

**Village of Gilberts
87 Galligan Road
Gilberts, IL 60136
Special Village Board
Meeting Minutes
February 10, 2015**

Call to Order/Pledge of Allegiance

President Zirk called the meeting to order at 7:00 p.m. He proceeded to lead those present in the Pledge of Allegiance.

Roll Call /Establish Quorum

Village Clerk Meadows called the roll. Roll call: Members present: Trustees: Corbett, Mierisch, Zambetti, Farrell and President Zirk. 2-absent: Trustees LeClercq and Hacker. Others present: Administrator Keller, Assistant Administrator Beith, Finance Director Blocker and Village Clerk Meadows. For members of the audience please see the attached copy of the sign-in sheet.

Public Comment

President Zirk inquired if anyone in the audience wished to address the Board .There was no response from any member of the audience.

Items for Approval

A Motion to approve Resolution 06-2015, a Resolution rescinding Resolution No. 03-2015 that provided for the submission of a proposition for issuing an amount not to exceed \$5,000,000 general obligation bonds to the voters of the Village of Gilberts at the April 7, 2015 election

Administrator Keller provided the Board Members with background on the reasons Staff drafted a Resolution which provided the Board Members with an option to rescind Resolution 03-2015. He reported that at the last February 3rd meeting the Board Members had raised several questions about the Village's role in extending a community wide fiber optic network. The Board Members questioned if the scope of work should include connections to private properties. Other questions were generated during the discussion such as if Staff could identify potential broadband service providers interested in lighting the dark fiber network. In addition they questioned who would be responsible for the maintenance and operating cost of the network and who owned the fiber network.

Administrator Keller noted that the Board Members would need to decide whether or not to move forward with the referendum tonight prior to Kane County printing the ballots.

President Zirk commented on iFiber's draft business model. He noted in his opinion the rate of return at 1-1 ½ % on a \$1 million dollar investment just doesn't make sense. Mr. Mertz discussed his philosophy with funding and operating a fiber network to serve his Conservancy development. He stated that currently his development is underserved. Construction of a fiber optic network is an infrastructure improvement similar to a park improvement. These types of infrastructure improvements increase the value of the development and accelerate home sales. Thus increases the rate of the return on his investment.

Mr. Mertz commented on the recent opportunity he had to partner with Wide Open West (WOW). WOW is in the process of installing fiber infrastructure along Randall Road in close proximity to Gilberts. Due to the logistics of WOW's location iFiber was able to acquisition WOW's services at a cost savings and complete the installation of iFiber's backbone of the Fiber network.

Mr. Mertz discussed in length the proposed public-private agreement. Phase I and Phase II of the network will be constructed by iFiber LLC. The Village will grant iFiber LLC access to the Village's utility easements; in return the Village will own the network conduit and two tubes of fiber in Phase I and two tubes of Fiber in Phase II to be used for its municipal network.

There was some discussion with respect to several questions: if the referendum was to remain on the ballot and passed who was the service provider, who would be responsible for the networks' maintenance and the repairs? Mr. Mertz commented that iFiber would be responsible for lighting the dark fiber, and they would partner with Pirtano Construction to provide the maintenance and repairs to the network. President of Pirtano, Mike Priaino was in the audience and reported that his company has been designing, installing and maintaining networks for over 28 years.

There was some discussion on drafting a twenty year Operating and Maintenance Fiber Network license agreement between the Village and iFiber. President Zirk recommended that the agreement contain breach of contract language in which if iFiber failed to perform or abandon the network the Village is granted ownership of the network.

President Zirk inquired on how Mr. Mertz envisions the call center would function. He wants to ensure the Village is disconnected from the internet service providers' role. Mr. Mertz replied that iFiber would be responsible for staffing the call center and billing. The call center would electronically monitor the fiber network and would be immediately alerted if there was a problem with the network. If a repair needed to be made Pirtano's maintenance crew would be dispatched to repair any network concerns.

President Zirk questioned how Mr. Mertz planned on dealing with the potential loss of revenue if only a few residents signed up for iFiber services. Mr. Mertz noted that the Referendum question on the April 7th ballot will be the tool in which he will be able to grasp if the residents are interested in signing up for fiber optics services. However, even if the current residents express no interest he still intends on offering fiber optics services to his development.

President Zirk questioned how Mr. Mertz intended to allow other service providers to access the network. Mr. Mertz replied that if any other service providers were interested in offering services to the community they would need to enter into a lease agreement. Administrator Keller discussed the details of the lease agreement.

Administrator Keller discussed the details of the referendum's educational message. He noted that the message to the voters should be simple. The question is do they want to accelerate the construction of the fiber optic network or wait for the market to construct the network.

The Board Members concurred that Phase III construction should only include the placement of neighborhood network components on public land. Homeowners and service providers would be responsible for the line from the neighborhood network component to their homes.

A lengthy discussion ensued with respect to the check and balances used to ensure the fiber optic network is accessible to any interested service providers who agree to enter into a lease agreement.

The Board Members and Mr. Mertz collectively discussed the public/private partnership and the network licensing agreement. The license agreement would detail ownership and outline the responsibility of the licensee with respect to the call center, network maintenance and network repairs. Trustee Mierisch noted that the educational message has to very clear on what the voter would receive for their property tax increase. In addition, the educational message should include any additional cost to the fiber network consumer.

There was some discussion with respect to the installation of the hardware on the residential homes. Staff reported that the estimated cost is \$200.00 per home. President Zirk questioned the estimated cost staff had provided. In his opinion the cost estimate seemed low. Staff will obtain additional quotes for the installation of the hardware on the residential homes.

President Zirk commented on the economic benefits of having the fiber optics infrastructure in place. In his opinion the fiber optic infrastructure makes the Village unique and produces a desirable environment for businesses.

President Zirk asked if any of the Board Members wished to make a motion to approve Resolution 06-2015, a Resolution rescinding Resolution No. 03-2015 that provided for the submission of a proposition for issuing an amount not to exceed \$5,000,000 general obligation bonds to the voters of the Village of gilberts at the April 7, 2015 election. Resolution 06-2015 failed due to a lack of a motion.

Item for Discussion

Minutes from the February 3, 2015 Village Board Meeting

President Zirk asked the Board Members if they had any questions or comments on the February 3, 2015 Village Board Meeting Minutes. There were no comments offered. The minutes will be placed on the next consent agenda.

January 2015 Treasurer's Report

President Zirk asked if any of the Board Members had any questions or comments on the January 2015 Treasurer's Report. There were no comments offered. The January 2015 Treasurer's Report will be placed on the next consent agenda.

Resolution 07-2015, a Resolution authorizing a Professional Service agreement between the Village of Gilberts and Current Technologies to provide IT Services.

Administrator Keller reported that approval of this resolution would renew the Village's contract with Current Technologies CTC for IT services. Trustee Mierisch questioned if there has been any issues with the Village's internet service. Staff replied no. Trustee Farrell reported that she was receiving an abundant amount of junk email. She recommends Staff investigate upgrading the firewall. Administrator Keller stated that he would get quotes on firewall software.

Capital Projects/Vehicle Replacements

Administrator Keller provided the Board Members with an overview of the FY-2016 proposed budget. He noted that Staff has not yet made the year-end adjustments. Administrator Keller commented on the projected revenues. He noted that Staff anticipates utility and telecommunication revenues to remain flat.

Administrator Keller reported that the FY-2016 Budget does have \$128,000 available which can be used to pay for special projects. The draft special project list includes anniversary banners for the Village's quasiquintennial, sign(s) for Town Center Park and replacement vehicles for the Police and Public Works Departments.

Administrator Keller reported that the Police Department is requesting the replacement of two 2009 Chevrolet Impala squad cars with either Ford Utility Interceptors or Ford Utility Sedans. The Public Works Department is requesting the replacement of a 2005 Ford F350 truck with a 2015 Ford F350. The vehicle replacement discussion precedes the broader FY 2016 budget discussion due to the fact that both the Northwest Municipal Conference and State contracts deadline are in February. Administrator Keller noted the Board may want to consider replacing one squad car and the Public works F350 which would allow the funding of the other items on the special project list.

The Board Members concurred with Staff recommendation. Administrator Keller reported that Staff will proceed with ordering the two replacement vehicles and prepare the authorizing resolutions for ratification at the February 24th Board meeting.

Updated Staffing Plan

Administrator Keller reported that he is still in the process of drafting the revised job descriptions and compensation schedule for both Water/Wastewater and Public Works Departments. He noted that the revised compensation schedule will have an impact on the FY-2016 Budget. The staffing plan will be discussed in detail during the upcoming FY-2016 Budget process.

Staff Reports

Administrator Keller reported that he had been approached by a business owner located on Sola Drive who is looking to tap-on to the Village's water system. However they are looking to see if the Board Members would consider waiving the recapture fees or allowing them to pay the fees over time.

Trustee Zambetti questioned what the business owners total out of pocket cost to tap-on to the Village's water system was. Administrator Keller reported that the business owner estimates the total cost to be \$35,000.

President Zirk noted that the Village purchased the Mobile recapture with TIF dollars and this business is located in the TIF District. He commented on the fact that the TIF District was created to provide incentives for business. In addition, allowing the business to tap-on to the Village water system generated additional users and in the long term additional revenue for the enterprise fund. Trustee Zambetti agreed.

There was some discussion if the Board waived the recapture fees would they be consistent and waive the fees for all the businesses located in a TIF District. President Zirk recommended Staff draft a policy and guidelines for waiving tap-on fees within a TIF District. Administrator Keller will work with the business owner and draft an agreement.

Administrator Keller reported that Attorney Tappendorf was in attendance to update the Board on a current litigation matter. He respectfully requested the Board consider entering into an Executive Session with no business to follow.

Finance Director Blocker informed the Board Members that it appears Chase Bank whose headquarters are located on the East coast had experienced a delay in processing or mailing some of the residents' water bills on time. The late mailing may be due to the East Coast weather conditions. However, their actions have resulted in several residents incurring late fees. Finance Director Blocker inquired if the Board Members were in favor of waiving the late fees. She noted that in the past when Illinois experienced blizzard conditions the Board Members did not waive the late fees. Trustee Zambetti commented on the fact that on-line banking is not the only option available to residents. The Board Members concurred that the late fee policy should be followed.

Board of Trustee Reports

Trustee Corbett inquired on the status of the resident that had experienced a spike in water usage over a 16 day period and believed it was something to do with the water meter. However, Staff was unable to find any problems with the meter. Finance Director Blocker reported that the resident had set-up a payment plan. However, has yet to make a payment other than the original amount approved by the Board.

Trustee Zambetti inquired on the status of the Village entry signs. Administrator Keller reported that he would check on the status of the signs with Chief Building Inspector Swedberg and report back.

President's Report

President Zirk asked if Staff had sent the letter to Intra-Soccer Facility owner Andy Schcolnik informing him that the Board Members were not in favor of waiving the \$750.00 fine. Administrator Keller reported he will be mailing the letter this week.

President Zirk commented on the fact that the Police Department last Sunday had to spend four hours directing traffic on the Tyrrell Bridge due to a signal failure.

He questioned why the Village Police Department was directing traffic on the bridge when the Tyrrell Road is a county road and the signals were being utilized due to the I-90 reconstruction project. In his opinion the Kane County Sheriff's Department should be responsible for directing traffic on the county roads. President Zirk recommended Chief Rossi speak with the Kane County Sheriff and resolve this concern moving forward.

President Zirk reported that he and Administrator Keller had met with Engineer Fisher to discuss Engineer Fishers revised assumptions of the sewer rates.

Execution Session

A Motion was made by Trustee Corbett and seconded by Trustee Zambetti to close a portion of the public meeting with no business to follow as permitted by 5 ILCS 102/2 (c 0 (11) to discuss litigation against, affecting, or on behalf of the Village which has been filed and is pending in a court or administrative tribunal of which is imminent. Roll call; Vote: 4-eyes: Trustees Corbett, Mierisch, Zambetti and Farrell. 0-nays, 0-abstained. Motion carried.

The Board Members along with Administrator Keller, Attorney Tappendorf. Assistant Administrator Beith, Finance Director Blocker and Village Clerk Meadows entered into Executive Session at 8:49 p.m. and returned to the public meeting at 9:15 p.m.

Reconvene/Roll Call

A Motion was made by Trustee Corbett and seconded by Trustee Zambetti to reconvene to the public meeting at 9:16 p.m. Roll call: Present: Trustees Corbett, Mierisch, Zambetti, Farrell and President Zirk. Others present Administrator Keller, Assistant Administrator Beith, Attorney Tappendorf, Finance Director Blocker and Village Clerk Meadows.

Adjournment

There being no further business to discuss, a Motion was made by Trustee Zambetti and seconded by Trustee Farrell to adjourn from the public meeting at 9:17 p.m. Roll call: Vote: 4-eyes by unanimous voice vote. 0-nays, 0-abstained. Motion carried.

Respectfully submitted,
Debra Meadows