

January 10th, 2012 Regular Board Meeting Minutes

Meeting called to order at the Village of Hainesville Council Chambers by Mayor Linda Soto at 7:08 p.m.

Mayor Linda Soto led the pledge of allegiance to the flag.

Clerk Kathy Metzler took roll call. The following Officials were present: Mayor Linda Soto, Trustees Derenoski, Kriese, Duberstein, Barrett, Daley and Walkington

Also present were: Village Clerk Kathy Metzler, Public Works Superintendent Jeff Gately, Building Official Russ Kraly, EMA Coordinator Mike Benko, Village Attorney Jim Rock and Village Engineer Greg Gruen

Establishment of quorum

Agenda Approval

Trustee Derenoski motioned to approve the agenda as presented; seconded by Trustee Duberstein.

Roll Call:

Ayes: Trustees Derenoski, Kriese, Duberstein, Barrett, Daley and Walkington
Motion carried.

Public comments:

Pat Carey, 158 Westerfield, Grayslake, IL 60030 – is a Lake County Board Member representing this area. She reported on the SWALCO 60% Recycling Report which will be discussed later in the meeting. She served on the Lake County Task force. They focused on increasing the recycling rate in Lake County to 60%. The SWALCO Board put together a great task force including two County Board Members, a number of municipal representatives, citizens, environmental groups as well as industry folks. The SWALCO Board adopted it which Mayor Soto was present for that, and now they are asking the SWALCO members as well as Lake County to approve or accept the report. Ms. Carey urged the Board to approve the report.

Trustee Daley questioned if the Board accepts the report does it mandate action on the Village's part. Ms. Carey stated that even if the report is approved the Village still needs to decide if it will do commercial franchising and pass an ordinance or regulate C & D (construction and demolition) and pass an ordinance for that. Therefore no it does not mandate anything but it means that the Village agrees with the report, the initiatives in the report and the concept and philosophy of increasing recycling. The Village will make its best efforts to move in that direction and achieve the goals.

Mayor Soto added that it is a Resolution the Board is passing not an ordinance. The Resolution acknowledges and accepts the report and it will be used as a tool. The Village will implement things over time when it is feasible. One of the things the Village will be doing

in the future is to host an electronic drop off recycling event in the spring. Based on how the event goes the Village could commit to doing two the following year.

Omnibus Vote Agenda

1. A Motion to Approve the December 13th, 2011 Regular Board Meeting Minutes
2. A Motion to Ratify the December Bills Payable for \$60,142.74
3. A Motion to Approve the January 2012 Bills Payable for \$81,144.21

Trustee Derenoski motioned to approve the Omnibus Vote Agenda as presented; seconded by Trustee Walkington.

Roll Call:

Ayes: Trustees Derenoski, Kriese, Duberstein, Barrett, Daley and Walkington
Motion carried.

Reports and Communications from Mayor and other Officers:

Village Engineer

Village Engineer Greg Gruen reported that they have started plans to resurface Misty Hill. They will bid the project out this spring and resurface this summer. Half of Misty Hill should be done this year and the balance done in 2013. He recommends budgeting \$200,000 for this year's MFT project.

He also reported that the IEPA loan documents came through. It is a \$259,000 loan for the watermain on Route 120. It is 2.29% interest over 20 years. The payment is about \$16,000 a year. They are due in two installments a year. The first payment is due January 1, 2013.

Greg also stated that Mayor Soto is concerned about Prairieview School on Route 120. Greg spoke with IDOT and a cross walk or a school zone is not warranted. The school zone reduced speed limit is not warranted until there is a cross walk and pedestrian access. The school does not want that. The only advanced warning signs are the signs that are there.

Mayor Soto showed the picture of the signs. They are at the end of the school property. The Mayor felt that there should be a sign that a school is up ahead. The signs that are up are a cross walk sign showing people walking. It does not alert anyone that a school is ahead. Greg stated that it is a school sign but there is another sign that can go underneath showing that there is a school.

Trustee Derenoski asked the cost of the sign. Greg stated it is about \$100. Trustee Derenoski suggested that the Village buy the signs and put them up but the Mayor stated that IDOT will take the sign down. Trustee Derenoski asked if a sign could be put up on Village property that IDOT cannot touch. The Mayor and Greg will be going back to IDOT with another proposal. Pat Carey noted that she will ask Marty.

Trustee Daley asked what is the Mayor looking to accomplish. Does she want a school speed zone? The Mayor was told that is not possible. She wants traffic to know that a school is coming up. Trustee Daley asked what difference would notification that a school is ahead make. Mayor Soto stated that it won't make a difference to everyone but it might to a

percentage of people. Chief McCutcheon is looking at other safety factors for the officers directing traffic. An officer recently was hurt. The Mayor has been asking IDOT every year for this but they have not come out to see what can be done.

Trustee Barrett went through this with Mayor Mueller trying to get a flashing light or a temporary stop light controlled by the officer. LCDOT and IDOT told them that the traffic control lights were too close together. However, on Route 83 by Home Depot there are stop lights close to each other.

If need be, Mayor Soto and Greg will meet with IDOT in Schaumburg.

Village Attorney

Village Attorney Jim Rock prepared the ordinances on the agenda for BASSETT training and the alternate energy collection systems. He reviewed the condo association covenants because there have been requests from condo residents to increase the number of rental units. Jim completed a draft of the CENCOM surcharge agreement which was sent to their attorney for review and a dispatch agreement with the Village of Grayslake. He also drafted an ordinance to regulate the sale of wide tip markers and spray paint by businesses in the Village to be presented at the February meeting.

Greg Gruen left the Council Chambers at 7:26 p.m.

Public Works Superintendent

Public Works Superintendent Jeff Gately stated that it has been quiet with the lack of snow. At the old Village hall site there is the old well that is capped there is a concrete pit that Lake County wanted the Village to take one wall off so there is proper drainage. It is a bigger project than first anticipated. The concrete is at least 2 feet thick. Jeff will address the pot holes on Tall Oak Drive which was mentioned by Trustee Duberstein. Jeff also went to the Grayslake Fire Department because they are getting their ISO rating this year which Hainesville is involved in also. The Village will have to do the paperwork and hydrant tests again. Since 2010 the Village has been testing the hydrants and keeping records so this will not be a problem.

Building Official

Building Official Russ Kraly handed out his report which included the monthly report, year end total report and the comparison reports. The Village is down in the commercial area.

EMA Coordinator

EMA Coordinator Mike Benko reported that there is a committee meeting tomorrow night at 7:00 p.m.

February 7th at 10:15 a.m. is the Great Shake Out which is earthquake preparedness. He is working with Prairieview School because they have earthquake planning in their disaster drill. Residents can participate by going online. Also, Mike asked that when it snows residents keep the hydrants clean.

Treasurer

Treasurer Kelly Hensley was not present. The Mayor stated that she has been busy receiving everyone's budget requests and compiling them.

Village Clerk

Village Clerk Kathy Metzler reported that she and Deputy Clerk Roseann Stark will be attending an Emergency Preparedness session by Lee Shannon of Antioch. Kathy also stated she completed her budget and worked on the Public Hearing held earlier tonight. She is also working on the website.

Mayor

Mayor Linda Soto stated that December was a busy month with Holiday activities and the SWALCO meeting. She reported on a vacant home in the Village which has gone through pre-foreclosure, owners divorced and bankruptcy. The Bankruptcy tied everything up including the property. There have been a lot of maintenance issues. The house has moved out of bankruptcy and back into foreclosure process. The Mayor has been in contact with the bank and the attorney handling the property. Young adults were breaking into the home which then required the police to go out there. The basement window was broken and there was 5 feet of water in the basement. The attorney was contacted and the basement was pumped out. The Mayor received an email from the bank that the outside lighting has been put in place and the Mayor did see a cleaning crew at the home. She is hopeful that it is moving forward. The house is located at 243 Littleton Trail in Misty Hill.

Reports of Standing Committees

Finance – Trustee Daley reported that the budget process is underway. Kelly will compile the revenue and he will look at it. They will then determine what should be reduced and it will go back to the Committee Chairperson. The Finance Committee will be in on that step also.

He will be attending the Illinois Municipal League Meeting on January 19th concerning Municipal Electricity Aggregation. Grayslake has gone through this and signed a two year contract. There was an article in the IML Review. Grayslake saved a lot of money on resident's electric bill. Pat Carey stated that it was a substantial savings and the County is also looking at it. Trustee Walkington stated that it is for residents and businesses really for everyone

Public Works – Trustee Walkington reported that they started taking coring plugs on some of the roads in Misty Hill. Jeff Gately stated that they take core samples under the road and analyze it. All of it under Misty Hill is in good shape. Jeff stated that instead of milling the whole road they will mill six feet out from the curbs so the road will have a bit of a crown so water drains off better. Trustee Walkington stated that some of the records on how the roads were built were inaccurate and some were not available. Misty Hills records are available but not Deer Point.

Jeff stated that Grayslake donated 150 yards of their surplus mulch from their summer storm damage. He started on the Cranberry Lake path side at the gazebo and finished half way down Hainesville Road. The rest will be put out when the ground becomes frozen.

Public Safety – Trustee Kriese reported that there is a committee meeting on January 24th at 6:15p.m.

Wetlands and Open Spaces – Trustee Duberstein was grateful to Grayslake for donating the 150 yards of mulch. She thanked Jeff Gately.

Trustee Duberstein stated that the Wetland Committee is made up of seven residents from both sides of Hainesville Road, two Trustees and a representative from Native Restoration Services. A resident, Mike Peterson, is helping to identify and organize all the ponds, woodlands and open spaces to include the history of each project. There are 20 ponds in the Village.

The committee is also working on creating a detailed long term plan for projects for the ponds, woodlands and open spaces. The committee reviewed the budget.

The next committee meeting is March 1st.

Community Relations – Trustee Derenoski stated that the next committee meeting is on January 24th at 6:15 p.m. Topics being discussed are the recycling event, budget and Hainesville Fest.

Business

An Ordinance Establishing Regulations for Alternative Energy Collection Systems

Trustee Daley motioned to approve based on the recommendation of the Zoning Commission, he moves that we accept the Ordinance; seconded by Trustee Derenoski.

Roll Call:

Ayes: Trustees Derenoski, Kriese, Duberstein, Barrett, Daley and Walkington

Motion carried.

Ordinance # 12-1-156

An Ordinance Amending Chapter 5.08 of the Village Code & Establishing Requirements for BASSETT Training for Individuals who Sell or Serve Alcoholic Liquor

Trustee Walkington motioned to approve the Ordinance Amending Chapter 5.08 of the Village Code & Establishing Requirements for BASSETT; seconded by Trustee Duberstein.

Trustee Kriese asked if all the cashiers, say for example, at Walgreen's would have to be trained. Trustee Derenoski stated every cashier at Wal-Mart has to go thru the training. Mayor Soto stated that Walgreen's already requires BASSETT training for their cashiers. Walgreen's has in house training but a local liquor store would have to take a class which is available at CLC. The Mayor stated that it is common but Hainesville is one of the few Villages that doesn't have this in place. Trustee Walkington asked how this is enforced. The

Mayor stated that the business would need to provide the Village with proof that they attended the class. At any time, the Mayor as Liquor Commissioner or a police officer can go in and ask for the certification.

Roll Call:

Ayes: Trustees Derenoski, Kriese, Duberstein, Barrett, Daley and Walkington

Motion carried.

Ordinance # 12-1-157

Townhome Hardship Rentals – Discussion Only

The Board was provided with the covenants from the three townhome associations. This topic was brought to the Board by the Cranberry Lake North Townhome Association. Before the holidays a resident of CLN explained to the Mayor that he had gone to the management company requesting permission for a hardship rental. The Mayor explained to the resident that he should go to the association board and that she would contact the Board President. There are now up to four residents in the same situation.

The CLN and Cranberry Lake covenants are the same. There is an area that states no more than 15% of the total units will be rentals. At the time the real estate market was not as it is today. If they reach the 15% capacity, any hardship desire to become a rental property would have to come before the Village Board for approval case by case. The Mayor explained to the resident that she had not heard from the association board that the 15% was reached. The Mayor contacted the Board President and was dismayed to learn that they were not tracking the number of rentals as they should and when residents were going to them for approval they were granting them in order to keep the units occupied rather than going through foreclosure and become vacant and lose the association monthly income. The Mayor felt that there was some merit to that thinking. However, in the covenant it states that part of the hardship process is that they to have their property on the market for six months. The Mayor stated that not all of these residents had made that benchmark; only one of the four has provided her confirmation that they have had their property on the market for six months. The Board President also acknowledged that their attorney pointed out the importance of adhering to the covenant. The Mayor asked if they were at the 15% and the answer was that they had passed it and they didn't know where they stood. A copy of the email was given to the Trustees. The Board President checked with the management company which showed that 43 units of the 157 showed off-site addresses for owners or 27.4% if all are rented plus the four pending requests. If all four are granted, it would be 47 units and 29%. The Mayor added that talking with Board President Don Heiden and the resident there is frustration and it was his hope that given the circumstances and state of the economy the Village would grant this. However, legally the Mayor could not do that because she has to adhere to the language of the covenant. The Association Board could change the covenant which the President agreed with; however, this also would not happen overnight. The Mayor felt that it would be best to deal with these individual cases that need answers and expedite them quickly so they can get an answer. In a separate project the covenant could be changed by the association board, but they would have to seek legal advice and then get a vote by proxy from all the members. This would need certified letters to go out with the date of the meeting. This is not the Village Boards responsibility. The Mayor will

give all the documents to Village Attorney Jim Rock. There is only one resident that meets all the requirements and a decision can be made at the next Village Board Meeting. The other parties that are waiting; two have not had their property on the market 6 months and the other is unclear but the Mayor is waiting for additional paperwork. The Mayor stated that another thought is what can the Village do when we approve this, are there any parameters to guarantee a better tenant. The Mayor and Jim Rock discussed this and doing a credit check in this economy will show people with bad credit scores but they could be good people just bad credit due to the economy. The Village cannot mandate criminal background checks but a Homeowner's Association if they change their covenants perhaps could do this; it would be up to their legal counsel. Discussion took place regarding the Village could look at each individual case, but Village Attorney Jim Rock reminded the Board that no action can be taken tonight because the agenda item states "discussion only".

Chris Larsen, 91 E. Haines Dr., Hainesville, IL 60030 – Treasurer and President Pro-Tem of Union Square. He asked for clarification of covenant. Village Attorney Jim Rock stated that for the Cranberry Lake Condominium Associations it is the Declaration of Ownership and the Bylaws, Declaration Easements, Restrictions, Covenants and Bylaws. Jim also clarified the difference between Cranberry Lake and Union Square agreement is that Union Square has no limitation on the number of rental units. All the owners in Union Square have the right to lease as long as the lease is for a minimum of one year. The Board does not have the right to grant or withhold requests for rentals in Union Square.

Mayor Soto and Chris Larsen will meet after the Board meeting.

Trustee Barrett stated that when the townhomes were built the federal government mandated that the Village had to set aside so many properties for affordable housing; how does that play into this situation. Russ Kraly stated that it was discussed at one time.

Ted Mueller, former Mayor of Hainesville – There is a document in the files written by Village Planner Al Maiden that covers the issue of affordable housing. Mayor Soto stated that does not have to do with the number of rentals. Affordable housing does not necessarily mean rentals. Ted Mueller stated that this was when communities were told that they needed a certain percentage set aside for affordable housing, however, Hainesville did not qualify at that time. Al Maiden's letter indicates that the Village did comply. Mayor Soto added that she thought it was the sale price that was in the Settlement and some of the townhome prices. Ted stated that this goes back 6 to 8 years. Russ Kraly added further that the Affordable Housing Act had to do with the sale and purchase of homes for low income people of which Hainesville had affordable housing.

Trustee Walkington asked if of the 43 absentee owners does a bank own them, an individual or a mortgage company. Mayor Soto stated that the hardship requests are coming from individuals but she also questioned about the 43 which they are working on and will get back to her.

Dave Criz, 567 N. Triumph Ct., Hainesville, IL 60073 – stated he has continuously asked questions of his Condo Board at the meetings. He questioned them about the number of rental units and number of vacancies but has had trouble getting the information. Only recently had the Condo Board opened up to him and his suggestions and questions. It was Dave's understanding that the Board approved various section 8 rentals in the complex and that anyone can take in a section 8 as a tenant. Dave thought it had to be a project as a whole. Trustee Derenoski understood that section 8 is a state program and a owner can apply to the state that they want to rent to section 8 housing but the owner is still responsible. The state makes up the difference between the rent and what the renter can afford to rent. It doesn't have to do with hardship rental but with rather than whether or not the house qualifies under certain set ups. Mayor Soto recommended to pursue granting a hardship rental to the party that submitted all the proper paperwork and she will get clarification on the other resident. She has some frustration with the Cranberry Lake North Board because they have not been as diligent with the record keeping. The Cranberry Lake Townhomes have a different attitude on rentals. They have a rigid record on who are a rental and the percentage rate. The attorney for Cranberry Lake North needs to contact Jim Rock. If there is a covenant change that will be their job and Jim Rock needs to explain that to their attorney. Their attorney then needs to have a strong discussion with their Condo Board on this matter.

Trustee Derenoski stated that it is better for the Village not to change their covenants to increase their rental percentage. The Mayor explained that there is some merit to increasing the rental percentage. The highest number of foreclosures and vacant properties is the association that is strict on the rentals. They have had 22 units for sale at one time. The financial stability of that association being able to take care of itself is more in jeopardy because there is a loss of association fee. At the time the covenants were written 15 years ago there were few hardship cases not the numbers that there are today. Having a house on the market now for 6 months is nothing. Russ Kraly added that these units are getting old and will now need new roofs and outside maintenance. If you lose 2 of the 6 units, the other 4 people will bear that burden of upkeep.

Trustee Daley stated that the Village Board has no control over their Condo Board going over the 15%. The Village Board can only decide to accept the hardship request because it exceeds 15%. Jim Rock stated that statement is correct. Jim explained that the Condo Board's responsibility is to the owners of the properties. If they wish to change the covenants they will need to follow the process in their agreement. Mayor Soto stated that if they don't change the covenant the Village needs to be prepared to get a process in place for more hardship cases. Jim Rock explained that the President of one of the associations does not have a clear understanding of what needs to get done. The President wanted the Village Board to waive any limitations on rentals. However, the Village does not have authority to give a general waiver to the percentage of rentals. The Village Board has to follow the covenants. In terms of what the Village wants to see done is to have them address this with their members in some manner. The Village does not want monthly administrative hearings on hardship questions. It would be better to have the Condo Board handling them and if it means amending the covenants then they need to talk to the condo owners. If they don't they will be putting the Village Board in a position to perhaps regularly

consider hardship requests. Mayor Soto stated that the Village Board would have some accountability as to why one hardship was granted and another was not. There may also be some homeowners who bought a condo because of the language in the covenant. If there will be high number of hardship cases then the Condo Board needs to go to their members to change the covenant.

Trustee Duberstein asked if the Village Board can waive the six months. Mayor Soto clarified that the Board cannot waive what the covenant states.

Trustee Walkington asked where these people who are crying hardship are living. If they are living in their car that is one thing, but if they are living in Grayslake and cannot afford two homes that is not hardship. Mayor Soto stated that the person who submitted the proper paperwork is not in that situation. They are living in the townhome but claiming hardship for other reasons. Mayor Soto explained the hardship conditions. Discussion regarding hardship case scenarios followed.

Trustee Daley asked why the Village Board does not send the hardship cases back to the Association to be solved. Village Attorney Jim Rock stated that can be done by telling the Association that the Village is not going to authorize any hardships because they have already exceeded the 15%. However, there is another association that has no restriction on the number of rentals; they may be at 98%. If the Village takes a hard stand, it may mean more foreclosures and vacant units. The Mayor has concerns about parties that have come to the Village after doing everything that is required; they will be punished because their Board has not done their due diligence.

Further discussion took place regarding this issue.

Mayor Soto reiterated that she has asked the Association to provide a report on the condo owners. The Association has been reluctant to spend money on their attorney. Trustee Duberstein brought up the point that the management company should have a copy of the leases on file. She also feels that if a resident has followed all the requirements to ask for a hardship exemption then the Village should honor it but not the ones who have not met the requirements. Then the President will have 6 months to amend the covenants. Trustee Daley agreed.

Chris Larsen added that all the necessary documentation should be prepared by the Association Board and presented to the Village Board for a final approval.

Dave Criz stated that the Association Board did not always get copies of the leases from the management company nor know that the units were being leased. The management company was not going through the Board procedures. The Association Board is going through a new program with the management company where the management company is going to have a dedicated person to track down and follow up with unit owners on leases. They will try to get copies before the units are occupied. Mayor Soto stated that Cranberry Lake has a strong system in place. Dave added that they cannot get a quorum for annual elections. The Board has served for three years without any one new to take on the job of

managing the association and they are two members short. Mayor Soto asked about the communication between the Association and the residents. Dave stated he had to force them to tell him when the next meeting was but there is now a newsletter and election packet with meeting dates made available.

Mayor Soto stated that the agenda for the next meeting will include approving, with Jim Rock's review, any hardship case that has met all the requirements. In the meantime, the Village will ask Jim Rock to contact the Cranberry Lake North attorney to relay what has been said at this Board Meeting and what they need to do to go forward.

Trustee Daley asked if the Board can grant the Mayor to approve hardship cases. Jim stated that there is no action item on the agenda so this cannot be done and he did not think that authority can be delegated because the covenant states that the Board needs to approve. Trustee Daley would like the next agenda to include a motion to grant the Mayor the authority to accept or reject hardship cases subject to legal authority from Village Attorney Jim Rock.

Attorney Jim Rock was directed to contact the attorney for the Cranberry Lake North Association to discuss what steps need to be taken by the association.

SWALCO Resolution – Recycling Task Force Report

Trustee Duberstein motioned to approve the SWALCO Resolution – Recycling Task Force Report; seconded by Trustee Barrett.

Trustee Daley stated that he was going to vote no on this issue until he heard from Pat Carey. He now understands that these are not mandatory goals but suggestions. Mayor Soto reminded everyone that Hainesville is a member of SWALCO and she attends the meetings and Jeff Gately is the alternate attendant. SWALCO has made great progress over the years. This is just looking to see how they could move ahead. By approving this the Board is saying that this is a valid report and these are good goals. Trustee Duberstein suggested putting some information in the newsletter such as what is recyclable.

Roll Call:

Ayes: Trustees Derenoski, Kriese, Duberstein, Barrett, Daley and Walkington
Resolution R12-1-61

Trustee Duberstein motioned to adjourn the January 10th, 2012 Regular Board Meeting; seconded by Trustee Walkington.

All in favor say aye, motion carried.

The January 10, 2012 Regular Board Meeting adjourned at 8:40 p.m.

Respectfully submitted,

Kathy Metzler, RMC, CM
Village Clerk