

MINUTES
Meeting of the Committee of the Whole
February 7, 2023 – 6:00 p.m.
Village Hall - Council Chambers
16250 S Oak Park Ave.
Tinley Park, IL 60477

Item #1 - At 6:01 p.m. the regular meeting of the Committee of the Whole was called to order.

Item #2 - Clerk O'Connor called the roll. Present and responding to roll call were the following:

Members Present: M. Mueller, President Pro Tem
 N. O'Connor, Village Clerk
 W. Brady, Village Trustee
 W. Brennan, Village Trustee
 D. Galante, Village Trustee
 D. Mahoney, Village Trustee
 C. Sullivan, Village Trustee
 M. Glotz, Village President

Members Absent:

Staff Present: P. Carr, Village Manager
 H. Lipman, Assistant Village Manager
 M. Walsh, Police Chief
 D. Adamski, Assistant Finance Director
 S. Klotz, Fire Chief
 D. Ritter, Community Development Director
 J. Urbanski, Public Works Director
 D. Framke, Marketing Director
 P. O'Grady, Village Attorney
 J. Blakey, Community Development Management Analyst

Others Present: Anthony Cervini, Partner-in-Charge, Government Services, Sikich, LLP

Item #3 - CONSIDER APPROVAL OF THE MINUTES OF THE COMMITTEE OF THE WHOLE MEETING HELD JANUARY 17, 2023 – Motion was made by Trustee Brennan, seconded by Trustee Mahoney to approve the minutes of the Committee of the Whole meeting held on January 17, 2023. President Pro Tem Mueller asked if members of the Committee had any questions. There were none. Vote by roll call. Ayes: Brady, Brennan, Galante, Mahoney, Mueller, Sullivan. Nays: None. Absent: None. President Pro Tem Mueller declared the motion carried.

Item #4 –RECEIVE PRESENTATION OF THE FISCAL YEAR 2022 ANNUAL COMPREHENSIVE FINANCIAL REPORT – Anthony Cervini, Partner-in-Charge, Government Services, Sikich, LLP, presented the Auditor's Communication to the Board of Trustees and Management for the year ended April 30, 2022. He noted the Village received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting. The Independent Auditor's Report noted a Clean Unmodified Opinion and a Clean Single Audit Report.

Trustee Galante asked for clarification on journal entries AJE01, AJE03 -AJE07. Mr. Cervini provided details as to those entries.

Trustee Brady stated in the report it was noted the Village has adequate controls in place relative to the use of the single credit/purchasing card. Mr. Cervini explained this was Management's response to the Credit Card Purchasing Policy in the "Communication of Deficiencies in Internal Control" section. A Deficiency is the lowest level comment, made for a consideration by the Village Board but does not have significant risk associated with it.

Item #5 – DISCUSS RESOLUTION IN SUPPORT OF ILLINOIS MUNICIPAL LEAGUE (IML) TAX INCREMENT FINANCING (TIF) LEGISLATION – Illinois State Senators Gillespie (D), Arlington Heights and Walker (D), Arlington Heights are proposing legislation that would reform TIFs in a way that would have a negative impact on the Village. Proposals would weaken or even diminish municipal authority in administering TIF programs. It was recommended the Village pass a resolution in support of TIFs, along with many other municipalities across the State to prevent this proposed legislation from passing.

President Pro Tem Mueller stated the 159th Street and Harlem Avenue area is evidence of the usefulness of a TIF district. Trustee Brennan concurred adding TIF is one of the best tools to spur economic growth as seen with the Convention Center TIF.

Trustee Galante stated she agrees with the reporting tool included with the proposed legislation, but added the Village needs the TIF process.

Motion was made by Trustee Mueller, seconded by Trustee Sullivan to recommend a Resolution in support of Illinois Municipal League (IML) Tax Increment Financing (TIF) Legislation be forwarded to the Village Board. Vote by roll call. Ayes: Brady, Brennan, Galante, Mahoney, Mueller, Sullivan. Nays: None. Absent: None. President Pro Tem Mueller declared the motion carried.

Item #6 – DISCUSS THE FOLLOWING ITEMS FOR BANGING GAVEL –

A. DISCUSS EXTENDING INCENTIVE AGREEMENT DATE - The Village and Banging Gavel Properties, LLC (“BGB”) entered into an Economic Incentive Agreement dated March 3, 2017, as adopted by Ordinance No. 2017-O-016. The Agreement was subsequently amended on December 17, 2019, as adopted by Ordinance No. 2019-O-082 followed by a second amendment on May 18, 2021, as adopted by Ordinance No. 2021-O-027.

The Owner of the property met with Staff on November 8, 2022, to discuss obstacles faced with redeveloping the property including the Vogt Building’s historical status, the Covid pandemic, and the construction loan for the development of the brewpub project finally closed on April 15, 2022. The full project permit was issued, and construction began shortly after the loan was secured. In April 2022, a 3-phase transformer was ordered from ComEd with an anticipated delivery date of April 2023. The General Contractor expected renovations to be completed in December 2022 but due to challenges with structural engineering, supply chain issues, and finding two underground fuel tanks which required the attention of the EPA and State Fire Marshall, the anticipated project completion date has been moved to May 2023. BGB anticipates being fully operational and to receive a Certificate of Occupancy by July 2023. The full project is under construction, as opposed to a phased completion proposed in the last amendment.

BGB requested a third amendment to their Economic Incentive Agreement. The new date for substantial completion of the brewpub is expected to be in May 2023, however, the requested final date is extended to December 31, 2023. The additional time allows for flexibility with any other unforeseen delays.

A. DISCUSS PURCHASE AGREEMENT TO SELL PARKING LOT AREA - The Village is the current owner of 6811 Hickory Street, containing two separate parcels of land (PINs 28-30-314-042-000 and 28-30-314-039-000, “Surplus Property”). The Village acquired the Surplus

Property, and subdivided parcels 1 and 3, as a condition of the previously approved Incentive agreement and parcel 2 remained with BGB which includes the historic Vogt Building and one parking space for the residential unit on the top floor of said building. BGB requested “first right of refusal” to repurchase if the Village sold the parcels in the future. The acquisition of parcels 1 and 3 was approved on November 7, 2017, as adopted by Resolution No. 2017-R-049. The Village and BGB entered a Revocable Encroachment License Agreement on September 19, 2018, as adopted by Resolution No. 2018-R-070 which allowed for certain “improvements” to occur on the property.

The Surplus Property is no longer needed for the operation of the Village and continues to incur costs to maintain a very limited number of “public” parking stalls primarily used by the two adjacent businesses (BGB and SIP Wine Bar). Additionally, several permanent items from the construction of the BGB project exist on the site including an accessible ramp, dumpster enclosure, electrical transformer, and other accessory items approved through the previously mentioned Encroachment License Agreement. That agreement is set to expire in 2024 and would need to be renewed regularly, despite most improvements being permanent or very difficult to ever remove/relocate. Instead of extending an easement agreement for encroachments that are permanent and due to short- and long-term costs of maintenance, staff approached BGB on their interest to reacquire the property, which they agreed was in the best interest of that area.

Staff recommends transferring ownership of the Surplus Property to Banging Gavel Properties, LLC. Upon transferring the Surplus Property, Banging Gavel will be responsible for parking lot improvements and maintenance, including pothole patching, striping, and snow removal.

Trustee Brady asked for more information on the underground tanks. Dan Ritter, Community Development Director, explained the full kerosene tanks were removed and there was no leakage.

Motion was made by Trustee Brady, seconded by Trustee Sullivan to recommend Banging Gavel Items 6a and 6b be forwarded to the February 21, 2023, Village Board meeting. Vote by roll call. Ayes: Brady, Brennan, Galante, Mahoney, Mueller, Sullivan. Nays: None. Absent: None. President Pro Tem Mueller declared the motion carried.

Item #7 – DISCUSS CONTRACTOR REGISTRATION CHANGES – The Community Development Department currently requires that all contractors performing work in the Village of Tinley Park are licensed and bonded. All contractors, except for a select few as determined by state law; are required to submit a bond when applying for licensure. The bond amount is \$20,000 for all contractors regardless of the job they are doing. \$20,000 on some jobs may be excessive, but on most, it is largely under the cost of work involved. On average, the cost to the contractor is \$100 to purchase the annual surety bond, which is paid to their insurance company. These bonds are required to guarantee against work that does not meet building or zoning codes. They cannot be pulled for private contracts or “work quality” related reasons that are a private matter. Additionally, the current contractor registration period is on a rolling basis requiring staff to be consistently enthralled in the contractor registration process. A recent assessment of the Community Development Department processes by Baecore Group (June 2022) recommended annual contractor registration to streamline workflows.

The time that staff dedicates to the contractor registration process is large. While licensing contractors working in the Village provides public safety and accountability aspects, not all parts of the current requirements provide the same level of value to the public. Most of the time is dedicated to the recording, collection, and verification of surety bonds when a contractor applies for licensure. Time spent processing

surety bonds can be reutilized to enhance the department's efficiency. Furthermore, the time being used processing bonds is wasteful as bonds can only be pulled in the event work is not completed up to building or zoning code, not for cosmetic defects or ensuring a private contract is upheld, which residents often think the surety bond covers. In the last ten years, the Village has pulled one bond, and often trying to pull a bond will lead to litigation.

It is Staff's intention to implement a policy that will require workmanship that is not in compliance with code requirements to be failed during the inspection process. The work will continue to be failed until it is brought into compliance and escalated to a code enforcement case, if necessary. If a contractor is unwilling to correct the work or is habitually performing non-compliant work the Village reserves the right to revoke their license. Any other damages could be pursued by a legal or court process, although similar to pulling bonds, this is not expected to be needed on any regular basis. The removal of the bond requirement will make the registration process easier for both contractors and Staff while boosting the overall capacity of the permit technicians. To replace surety bonds, the Village would require contractors provide a certificate of insurance with minimum general liability coverage of \$1,000,000. It is common for most reputable contractors to already have this in place and does not need to be individually issued to specific communities like a bond.

Throughout Staff's research, it was found the licensing fees the Village is charging is significantly less than surrounding communities. Staff is suggesting an increase in the contractor registration fee from \$100 to \$200 for general contractors and from \$50 to \$100 for sub-contractors. This increase would bring the Village to the market rate for contractor licensing.

In addition to the surety bond requirement, the current rolling annual registration system is highly inefficient. Currently, one (1) staff member is solely dedicated to the process of contractor licensing. During the busy season, Staff is often overwhelmed by the number of registrations that come in at different times. Staff suggested transitioning to a calendar year licensing system that aligns with other Village licensing regulations. By relegating all registrations to end on December 31 Staff can concentrate the influx of new registrations to a slower period. This change in addition to the removal of the surety bond requirement will drastically reduce the time dedicated to this process which will allow more time for other administrative tasks. Registrations will still be accepted throughout the year for new contractors, however, the number received, and time needed is expected to be significantly less under the revised process.

President Pro Tem Mueller noted the proposed and current fees included on the table in the memo should have been swapped. The fees in the text of the memo are correct.

Trustee Brennan stated he is leery of removing the surety bond requirement and asked how registrations received late in the calendar year would be handled. Jarell Blakey, Community Development Management Analyst, stated the registration would roll over into the next year. Mr. Ritter stated Staff time and Village dollars would be better spent pursuing the contractor versus pulling a bond.

Motion was made by Trustee Mueller, seconded by Trustee Sullivan to recommend contractor registration changes be forwarded to the February 21, 2023, Village Board meeting. Vote by roll call. Ayes: Brady, Brennan, Galante, Mahoney, Mueller, Sullivan. Nays: None. Absent: None. President Pro Tem Mueller declared the motion carried.

Item #8 – DISCUSS MEMORANDUM OF UNDERSTANDING (MOU) WITH THE VILLAGE OF LYNWOOD REGARDING THE SHOOTING RANGE – The MOU defines the cost, terms of use, and

range rules which the Village must agree to, to allow the Tinley Park Police Department use of the Lynwood Police Department Firearms Range for training and requalification of Officers.

The cost for use of the range is \$2400, which includes the 2023 and 2024 calendar years.

President Pro Tem Mueller asked if members of the Committee had any questions. There were none. Motion was made by Trustee Brady, seconded by Trustee Brennan to recommend the Memorandum of Understanding with the Village of Lynwood regarding the shooting range be forwarded to the Village Board. Vote by roll call. Ayes: Brady, Brennan, Galante, Mahoney, Mueller, Sullivan. Nays: None. Absent: None. President Pro Tem Mueller declared the motion carried.

Item #9 – DISCUSS CONTRACT WITH STRUCTURED SOLUTIONS FOR THE SANITARY SEWER REHABILITATION PROGRAM – This item was presented at the January 17, 2023, Committee of the Whole meeting and several questions and concerns were presented. Conversations have been had with Structured Solutions and it is aware of the requirements of the Village and will honor the proposed price.

President Pro Tem Mueller asked if members of the Committee had any questions. There were none. Motion was made by Trustee Brennan, seconded by Trustee Sullivan to recommend a contract with Structured Solutions for the Sanitary Sewer Rehabilitation Program be forwarded to the Village Board. Vote by roll call. Ayes: Brady, Brennan, Galante, Mahoney, Mueller, Sullivan. Nays: None. Absent: None. President Pro Tem Mueller declared the motion carried.

Item #10 – DISCUSS PURCHASE OF SEWER CAMERA AND TRANSPORTER FROM EJ EQUIPMENT – The purchase of the sewer camera and transporter from EJ Equipment is considered “sole source” due to the fact that it is proprietary to the existing software used to inspect, record, and track all sewers that have been and need to be televised.

The current equipment has exceeded the industry standard of life expectancy and has failed on multiple occasions leading to costly repairs. This equipment is used to help meet the Metropolitan Water Reclamation District (MWRD) requirement mandated for all municipalities whose wastewater flows to their treatment facilities. The current equipment has a trade-in value of sixty-six hundred dollars (\$6,600) each. The quote from EJ Equipment for \$40,295 includes the total cost of equipment to the Village after the trade-in values are credited.

President Pro Tem Mueller asked if members of the Committee had any questions. There were none. Motion was made by Trustee Mahoney, seconded by Trustee Brennan to recommend the purchase of a sewer camera and transporter from EJ Equipment be forwarded to the Village Board. Vote by roll call. Ayes: Brady, Brennan, Galante, Mahoney, Mueller, Sullivan. Nays: None. Absent: None. President Pro Tem Mueller declared the motion carried.

Item #11 – RECEIVE COMMENTS FROM THE PUBLIC –

President Pro Tem Mueller asked if there were any comments from the public. There were none.

Motion was made by Trustee Sullivan, seconded by Trustee Brady, to adjourn the Committee of the Whole. Vote by roll call. Ayes: Brady, Brennan, Galante, Mahoney, Mueller, Sullivan. Nays: None. Absent: None. President Pro Tem Mueller declared the meeting adjourned at 6:37 p.m.