or the Village Administrator whether or not to recommend an application to the Village Board for review and approval. The Village reserves the right to waive any and all of the provisions on a case by case basis. In order to create flexible incentive mechanisms for businesses, an option to combine the EDIA with the Revolving Loan Fund program and other incentives will be made available on a case by case basis.

Board and staff discussion focused on façade program is limiting; need for flexibility; wanting a diverse business base in downtown; businesses owned by different people than who owns the building; façade grant was a reimbursement program; will still need to meet the "but for" requirement; conform to public prevailing wage; would need to repay if defaulting on the project/business; mechanism for clawback; Village can sue; requiring that there are no liens on the property; not a lot of businesses applying for the award; program information provided to the Economic Development Commission; commission will get the word out; more jobs and revenue to the Village. There was no further discussion.

A motion was made by Trustee Parr and seconded by Trustee Kauffman to Approve a Resolution Creating the Economic Development Incentive Award.

Aye: Ryan Kauffman Pam Parr  
Luis Perez Judy Sollinger

Nay: None

Absent: Karin McCarthy-Lange Joe West

The motion was declared carried by a roll call vote with four (4) aye votes and zero (0) nay votes.

### **PRESIDENT'S REPORT**

National Night Out was tonight; heard hundreds have attended.

### **TRUSTEE REPORTS**

Trustee Perez- attended the drive in movie at the Park & Ride; it was a lot of fun; over 1,000 people attended. Beats & Eats was busy; well done.

Trustee Sollinger- inquired into the numbers for Beats & Eats; staff is working on completing all the information and should have something shortly.

Trustee Parr- congrats to staff on Beats & Eats and the movie Coco.

Trustee Kauffman- was out for National Night Out; Fire Department, Police Department and Public Works personnel and equipment were out. Kudos to staff for all the hard work.

### **CLOSED SESSION**

A motion was made by Trustee Sollinger and seconded by Trustee Perez to enter into Closed Session for the purposes of discussing the following:

- a. Pending and Probable Litigation [5 ILCS 120/2(c)(11)]
- b. Appointment, Employment, Compensation, Discipline, Performance, or Dismissal of Personnel [5 ILCS 120/2(c)(1)]
- c. Collective Bargaining, Collective Negotiating Matters, Deliberations Concerning Salary Schedules [5 ILCS 120/2(c)(2)]
- d. Sale, Lease, and/or Acquisition of Property [5 ILCS 120/2(c)(5) & (6)]

Aye: Ryan Kauffman Pam Parr  
Luis Perez Judy Sollinger

Nay: None

Absent: Karin McCarthy-Lange Joe West

The motion was declared carried by a roll call vote with four (4) aye votes and zero (0) nay votes.

The Board adjourned to Closed Session at 7:34 p.m.

The Board returned to open session at 8:19 p.m.; all remaining members still present.

### **ADJOURNMENT**

A motion was made by Trustee Kauffman and seconded by Trustee Parr to adjourn the meeting; upon a voice vote with all remaining members present voting aye, the meeting was adjourned at 8:20 p.m.

Tina Touchette  
Village Clerk