

Village of La Grange



VILLAGE BOARD TOWN MEETING

MONDAY, NOVEMBER 26, 2012

7:30 p.m.

Community Center
200 Washington Avenue
La Grange, IL 60525

Elizabeth M. Asperger
Village President

Thomas Morsch
Village Clerk

VILLAGE OF LA GRANGE
BOARD OF TRUSTEES REGULAR MEETING

Town Meeting – Community Center
200 Washington Avenue
La Grange, IL 60525

AGENDA

Monday, November 26, 2012 – 7:30 p.m.

1. CALL TO ORDER, ROLL CALL, PLEDGE OF ALLEGIANCE
 - Trustee Holder*
 - Trustee Horvath*
 - Trustee Kuchler*
 - Trustee Langan*
 - Trustee Nowak*
 - Trustee Palermo*
 - President Asperger*

2. PRESIDENT'S REPORT
 - This is an opportunity for the Village President to report on matters of interest or concern to the Village.*

3. PUBLIC COMMENTS REGARDING AGENDA ITEMS
 - This is the opportunity for members of the audience to speak about matters that are included on this Agenda.*

4. OMNIBUS AGENDA AND VOTE
 - Matters on the Omnibus Agenda will be considered by a single motion and vote because they already have been considered fully by the Board at a previous meeting or have been determined to be of a routine nature. Any member of the Board of Trustees may request that an item be moved from the Omnibus Agenda to Current Business for separate consideration.*

 - A. Ordinance – Creating an Additional Class A-1 Liquor License, Horvathian LLC, d/b/a Armand's Pizzeria of La Grange, 26 S. La Grange Road

 - B. Ordinance – Authorizing an Electricity Aggregation Program Pursuant to the Illinois Power Agency Act

 - C. Minutes of the Village of La Grange Board of Trustees Regular Meeting Monday, November 12, 2012

 - D. Consolidated Voucher 121126

5. CURRENT BUSINESS

This agenda item includes consideration of matters being presented to the Board of Trustees for action.

6. MANAGER'S REPORT

This is an opportunity for the Village Manager to report on behalf of the Village Staff about matters of interest to the Village.

7. EXECUTIVE SESSION

The Board of Trustees may decide, by a roll call vote, to convene in executive session if there are matters to discuss confidentially, in accordance with the Open Meetings Act.

8. TOWN MEETING

Comments from the audience on general topics of interest to the Village.

9. TRUSTEE COMMENTS

The Board of Trustees may wish to comment on any matters.

10. ADJOURNMENT

The Village of La Grange is subject to the requirements of the Americans with Disabilities Act of 1990. Individuals with disabilities who plan to attend this meeting and who require certain accommodations so that they can observe and/or participate in this meeting, or who have questions, regarding the accessibility of the meeting or the Village's facilities, should contact the Village's ADA Coordinator at (708) 579-2315 promptly to allow the Village to make reasonable accommodations for those persons.

OMNIBUS VOTE

VILLAGE OF LA GRANGE
Administrative Offices

BOARD REPORT

TO: Village President, Village Clerk,
Village Board of Trustees and Village Attorney

FROM: Robert J. Pilipiszyn, Village Manager
Andrianna Peterson, Assistant Village Manager

DATE: November 26, 2012

RE: **ORDINANCE - CREATING AN ADDITIONAL CLASS A-1 LIQUOR LICENSE,
HORVATHIAN, LLC. d/b/a ARMAND'S PIZZERIA OF LA GRANGE, 26 S. LA
GRANGE ROAD**

The Village recently received an application for a Class A-1 liquor license from James and Daniel Horvath (no relationship to Village Trustee Mike Horvath), as Horvathian, LLC d/b/a Armand's Pizzeria of La Grange, located at 26 S. La Grange Road. A Class A-1 Restaurant License authorizes the licensee to sell at retail, and serve beer and wine only for consumption on the premises where sold, where food also is sold for consumption. As one control on the dispensing of alcohol, applicants and licensees of a Class A-1 must prove to the satisfaction of the Village that more than 60 percent of the gross annual revenue of the dining establishment has resulted from the sale of food. This license also authorizes the licensee to allow customers to carry in their own beer and wine to be consumed within the licensed premises, but only in conjunction with the service of a meal.

An establishment that holds a Class A-1 Restaurant License must secure, maintain, and provide evidence to the Village that it has insurance coverage. A background check and proof of sellers and servers training is also required.

On Monday, November 12, 2012, the Liquor Commission met to review the application submitted by Horvathian LLC, d/b/a Armand's Pizzeria of La Grange. Prior to that meeting, the Village had conducted a background investigation which did not produce any information which would preclude the issuance of a liquor license. It was the recommendation of the Liquor Commission that (a) the Village Board of Trustees create a new Class A-1 Restaurant License and (b) that the Liquor Commissioner issue that license to Horvathian, LLC d/b/a Armand's Pizzeria of La Grange located at 26 S. La Grange Road. (A copy of the minutes from that meeting is attached for your reference.)

Attached for your consideration is a proposed ordinance creating an additional Class A-1 restaurant license. Also attached for your information is the list of current liquor license holders by classification.

If the ordinance is approved, the Liquor Commissioner will issue the Class A-1 Restaurant License to Horvathian, LLC d/b/a Armand's Pizzeria.

We recommend that the proposed ordinance be approved.

4-A

VILLAGE OF LA GRANGE

ORDINANCE NO. O-12- ____

AN ORDINANCE CREATING AN ADDITIONAL CLASS A-1 RESTAURANT LICENSE

WHEREAS, Chapter 111 of the La Grange Code of Ordinances provides for a category of liquor license known as a Class A-1 Restaurant License; and

WHEREAS, a Class A-1 Restaurant License authorizes the licensee to (a) sell at retail, and serve, beer and wine only for consumption on the premises where sold, where food also is sold for consumption, and to allow customers to carry their own beer and wine to be consumed within the licensed premises, but only in conjunction with the service of a meal; and

WHEREAS, the Village received an application for a Class A-1 restaurant license from Horvathian, LLC d/b/a Armand's Pizzeria of La Grange at 26 S. La Grange Road; and

WHEREAS, the La Grange Liquor Commission has recommended creation of a new Class A-1 Restaurant License, and the La Grange Liquor Commissioner has indicated her intention to grant a Class A-1 Restaurant License for Horvathian, LLC d/b/a Armand's Pizzeria of La Grange restaurant if the Board of Trustees creates that license; and

WHEREAS, the President and the Board of Trustees have determined that it is in the best interests of the Village that a new Class A-1 Restaurant License be created for Horvathian, LLC d/b/a Armand's Pizzeria of La Grange restaurant;

NOW THEREFORE BE IT ORDAINED by the President and Board of Trustees of the Village of La Grange, Cook County and State of Illinois, as follows:

Section 1. Recitals. The foregoing recitals are incorporated into this Ordinance as findings of the President and Board of Trustees.

Section 2. Creation of a New Class A-1 Restaurant License. The President and Board of Trustees, pursuant to their authority under State law and Section 111.16 of the La Grange Code of Ordinances, hereby increases the number of Class A-1 Restaurant Licenses by one additional license. That new license will be added to the record of issued and/or current licenses which is kept in the office of the Village Clerk.

Section 3. Effective Date. This Ordinance will be in full and force and effect from and after its passage, approval, and publication in pamphlet form in the manner provided by law.

PASSED this ____ day of _____, 2012.

AYES: _____
NAYS: _____
ABSENT: _____

APPROVED this ____ day of _____, 2012.

Elizabeth M. Asperger, Village President

ATTEST: _____
Thomas Morsch, Village Clerk

4-A.1

LA GRANGE LIQUOR COMMISSION
SPECIAL MEETING

53 South La Grange Road
First Floor Conference Room
La Grange, IL 60525

Monday, November 12, 2012 – 6:30 p.m.

MINUTES

1. Call to Order and Roll Call

A meeting of the La Grange Liquor Commission was convened at 6:30 p.m. by Liquor Commissioner Elizabeth Asperger. Present and constituting a quorum were:

Present: Liquor Commissioner Elizabeth Asperger, Commissioner Mark Kuchler and Commissioner Mark Langan

Absent: None

Also Present: Village Manager Robert Pilipiszyn
Assistant Village Manager Andrianna Peterson
Village Attorney Mark Burkland
Applicants James and Daniel Horvath

2. Approval of the Minutes from the Liquor Commission meeting on October 8, 2012.

It was moved by Commissioner Langan and seconded by Commissioner Kuchler to approve the minutes of October 8, 2012, as submitted. The motion carried on a voice vote.

3. Liquor License Requests / Liquor License Applicants

Horvathian, LLC d/b/a Armand's Pizzeria

Commissioner Asperger indicated that James and Daniel Horvath were present as owners of Horvathian, LLC d/b/a Armand's Pizzeria to be located at 26 S. La Grange Road. It was confirmed that the applicants were not related to Village Trustee Horvath.

Commissioner Asperger informed the applicants that liquor control is taken very seriously and it is a privilege to sell and serve liquor in the Village. Commissioner Asperger explained that the Village is a family oriented community and a Class A-1 liquor license requires that more than 60% of the gross annual revenue of the dining establishment must result from the sale of food.

4-A.2

Adding that there is no set number of liquor licenses but rather that licenses are considered on an individual basis, Commissioner Asperger opened the floor to the other Commissioners to ask questions of the applicant.

Commissioner Kuchler asked representatives of Armand's Pizzeria to explain why they selected an Armand's franchise. Mr. Daniel Horvath indicated they have always loved the food and know the family that owns the business. The family recently began franchising. As residents of the general area they believe the central business district of La Grange is a good fit for their business.

Commissioner Kuchler inquired if Armand's Pizzeria would have concerns with parking for those dining in or would they focus primarily on carry out delivery service. Mr. Daniel Horvath said that it is obvious that people love to walk around downtown La Grange and are expecting to park and walk to their destination. They will offer eat-in, carry-out and delivery. Delivery vehicles have arrangements for parking in the rear of the business in the alley.

Commissioner Kuchler asked if they looked at other locations for opening the franchise. Mr. James Horvath responded that they also looked at Evanston and the South Loop, but that La Grange was the best location.

Commissioner Kuchler asked about if there was a standard size of the franchise restaurants. Mr. Daniel Horvath said that they have the flexibility to determine the location, and that the space they will be occupying is slightly larger than most other locations.

Commissioner Asperger inquired about seating and Mr. Daniel Horvath noted they would have approximately 30 to 35 seats available along with outdoor seating when permitted.

Attorney Burkland inquired about how the franchise regulates local operations. Mr. Daniel Horvath responded that although the franchise regulates the food it does allow the freedom to support special events in the community.

Commissioner Langan asked about the amount of time that each owner would spend in the restaurant. Mr. James Horvath responded that they would be splitting their time and expected to spend more than 40 hours per week at the restaurant. They would also be hiring a manager to fill in.

It was moved by Commissioner Langan and seconded by Commissioner Kuchler that the Liquor Commission make a recommendation: (a) that the Village Board of Trustees create a new Class A-1 liquor license and (b) that the Liquor Commissioner issue that license to Horvathian, LLC d/b/a Armand's Pizzeria to be located at 26 S. La Grange Road.

4-A,3

Commissioner Asperger stated that the recommendation would be made to the Village Board at their next regularly scheduled meeting on November 26, 2012.

4. Other Business

Commissioners discussed possible amendments to the current liquor code.

5. Adjournment

It was moved by Commissioner Langan and seconded by Commissioner Kuchler that the meeting of the Liquor Commission be adjourned. The motion carried on a voice vote and the meeting was adjourned at 7:25 p.m.

Submitted by:
Andrianna Peterson
Assistant Village Manager

Date Approved:

4-A.4

LIQUOR LICENSE HOLDERS - 2012-13

NEW CLASS (#O-09-22) Approved 08/10/09 Amended (#O-11-05) Approved 02/28/11

Class A-1 (\$500) Restaurant License serving beer and wine only, providing that more than 60% of the revenue is from the sale of food; allows consumption of bring-your-own.

Antonino's	701 West Hillgrove Avenue
Back Alley Burger	13 S. La Grange Road
Fireside Wood Fired Pizza	18 W. Harris Avenue
Grapevine	9 West Hillgrove Avenue
Lucca's Pizzeria	108 West Burlington Avenue
Noodles & Company	1 East Burlington Avenue
Q Barbeque	70 S. La Grange Road
Smashburger	1 N. La Grange Road, #A
Sushi House	120 B West Calendar
Wild Monk	88 S. La Grange Road
Yau's Place	110 W. Burlington

Class A-2 (\$2,000) Restaurant License selling a full-line of alcoholic beverages and includes a lounge or bar area, providing that more than 60% of the revenue is from the sale of food; allows consumption of bring-your-own.

Al's Char House	32 South La Grange Road
Aurelio's Pizza	11 W. Calendar Avenue
Bacino's	36 South La Grange Road
Café 103	9 South La Grange Road
Casa Margarita	32 South La Grange Road
Chequers	100 West Burlington Avenue
Francesca's	75 South La Grange Road
Magic Wok	23 West Harris Avenue
Marconi's	15 Calendar Avenue
Nicksons	30 S. La Grange Road
Palmer Place	56 South La Grange Road
Santiago's Mexican Cocina	22 W. Calendar Avenue
Thipi Thai	25 West Calendar Avenue

Class A-3 (\$1,250) Restaurant License selling a full-line of alcoholic beverages but includes only a service bar, providing that more than 60% of the revenue is from the sale of food; allows consumption of bring-your-own.

Chipotle Mexican Grill, Inc.	40 N. North La Grange Road
El Picante Mexican Grill, Inc.	50A South La Grange Road
Kama	8 W. Burlington Avenue
Prasino	93 South La Grange Road

Class B (\$500) General retail sales of beer and wine incidental to other sales.

DeVries Super Market	806 Arlington
Grapevine	9 West Hillgrove Avenue
7-Eleven	6 East 47th Street
Trader Joe's	25 N. La Grange Road
Walgreens	2 N. La Grange Road

4-A,5

<u>Class C-1 (\$1,000)</u>	<u>Food boutique allows sales of wine in its original package & sales of wine by the glass; providing that more than 50% of the revenue is from the sale of goods other than liquor.</u> None
<u>Class C-2 (\$1,000)</u>	<u>Wine boutique allows sales of wine and beer in its original package & sales of wine by the glass.</u> Vino e Birra, Inc. 18 W. Burlington Avenue
<u>Class C-3 (\$500)</u>	<u>Retail cabaret for a retail store that also has a cabaret limited to four events per month; providing that more than 50% of the revenue is from the sale of goods other than liquor.</u> None
<u>Class C-4 (\$500)</u>	<u>Movie theater allows sales and service of alcoholic beverages at public or private events; providing that more than 50% of the revenue is from the sale of goods other than liquor.</u> None
<u>Class D-1 (\$150)</u>	<u>Tasting license grocery store (must hold a Class B general retail sales).</u> Trader Joe's 25 N. La Grange Road
<u>Class D-2 (\$150)</u>	<u>Tasting license retail store (must hold a Class B general retail sales).</u> None
<u>Class D-3 (\$150)</u>	<u>Tasting and Wine Club Event (must hold a Class A-1, A-2, or A-3 Restaurant)</u> Bacino's 36 South La Grange Road
<u>Class F-1 (\$500)</u>	<u>Fraternal club allows sales and service of alcoholic beverages and bring-your-own beer and wine.</u> American Legion 900 South La Grange Road
<u>Class F-2 (\$100)</u>	<u>Private membership organization authorizes only service of alcoholic beverages and bring-your-own beer and wine at private events; limited to 4 private events in a calendar year, excluding bring-your-own events.</u> La Grange Field Club 1314 W. 47 th Street
<u>Class G-1 (\$500)</u>	<u>General caterer license authorizes the service of alcohol as a part of a catering business that maintains a business facility within the Village providing that more than 60% of the revenue is from the sale of food.</u> La Belle Gourmet, Ltd. 14 - 16 West Calendar Avenue Palmer Place 56 South La Grange Road Q Barbeque 70 South La Grange Road
<u>Class H (\$250)</u>	<u>Bring your own beer and wine restaurants (without Class A License).</u> None

4-A.6

Class H (\$100)

Bring your own beer and wine other (in meal preparation services stores; in crafts-making stores; in retail stores having a private event or a structured instruction class).

Ceramic Art Café
Bottle & Bottega

26 S. La Grange Road
1 W. Harris Avenue

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11/09/12

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VILLAGE OF LA GRANGE
Administrative Offices

BOARD REPORT

TO: Village President, Village Clerk,
Board of Trustees, and Village Attorney

FROM: Robert J. Pilipiszyn, Village Manager
Andrianna Peterson, Assistant Village Manager

DATE: November 26, 2012

RE: **ORDINANCE – AUTHORIZING AN ELECTRICITY
AGGREGATION PROGRAM PURSUANT TO THE ILLINOIS
POWER AGENCY ACT**

In 2009, the State of Illinois amended the Illinois Power Agency Act with Public Act 96-0176. Termed Community Choice Aggregation (CCA), the amendment deregulates the electric market for residential and small business customers (large industrial and commercial customers already had the authority to seek competitive bids) and provides for the municipal aggregation of electricity.

In order for the Village to create an “opt-out” municipal aggregation program, a binding referendum must be approved by a majority of the voters authorizing the Village to do so. A referendum question was placed on the ballot for the November 6, 2012 general election and was approved by La Grange voters by a margin of 4,301 to 2,276.

Now that the referendum has passed, the following program implementation steps will be required:

1. Adoption of an ordinance authorizing an electrical aggregation program.
2. Send out an RFQ for consultant services and select a consultant
3. Draft a Plan of Operation and Governance which explains to customers and potential bidders how the aggregation program will operate, how customers are enrolled in or out of the program, participation for new / outgoing residents, etc.
4. Hold two public hearings to discuss the Plan of Operation and Governance
5. Adopt Plan of Operation and Governance
6. Solicit bids from electricity providers
7. Negotiate and enter into an agreement with selected provider
8. Public information and implementation of program

A proposed timeline for these various activities is attached.

4-B

Pursuant to previous Village Board direction, staff has prepared for and conducted communications efforts in-house, as well as other required program documents, in order to reduce costs associated with the program. Staff, has solicited proposals from consultants to assist with the components of the program that require technical expertise.

These components include assistance with the bid and selection process for a supplier; preparation of the necessary documents needed to receive and properly handle confidential customer information; monitoring the supplier's compliance with the requirements of the program, as well as providing general advice and counsel as the program is developed and finalized. A recommendation to the Village Board regarding the selection of a consultant will be forthcoming.

Staff recommends that the attached Ordinance authorizing an opt-out electrical aggregation program; authorizing the Village Manager to develop a Plan of Governance for the program; and planning for the necessary public hearings; be approved.

4-B.1

**PROPOSED
ELECTRICITY AGGREGATION TIMELINE
POST - NOVEMBER 2012 ELECTION**

<u>DATE</u>	<u>ACTIVITY</u>
November 6, 2012	Election Day.
November – December 2012	Passage of authorizing ordinance creating the aggregation program and (optional) selection of consultant.
November – December 2012	Development of a Plan of Operation and Governance.
January, 2013	Public hearings and approval of Plan of Governance.
January – February 2013	Municipality solicits bids for electricity and other services.
January – February 2013	Municipality secures customer data from Com Ed.
February – March 2013	Municipality analyzes bids and selects preferred electricity supplier.
February - March 2013	Municipality negotiates and approves final agreement with electricity supplier.
March 2013	Municipality distributes communications and other information to residents regarding options and opt-out instructions.

4-13.2

VILLAGE OF LA GRANGE

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING
AN ELECTRICITY AGGREGATION PROGRAM
PURSUANT TO THE ILLINOIS POWER AGENCY ACT

WHEREAS, the Illinois Power Agency Act, 20 ILCS 3855/1-1 *et seq.* ("**Act**"), authorizes the corporate authorities of a municipality to adopt an ordinance authorizing a program to aggregate electrical loads of residential and small commercial retail customers and to solicit bids and enter into service agreements to facilitate the sale and purchase of electricity and related services and equipment for those electrical loads ("**Program**"); and

WHEREAS, pursuant to Section 1-92(a) of the Act, the Village may, if authorized by referendum, operate the Program as an "opt-out" program that applies to all residential and small commercial retail electrical customers who do not affirmatively choose not to participate in the Program; and

WHEREAS, on November 6, 2012, the voters of the Village approved a referendum to authorize the operation of a Program as an "opt-out" program; and

WHEREAS, prior to soliciting bids and awarding proposed agreements for the provision of electricity and other related services pursuant to the Program, the Act requires the Village Board to adopt an ordinance authorizing the Program and to develop and approve a plan of operation and governance for the Program ("**Plan of Governance**"); and

WHEREAS, pursuant to Section 1-92(b) of the Act, the Village President and Board of Trustees must conduct two public hearings to consider and develop the Plan of Governance; and

WHEREAS, the Village President and Board of Trustees have determined that it is in the best interests of the Village and its residents to adopt this Ordinance to authorize the Program, to direct the Village Manager to prepare the Plan of Governance and to establish public hearings for the purpose of developing the Plan of Governance, all as provided in this Ordinance;

NOW, THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of La Grange, Cook County and State of Illinois, as follows:

Section 1. Recitals. The foregoing recitals are hereby incorporated into this Ordinance as the findings of the President and Board of Trustees.

4-18-3

Section 2. Authorization of Electricity Aggregation Program. Pursuant to Section 1-92 of the Act, the Village President and Board of Trustees shall, and do hereby, authorize the establishment of the Program as an "opt-out" program for the purpose of aggregating electrical loads of residential and small commercial retail electric customers in the Village.

Section 3. Authorization and Direction to Prepare Plan of Governance and to Schedule Public Hearings. Pursuant to Section 1-92(b) of the Act, the President and Board of Trustees hereby authorize and direct the Village Manager to: (a) develop the Plan of Governance for the Program; and (b) do or cause to be done all things necessary or desirable for purposes of providing the required public notice and the scheduling of two public hearings before the Village President and Board of Trustees regarding the Plan of Governance.

Section 4. Effective Date. This Ordinance shall be in full force and effect from and after its passage, approval, and publication in the manner provided by law

PASSED this ____ day of _____ 2012.

AYES: _____

NAYS: _____

ABSENT: _____

APPROVED this ____ day of _____ 2012.

Elizabeth Asperger, Village President

ATTEST:

Thomas Morsch, Village Clerk

4-B.4

MINUTES

VILLAGE OF LA GRANGE
BOARD OF TRUSTEES REGULAR MEETING
Village Hall Auditorium
53 South La Grange Road
La Grange, IL 60525

Monday, November 12, 2012 - 7:30 p.m.

1. CALL TO ORDER, ROLL CALL, PLEDGE OF ALLEGIANCE

The Board of Trustees of the Village of La Grange regular meeting was called to order at 7:33 p.m. by President Asperger. On roll call, as read by Village Clerk Thomas Morsch, the following were present:

PRESENT: Trustees Holder, Horvath, Kuchler, Langan, Nowak and Palermo

ABSENT: None

OTHERS: Village Manager Robert Pilipiszyn
Assistant Village Manager Andrianna Peterson
Village Attorney Mark Burkland
Finance Director Lou Cipparrone
Community Development Director Patrick Benjamin
Public Works Director Ryan Gillingham
Fire Chief William Bryzgalski
Police Chief Michael Holub

President Asperger requested Clerk Morsch to lead the Board and audience in the Pledge of Allegiance.

2. PRESIDENT'S REPORT

On behalf of the Village Board, President Asperger expressed gratitude to Veterans and all men and women who served our country.

President Asperger indicated that a majority "yes" vote was received at the November 6 General Election, authorizing the Village to arrange for the supply of electricity for its residential and small commercial retail customers who do not opt out of such a program. Explaining that numerous steps will be required prior to the implementation, President Asperger stated the first step would be for the Village Board to adopt an ordinance authorizing an electricity aggregation program and to provide authorization for staff to begin to develop such a program. President Asperger noted that additional information is

4-C

available on the Village website or questions may be directed to Assistant Village Manager Andrianna Peterson.

Announcing the availability of on-line water bill payments, President Asperger explained that there would be a one dollar transaction fee for each payment. Residents will continue to have the option of paying in person or via mail. President Asperger referenced the Village's website and Finance Department for detailed information.

Inviting residents to attend and participate in the final three-part series of "Town Meetings" to be held on Monday, November 26 at the Community Center, President Asperger noted the opportunity for citizen's to express neighborhood concerns in an informal setting.

President Asperger noted that earlier this evening the Liquor Commission met to consider an application for a liquor license for a Class A-1 beer and wine restaurant license for Armand's Pizzeria at 26 S. La Grange Road. The Village Board will be asked to consider the recommendation at their next meeting on Monday, November 26.

3. PUBLIC COMMENTS REGARDING AGENDA ITEMS

Mr. Jim Bergschneider expressed his discontent with the Village's process in handling the amendment to parking restrictions on the 400 block of south Park Road. Mr. Bergschneider noted that everyone is part owner of the public right-of-way. Mr. Bergschneider referenced previous parking amendments and restrictions and feels that policy should be based on merit by staff observations and analysis, not on resident opinions. President Asperger thanked Mr. Bergschneider for his comments.

Nora Valentino expressed grave concerns related to traffic control and pedestrian safety on Willow Springs Road due to the fact that signals are not scheduled to be installed until 2014. Ms. Valentino hopes the Board will consider the placement of some visual aids and designated cross walks in the interim. Ms. Valentino noted her plead to Western Springs, the Park District, and Lyons Township High School to address and resolve safe crossing for pedestrians and controlled speed enforcement in this area. Ms. Valentino suggested additional Police visibility prior to the opening and closing of the school day to slow traffic. President Asperger noted that Ms. Valentino's comments have been thoughtfully taken into consideration and discussion will continue with all parties involved.

4. OMNIBUS AGENDA AND VOTE

- A. Ordinance (#O-12-30) – Amendment to Parking Restrictions / 400 Block of S. Park Road

4-C.1

- B. Willow Springs Road Traffic Signal Project: (1) Intergovernmental Agreement; (2) Engineering Task Order; (3) Preliminary Engineering Services Agreement; (4) Local Agency Agreement for Federal Participation
- C. Ordinance (#O-12-31) – Disposal of Surplus Property
- D. Minutes of the Village of La Grange Board of Trustees Town Meeting Monday, October 22, 2012
- E. Consolidated Voucher 121112

It was moved by Trustee Langan to approve items A, B, C, D, and E of the Omnibus Agenda, seconded by Trustee Holder.

Referencing the intergovernmental agreement for the Willow Springs Road traffic signal, Trustee Langan expressed thanks to State Representative Jim Durkin for his assistance in securing State grant funding toward this project.

Trustee Horvath noted his support for interim safety measures, such as flashing yellow lights, and education to improve safe pedestrian crossing.

Trustee Palermo is in agreement that flashing lights and in-street pedestrian crossing signage would be appropriate improvements in the interim.

Trustee Holder inquired about the use of the in-street pedestrian crossing signage and was informed that it may inhibit emergency vehicles access within the corridor. Trustee Holder suggested parents volunteering to be crossing guards as an option to consider.

Trustee Nowak indicated his support for the suggestions made this evening by members of the Village Board. Trustee Nowak inquired about future operational and maintenance costs. Public Works Director Ryan Gillingham responded that the monthly costs will be split between the Village of Western Springs and Village of La Grange. Attorney Burkland noted that lengthy discussions were conducted with the Park District and Lyons Township High School as they would benefit by the traffic control device, however both declined to allocate funding. Rather than submit to further delays, Western Springs and La Grange were in agreement to equally cover the cost of maintenance.

Trustee Horvath asked if funding could be redirected to install temporary flashing yellow lights. Village Manager Robert Pilipiszyn explained that redirecting funding would require yet another legislative change which may further delay installation of the permanent traffic control light.

President Asperger summarized the discussion by noting that the Village will continue the process to implement the traffic signal; no additional improvements are

contemplated in the interim, due to limited resources and time; the Village is working to improve safety within all corridors of the community; and that pedestrians also need to accept some responsibility for their safety.

Approved by roll call vote.

Ayes: Trustees Holder, Horvath, Kuchler, Langan, Nowak and Palermo
Nays: None
Absent: None

5. CURRENT BUSINESS

- A. La Grange Business Association / 2102 Hometown Holiday / Request for Village Sponsorship: Referred to Trustee Holder

Trustee Holder explained that the December 1, 2012 Holiday Walk has always been a positive reflection of the Village of La Grange and brings shoppers into the community. This is the 21st annual event and the La Grange Business Association is requesting the Village co-sponsor the event in an amount not to exceed \$12,000. Trustee Holder added that the Village's position of sponsorship is marketing the event, which includes newspaper advertisements, posters and the production and mailing of the booklet which lists the activities for the evening.

Trustee Holder listed the conditions outlined in the sponsorship policy and noted that approval would include compliance to those conditions. Trustee Holder noted that La Grange Business Association representatives are in attendance to answer any questions on this year's event.

It was moved by Trustee Holder to support the Holiday Walk's cost of advertising and marketing for 2012 in an amount not to exceed \$12,000, with the conditions as outlined in the Village's sponsorship policy, seconded by Trustee Langan.

Approved by roll call vote.

Ayes: Trustees Holder, Horvath, Kuchler, Langan, Nowak, and Palermo
Nays: None
Absent: None

- B. Preliminary Review of the Proposed 2012 Property Tax Levy Request: Referred to Trustee Langan

Trustee Langan stated that this is a preliminary review of the proposed 2012 property tax levy request and explained that the Truth in Taxation Law requires a preliminary review of the proposed tax levy at least 20 days prior to its adoption. If the aggregate levy is more than 5% greater than the preceding year's extension,

4-c.3

exclusive of debt service, the Village must hold a public hearing before adopting the proposed property tax levy. Since the proposed Truth in Taxation levy request, excluding debt service shows a total increase of 4.2% over the prior years' extension, the Village of La Grange is not required to hold a public hearing regarding the 2012 property tax levy. Trustee Langan indicated the Property Tax Limitation Act limits the increase in property tax extensions, exclusive of debt service and new property growth to 5% or the percent increase of the Consumer Price Index (CPI) whichever is less. The CPI for the 2012 tax levy determined as of December 2011 was 3%.

Trustee Langan presented information on the General Fund Levy; Pension Levies; and the Special Service Area Levy. Trustee Langan indicated the Police and Fire pension levies reflect the annual required contributions as requested by the Police and Fire Pension Fund Boards.

Trustee Langan added that the La Grange Public Library is a municipal library not a library district therefore the library levy is a part of the Village levy. The Library's tax levy request represents an increase of 4.2% over the 2011 property tax levy extension.

At this time the Village is announcing the 2012 preliminary tax levy and the ordinance adopting the 2012 tax levy will be presented at the December 10th Village Board meeting.

It was moved by Trustee Langan that the Village Board approve the Resolution announcing the estimated 2012 tax levy of \$8,354,316, exclusive of debt service, which is a 4.2% increase from the 2011 tax levy, seconded by Trustee Holder.

Although he will vote in favor of the preliminary tax levy, Trustee Horvath indicated he is uncertain how he will vote for the final tax levy in December due to his concerns with pension levies.

Approved by roll call vote.

Ayes:	Trustees Holder, Horvath, Kuchler, Langan, Nowak, and Palermo
Nays:	None
Absent:	None

6. MANAGER'S REPORT

A. Pre-Budget Development Workshop — Expenditures

Village Manager Robert Pilipiszyn noted that at the Board's request a series of pre-budget development workshops are being held to discuss fiscal objectives prior to the formal development of the Village budget for fiscal year 2013-14 and in conjunction

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with the Village's long range five-year financial plan. Mr. Pilipiszyn indicated that an extensive staff report has been included in the agenda packet which discusses four major budget expenditures. They are: employee compensation; employee health insurance; cost allocations to the Water Fund; and pension funding.

Mr. Pilipiszyn summarized the staff recommendations as follows:

1. With respect to employee compensation, staff is requesting an opportunity to further investigate and evaluate municipal trends. Village management recognizes the Village Board's expressed concern that the General Fund cannot sustain wage, health insurance and pension contribution increases in excess of the property tax limitation. Preliminary survey data supports a downward trend. Village management recommends a balanced approach to affecting structural changes where appropriate, while at the same time maintaining a capable and dedicated workforce.
2. Maintain the current level of employee health insurance benefits. The Village's benefits consultant is in attendance and will provide insight on how the Village's insurance benefits compare to other public employers.
3. Maintain current salary allocations to the Village's Water Fund as reflected in the adopted budget.
4. Accept the preliminary property tax levies for the Village's police and fire pension funds as recommended by their respective pension boards.

Mr. Pilipiszyn respectfully requested from the Village Board, either concurrence with the staff recommendations, or alternate direction concerning the four major budget expenditures.

Employee Compensation

Rather than reiterate the written reports and analysis, President Asperger noted that each topic would be discussed individually beginning with employee compensation. Explaining that the Employee Compensation Plan is composed of salary ranges, general wage adjustments and merit pay, President Asperger noted that the Village maintains an equitable framework for both union and non-union personnel. President Asperger opened the floor for discussion.

Trustee Horvath expressed concerns with semi-annual wage increases and their value as compared to the rate of revenue growth. Such a scenario is not good tax policy and he is sensitive to the impact which raising taxes can have on Village residents. Mr. Pilipiszyn responded that the challenge is to balance tax policy with personnel policy. He cited the Village Board's previously stated nexus that a dedicated workforce is essential to the effective delivery of core Village services. If that thought process has changed, the Village Board needs to communicate that to the staff. Trustee Horvath

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indicated his hope that reduced employee compensation could be accomplished and made part of the coming FY 2013-14 Village budget.

Trustee Langan noted that maintaining fair compensation and a competent work force is essential. Trustee Langan is in agreement with staff's recommendations to investigate trends.

Trustee Nowak believes that Trustee Horvath's comments are well taken and unless revenues are available to cover personnel compensation increases, budget adjustments are going to be difficult. Trustee Nowak is in favor of staff's recommendation to inquire how other municipalities handle compensation and pay-out of accrued sick leave.

Trustee Palermo requested that accrued leaves be stated as a liability on a balance sheet.

Trustee Holder asked if policy could be altered which would require leaves, such as vacation time, to be utilized. President Asperger noted that is another area in which the Board may consider making a change in policy.

Trustee Kuchler indicated his support for the approach, but stressed the need to act quickly in matching expenses to revenues.

Health Insurance

President Asperger identified Mr. Greg Mellinger and Mr. Mike Traina from Corporate Benefits Consultants, Inc. as brokers for the Village's health insurance benefits plan. Indicating that they are present to answer any questions, President Asperger opened the discussion for this topic.

Trustee Horvath inquired about the difference in employee contributions between the public sector and the private sector. Noting that the Village has a very cost-effective health insurance program, Mr. Traina indicated that private sector percentages vary according to the type of business. Employee contributions in the private sector range significantly from 0% - 50%, with professional and technical services on the low end of the range, and manufacturing on the higher end of the range. In contrast, the public sector is in the 10% - 15% range; many are at zero for an amount of employee contribution. Much of this is tied to collective bargaining agreements. Trustee Horvath asked about the upcoming Affordable Health Care Act. Mr. Traina responded that in the short term it will accomplish what it needs to accomplish to make certain everyone gets insurance coverage however the cost has not been correctly underwritten and will likely place additional burden on employers.

Trustee Holder inquired about trending information for upcoming renewals. Mr. Traina responded that the conservative estimate ranges between 6.5% to 7.0%.

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Trustee Palermo inquired as to what is anticipated for the Village's renewal. Mr. Traina responded that it is difficult to project at this time because one-half of the Village's health insurance premium is experience-rated. CBC will not have that information until February 2013.

Trustee Nowak inquired about a wellness program and if the Village would benefit from including this in its plan design. Mr. Traina indicated that in the short term, the cost to incent wellness will be greater than any savings. The benefits are long term with improved health. However, validating health condition against wellness is difficult, which is why such programs are not more popular. The Affordable Health Care Act also places limits on carving out unhealthy activities in order to treat certain medical conditions. Smoking and smoking cessation classes were cited as an example.

Trustee Horvath said that he read a report where the average employee contribution is 22% of premiums. Mr. Traina responded that he is familiar with the report cited by Trustee Horvath. The report does not account for collective bargaining agreements; the survey was of a limited scope; and the survey sample is not a true representation of the marketplace. Mr. Traina's firm uses a survey conducted by an association of insurance consultants, which in his opinion, is much more representative of the marketplace. Based on that association survey, the average employee contribution for monthly health insurance premiums in the private sector ranges between 15% - 25%. In contrast, the average employee contribution towards monthly premiums in the public sector, based on CBC's current book of business, ranges between 10% - 15%. This is a result of a high number of union contracts among public employers and contracts which stipulate lower monthly contributions by employees.

Trustee Kuchler asked if plan design changes could be made which would afford new hires to only be granted single coverage. Mr. Traina indicated that it is possible, however it is not clear if it will be permissible under the Affordable Health Care Act. Collective bargaining agreements may also limit such a plan design change.

Trustee Palermo suggested that when other coverage is afforded to an employee's spouse the employee would only receive single coverage. This would be a drastic step and Mr. Traina indicated that as an alternative the Village may want to consider an increase in the employee contribution for a spouse to receive coverage.

President Asperger indicated her belief that the Board concurs that no changes should be made to the current health insurance benefits but that staff should continue to evaluate future opportunities for reductions in health insurance premiums.

Salary Allocations

President Asperger referenced the next budget expenditure for discussion – salary allocation to the Water Fund, and opened the floor to comments from the Village Board.

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Trustee Langan noted his support for maintaining the current allocations for consistent budgetary purposes.

Trustee Kuchler indicated his acceptance of the current cost allocations at this time, having previously voiced his concerns that water rates have increased substantially. Looking ahead, it is his expectation that as the cost of water as a commodity continues to rise at a greater rate than salaries, the percentage of administrative expenses should become a smaller portion of the water rate.

Although the overall allocation might be right, Trustee Horvath does not believe that the Manager's time utilized under the percentage allocated for water is accurate. Trustee Horvath would like to see more rationalization.

Referencing previous detailed discussions by the Board on this matter and that the allocations fall within accounting guidelines, President Asperger acknowledged the consensus was for no changes.

Pension Funding:

Presenting a summary of the levy development process and recommendations from the pension boards, President Asperger opened the floor for discussion.

Trustee Palermo noted his serious financial concerns with pension funding because the mortality tables used by the Village are outdated. He has conducted considerable research on the subject and found that the Village's mortality assumptions are out of the norm. In addition, the State of Illinois recently issued a report which discusses the need for updating various actuarial assumptions, including mortality tables. In his opinion, that report validates his concerns. As a result the Village is not adequately funding its pension obligations. This means other expenses need to be cut in order to offset the difference. The Village needs to abandon the thought of paying 100% of the annual required contribution because it is wrong, and instead contribute based on an improved set of assumptions.

Trustee Kuchler feels that the Village must continue to pay at least 100% of the annual required contribution. He does not disagree with increased pension funding, but questioned what other expenses get cut. Trustee Kuchler does not favor raising taxes to maintain or increase pension funding.

Trustee Horvath feels that it is important to use the right set of assumptions. The Village cannot ignore actuarial changes in assumptions as evidenced by the State report.

Trustee Holder complimented the work of the pension boards and does not intend to alter the division of responsibilities between the pension boards and the Village Board.

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President Asperger noted that due to a complaint filed by Trustee Palermo, the Police and Fire Pension Boards were not able to consult with their actuary and made the decision to recommend a funding level based on a five percent increase from last year's property tax levy, which is in keeping with Village budget assumptions.

Trustees Langan, Holder, Kuchler, and Nowak indicated their acceptance of the Police and Fire Pension Boards funding recommendation.

President Asperger offered discussion of additional issues related to expenditures.

Additional comments were made by Trustee Horvath that the Village should look at optimal replacement of its vehicles and should consider upgrading pay of existing personnel as an alternative to filling vacancies.

President Asperger stated that she would not summarize each item as it appears the consensus of the Board is to support all of the recommendations.

7. PUBLIC COMMENTS REGARDING MATTERS NOT ON AGENDA

Mr. Jeff Cogelja, 231 S. Ashland Avenue, again requested the Board to permit him additional time to obtain the appropriate number of signatures on a petition to support an advisory referendum question on the upcoming consolidation election ballot. The advisory public policy question would be to change Village code and allow individuals to raise chickens on their private property. Mr. Cogelja referenced that Western Springs had recently approved such a change in their ordinance.

Although the Board appreciates Mr. Cogelja's initiative and determination, President Asperger explained that the Village Board has not changed its decision on this matter, adding that it is not fair to make repeated appeals of the Village Board in hopes that it will prompt legislative changes, and to respect the decision-making process.

8. EXECUTIVE SESSION

9. TRUSTEE COMMENTS

Trustee Kuchler stated that while he appreciates Mr. Cogelja's efforts, he echoes President Asperger's sentiments. Perhaps the proposal can be re-visited in time, recognizing Western Springs' recent code change. Trustee Kuchler expressed thanks to all Veteran's for their service. Lastly, Trustee Kuchler congratulated Lyons Township High School football team and St. Ignatius student and La Grange Park resident Jack Keelar on his first place finish at the Boys Cross Country State Final Meet.

Trustee Nowak agrees with Trustee Kuchler and President Asperger. While he is intrigued by the referendum question, decisions cannot be made without taking into account all factors which affect the entire Village.

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Trustee Horvath thanked all of the Veterans as well as Lyons Township High school football team. Trustee Horvath thanked Mr. Cogelja for his efforts regarding the keeping of backyard hens.

10. ADJOURNMENT

At 10:30 p.m. Trustee Langan moved to adjourn, seconded by Trustee Holder. Approved by voice vote.

Elizabeth M. Asperger, Village President

ATTEST:

Thomas Morsch, Village Clerk

Approved Date:

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VILLAGE OF LA GRANGE

Disbursement Approval by Fund

November 26, 2012

Consolidated Voucher 121126

<u>Fund No.</u>	<u>Fund Name</u>	<u>11/26/12 Voucher</u>	<u>11/21/12 Payroll</u>	<u>Total</u>
01	General	84,070.80	283,127.55	367,198.35
21	Motor Fuel Tax			0.00
22	Foreign Fire Insurance Tax	102.34		102.34
24	ETSB	20,591.62		20,591.62
27	Drug Enforcement	2,086.36		2,086.36
40	Capital Projects			0.00
50	Water	10,774.07	41,262.28	52,036.35
51	Parking	3,324.72	24,623.32	27,948.04
60	Equipment Replacement	2,735.00		2,735.00
70	Police Pension			0.00
75	Firefighters' Pension			0.00
80	Sewer	385.28	9,786.08	10,171.36
90	Debt Service			0.00
91	SSA 4A Debt Service			0.00
93	SAA 269			0.00
94	SAA 270	0.00		0.00
		<u>124,070.19</u>	<u>358,799.23</u>	<u>482,869.42</u>

We the undersigned Manager and Clerk of the Village of La Grange hereby certify that, to the best of our knowledge and belief, the foregoing items are true and proper charges against the Village and hereby approve their payment.

Village Manager

Village Clerk

President

Trustee

Trustee

Trustee

Trustee

Trustee

Trustee

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