

**VILLAGE OF LINCOLNWOOD  
PRESIDENT AND BOARD OF TRUSTEES  
MEETING OF THE COMMITTEE OF THE WHOLE  
VILLAGE HALL COUNCIL CHAMBERS  
AVAILABLE LIVE AT  
WWW.LINCOLNWOODIL.ORG/LIVE-CABLE-CHANNEL/  
FEBRUARY 1, 2022**

**DRAFT**

Before the call to order the Village President read the following into the record: Pursuant to recently adopted amendments to the Illinois Open Meetings Act included in Public Act 101-640, public bodies may, in certain circumstances, hold entirely virtual public meetings without a quorum physically present in any one location.

On May 29, 2020, Governor Pritzker issued a Disaster Proclamation that declared in-person attendance at public meetings of more than ten people at the regular public meeting location to be infeasible, in accordance with the Open Meetings Act, as amended by Public Act 101-640.

On December 21, 2021, President Patel executed a written determination that given the on-going emergency associated with the COVID-19 pandemic, in-person meetings of the Village's Board of Trustees are not practical or prudent at this time and until further notice.

In accordance with the Governor's Disaster Proclamation and the Village President's Declaration of Emergency and Determination regarding meetings of the Villages Board of Trustees, I, Jesal Patel President of the Village board, do hereby determine that in-person meetings of the Village Board are not practical or prudent at this time and until further notice.

**Call to Order**

President Patel called the Committee of the Whole Meeting of the Lincolnwood Board of Trustees to order at 6:02 P.M. Tuesday, February 1, 2022, in the Council Chambers of the Municipal Complex at 6900 N. Lincoln Avenue, Village of Lincolnwood, County of Cook, and State of Illinois.

Upon roll call by Village Clerk Beryl Herman the following were:

Present: President Patel, Trustees Sargon, Klatzco, Herrera, Halevi, Martel, Saleem.

Absent: None

A quorum was present.

Also present: Village Manager Anne Marie Gaura,, Nadim Badran, Public Works Director; Travis Raypole, Deputy Police Chief; Denise Joseph, Finance Director; Scott Magnum, Community Development Director; Jon Bogue, Assistant to the Village Manager; The following were present via Go-To-Meeting, Chuck Meyer, Assistant Village Manager; Matthew Pasquini, Management Analyst; Michael Colby, Stanley Consultants; Larry Thomas, Stanley Consultants.

### **Approval of Minutes**

The minutes of January 18, 2022 meeting minutes were presented for approval.

Trustee Sargon moved to approve the minutes of the Committee of the Whole meeting of January 18, 2022 minutes Meeting, seconded by Trustee Herrera.

Upon Roll Call the results were:

Ayes: Trustees Sargon, Klatzco, Herrera, Halevi, Martel, Saleem.

Nays: None

Minutes Approved

### **Regular Business**

#### **1. Discussion Concerning Cannabis Registration Status**

This item was presented by Community Development Director, Scott Mangum.

Mr. Mangum shared that cannabis registration in Lincolnwood was approved in September, 2021 and allowed for a maximum of one registration to be distributed. On October 1, one application was received from Green Renaissance Illinois (GRI) at 4656 W. Touhy. The application was reviewed by the Finance, Police, and Community Development Departments and on December 15, 2021 a registration was issued to GRI. Mr. Mangum went on to explain that the Village code requires cannabis retail registration holders to commence operations within 3 months of issuance unless otherwise extended by the Board. Mr. Mangum shared that GRI is requesting an extension of 3 months from state license issuance due to ongoing litigation. Mr. Mangum shared that GRI does have a construction timeline and that demolition permits have been pulled for interior work. Staff is recommending an extension until June 15.

Trustee Sargon asked if the Finance, Police, and Community Development Departments will continue oversight if and when construction begins. Mr. Mangum shared that staff has been regularly meeting with GRI staff and that oversight will continue. Trustee Sargon reiterated to the community that the Police Chief has remained involved in the process and to ensure proper safety and security measures are in place when operations begin. Trustee Sargon also asked if another extension can be granted after June and if this might deterring other prospective cannabis retailers. Mr. Mangum responded that only one registration has been provided by the Village since that is all that's allowed. He stated the Village Board would need to amend the code to allow for more registrations. Trustee Sargon asked again if no businesses can come in while extensions are being granted. Mr. Mangum responded that a large number of state licenses are held up in court and that staff determined that board-approved three month extensions are good in the case of an unfavorable lawsuit decision and an established business who already has a license wants to move to Lincolnwood.

Manager Gaura clarified that the direction to staff is to draft a resolution to grant an initial three month extension for GRI. Mayor Patel and the board concurred.

#### **2. Discussion Concerning Notice of Asset Transfer Date Regarding Police Pension fund**

This item was presented by Finance Director, Denise Joseph.

Ms. Joseph shared that this presentation is for information purposes only and that no action is being requested from the Board. Ms. Joseph shared that in 2019 the State passed legislation to consolidate firefighter and police pension funds similar to how the Illinois Municipal

Retirement Fund is consolidated. The new state law states that June 30 is when laws need to be consolidated but lawsuits are ongoing challenging the law. Ms. Joseph shared that an upcoming ruling may slow or halt consolidation but it remains unknown. Ms. Joseph shared that the Village is working to continue to comply with the law as written and while the investment board intended to take fiduciary control of the Village's police pension on March 1, an extension was granted to June 1, 2022.

### **3. Discussion Concerning Review of Water Rate Analysis Report**

This Item was presented by Public Works Director, Nadim Badran and Finance Director, Denise Joseph.

Mr. Badran shared that the Water Fund is a self-sustaining Enterprise Fund. He shared Village been purchasing water from Chicago then switched to Evanston in August 2020 due to unanticipated and unexplained rate increases. He shared that the Village did an 83% water rate increase in 2016 but has not implemented an increase since. The switch from Chicago to Evanston has created wholesale savings but ongoing water infrastructure work has not led the Village to lowering rates. Mr. Badran explained that water usage has been decreasing due to conservation which is good for the environment but not good for the health of the water fund as revenues are decreasing while operations and capital increase, in large part due to inflation and ongoing water projects. Mr. Badran explained that in 2019, the Village began a transmission main project to Evanston and used water rate savings to fund debt service of the project, which is expected to increase over time. Meanwhile, in 2018 a 10 year infrastructure plan was implemented which included water main replacement. Mr. Badran explained that the roadway work in infrastructure plan is being funded through bond issuances and through increases to a number of increases to taxes and fees while the water main program is being paid for outright through the water fund revenues. Mr. Badran explained that since the development of the infrastructure plan, new costs have been identified including lead service line replacement, leak detection programming, pump house improvements and water main replacements.

At the request of Manager Gaura, Mr. Badran explained each cost in detail. Mr. Badran shared that rate is frozen until the upcoming 2023 fiscal year and that an increase is needed to keep the Water Fund out of the red due to all of the upcoming costs. Evanston can raise our fees no more than 4% per year.

Trustee Sargon shared that it's important to note that a rate increase hasn't occurred since 2016 and that this is the first time the Village has issued a water rate analysis study. She also noted and commended the Village for being proactive in light of upcoming and unforeseen costs.

Trustee Martel asked about 2023 rate increases from Evanston. Mr. Badran said the information will be shared in October of 2022.

Mr. Badran then turned over the presentation to Michael Colby and Larry Thomas of Stanley Consultants. Mr. Colby noted that relative to his experiences in conducting water rate analyses, the Lincolnwood water fund overall finds itself in a strong position. Mr. Colby then provided overview of mechanics that go into a rate analysis which results in a 10 year study period, in this case from 2022-2031. Mr. Colby explained how the existing water rate structure influence how the projections were created for the study.

Mayor Patel asked if the Board needs to be reconsidering the Village's reserve policy as the infrastructure plan is implemented over time. Mr. Badran explained that while the policy says to maintain 30% of operating expenses it also says that anything above that is to be reserved for capital, though staff has considered options to use what's in excess of 30% to reduce debt service costs.

Trustee Klatzco asked if lead line replacements are likely to lead to rate increases in neighboring communities as well. Mr. Thomas responded that communities have been replacing lead service lines for a few years now and that Cook County has a larger presence of lead service lines due to past practices.

In response to earlier discussion Mr. Thomas explained that 30% reserves are typical and that 50% is also common. Mr. Thomas also implored the Board to keep in mind that at this time, inflation for construction is high. Mr. Thomas explained that the year to year increase of construction costs is 8% and anticipates that due to release of money from the federal government for infrastructure work, contractors will be increasing margins which will lead to sustained construction costs for a somewhat extended period of time until a new equilibrium is achieved. Mr. Thomas concluded that it is up to the Board to determine what their reserves should be.

Trustee Martel noted that the 5% assumption for rate inflation is higher than normal and contributes heavily to expected cost increases over the study period. He asked if that's normal.

Mr. Thomas said it is the first rate study they have done with current levels of inflation being as they currently are.

Mr. Thomas suggested that the last water rate analysis they did assumed lower water rate inflation rates and that the current economic conditions may prompt a need to revisit it.

Trustee Martel expressed curiosity in what a sensitivity analysis using different rates of inflation would look like.

Mr. Colby shared that using a 3% inflation assumption results in 3.15% annual rate increase whereas 5% assumption 3.4% annual increase.

Mr. Badran and Ms. Joseph elaborated that over time, there would be multiple opportunities to reassess the rates proposed in the study and implemented by the Village.

Trustee Sargon appreciates the conservative approach and the idea that the Village will be revisiting this study annually and in 3-5 years.

Trustee Klatzco shared that he sees this rate study as a living and breathing document to be revisited over the years.

Mr. Colby resumed the presentation and went through the three options presented in the water rate study. He explained that option 1 maintains an existing rate structure and increases rate uniformly by 3.4% each year through 2031. He then explained that option 2 includes reducing the water volume rate and increasing the debt service rate which would better reflect how expenses from the water fund are paid out and result in a 4.1% annual increase through 2031. Mayor Patel sought to clarify the changing factors between the different options and that

despite the reallocation of volume-based charges, whether or not the bottom line to the supplying party and paying party do not change.

Trustee Martel sought clarification on a similar point and Mr. Badran explained that option 2 resets the rate structure in the first year and then experiences flat increases over subsequent years.

Mayor Patel asked why the Village's current rate structure does not match expenses and Ms. Joseph stated that there are no records to indicate why it does not match. She went onto explain that certain charges within the rate structure have not changed since as far back as the 1980's.

Mr. Colby went on to explain option 3 and explained that it executed an initial rate adjustment similar to option 2 with the difference being restructuring the existing metering charge to make it more proportional to use and to make it a fixed amount. He explained that trends are going toward fixed rates because expenses typically do not decrease with less usage.

Trustee Sargon asked about meter size break downs. Mr. Badran shared that residential meters are 5/8 of an inch to 1 inch in diameter, restaurants and small condos are 2-3 inches, and larger condos and complexes are 4-6 inches. Mr. Patel explained that about 230 of just over 4000 meters are 2 inches or larger.

Mayor Patel closed discussion on this item for it to continue during the regular meeting of the Village Board.

### **Public Forum**

Jodi Wiederkehr of the Chicago Alliance for Animals spoke in opposition to the sale of animals in Lincolnwood. She cited portions of Village code she feels are in violation to point out her concerns with The Animal Store, Spur the tortoise, and the types of animals being sold at the store.

Jane Hartford, a concerned citizen, spoke of the condition of animals being sold at The Animal Store. She expressed concern that it is a for profit store that will sell animals to anyone, whether they are capable and willing to take care of an animal or not. She expressed concern for Spur the tortoise and questioned whether it is allowed or not for the store to advertise and engage in the sale of kittens.

Julie Sawicki spoke out of concern over the sale of animals at The Animal Store. She expressed that animals are sentient beings that require basic care and that The Animal Store is not providing the basic needs for the animals that are for sale.

Christina Hannigan spoke and shared that she believes the Cook County ban on the commercial sale of animals should be upheld and opted back into. She expressed concern for the number of animals that end up at shelters that come from The Animal Store and for the care of animals sold at the store.

**Adjournment**

At 7:42 P.M. Trustee Saleem moved to adjourn the Committee of the Whole, seconded by Trustee Klatzco.

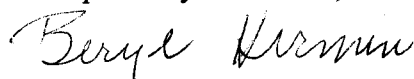
Upon Roll Call the results were:

AYES: Trustees Sargon, Klatzco, Herrera, Halevi, Martel, Saleem

NAYS: None

Meeting Adjourned

Respectfully Submitted,

A handwritten signature in cursive script that reads "Beryl Herman".

Beryl Herman  
Village Clerk