


Village of Gilberts

Village Hall
87 Galligan Road, Gilberts, IL 60136
Ph. 847-428-2861 Fax: 847-428-2955
www.villageofgilberts.com

Village Administrator Memorandum 37-12

TO: President Rick Zirk
Board of Trustees

FROM: Ray Keller, Village Administrator 

DATE: June 29, 2012

RE: Village Board Meeting – July 3, 2012

The following summary discusses the agenda items for the Village Board meeting scheduled for July 3, 2012:

1. **CALL TO ORDER**
2. **ROLL CALL / ESTABLISH QUORUM**
3. **PUBLIC COMMENT**
4. **CONSENT AGENDA**

Any item may be removed from the consent agenda by request.

A. Motion to approve Minutes from the June 5, 2012 Village Board meeting

Staff recommend approval of the minutes from the June 5 Board meeting, which are provided for the Board's review. **Please contact Staff prior to the meeting if there are any changes or corrections.**

B. Motion to approve Minutes from the June 12, 2012 Committee of the Whole Board meeting

Staff recommend approval of the minutes from the June 12 Committee of the Whole meeting, which are provided for the Board's review. **Please contact Staff prior to the meeting if there are any changes or corrections.**

C. Motion to approve Minutes from the June 19, 2012 Village Board meeting

Staff recommend approval of the minutes from the June 19 Board meeting, which are provided for the Board's review. **Please contact Staff prior to the meeting if there are any changes or corrections.**

Public Works Facility
Finance & Building Departments
73 Industrial Drive, Gilberts, IL 60136
Ph. 847-428-4167 Fax: 847-551-3382

Police Department
86 Railroad St., Gilberts, IL 60136
Ph. 847-428-2954 Fax 847-428-4232

D. Motion to approve Bills and Salaries dated July 3, 2012

Please refer to the enclosed spreadsheet, which lists the bills to be approved. If you need additional information about any of these bills, please contact me or Finance Director Marlene Blocker prior to the meeting. Staff recommend approval.

5. ITEMS FOR APPROVAL

A. Motion to approve Ordinance 12-2012, an Ordinance amending the Gilberts Village Code Title 6 “Motor Vehicles & Traffic” to limit the on-street parking of motor homes and trailers.

Based on the direction given at the June 12 Committee of the Whole meeting, Staff drafted an ordinance amending the Village Code to prohibit the parking of motor homes, coaches, trailers, boat trailers and similar vehicles on Village streets for periods longer than 24 hours. The 24-hour window allows owners time to load, unload, clean, etc. their vehicles but would deter extended on-street parking. Unless directed otherwise, the Police Department will enforce this provision on a complaint basis, starting the clock on the 24-hour window after receiving a complaint. This ordinance will work in conjunction with the most neighborhoods’ CCRs prohibiting RV/trailer parking on private property, making it more inconvenient to park and relocate a RV within a neighborhood. Staff recommend approval.

B. Motion to approve Ordinance 13-2012, an Ordinance amending certain sections of the Village Code to authorize video gaming within the Village of Gilberts

Approval of this ordinance would authorize holders of liquor licenses in Gilberts to apply for and operate video gaming machines in their establishments. In 2009, Governor Quinn signed the Video Gaming Act into law, which allows establishments that are licensed to sell liquor for on-premises consumption (e.g. bars, restaurants, fraternal and veteran organizations) to operate video poker machines and similar electronic games of chance. The principal goal of the Act was to create a new revenue source to fund the State’s capital project program.

The Illinois Gaming Board has since established detailed rules for implementing the Act, including establishing licenses and registrations for manufacturers, distributors, operators, suppliers and technicians of the machines and the regulations for the placement, number, use and payouts of the machines. The primary regulations imposed by the Act are:

- The licensed establishments and the games’ operators must pass a background check and complete an extensive registration process.
- The video gaming machines may only be operated in establishments that hold liquor licenses for selling alcohol for on-premises consumption, including bars, restaurants and fraternal/veterans organizations.
- Each establishment may have up to five gaming machines, located in an area restricted to persons over 21 years of age and restricted from view outside the business.
- The games may only be operated during the establishment’s hours of operation and must be supervised by an owner, manager or other responsible person over 21 years of age.

The Act allows municipalities to either prohibit video gaming outright (“opting out”) or institute a local license/registration program with a maximum fee of \$25.00, in addition to the state registration requirements. The Act imposes a 30% tax on the net income from each terminal, of which one-sixth goes to the municipality where the machine is located. Supplemental information provided by the Illinois Municipal League (IML) estimates that the annual median municipal share of video gaming taxes to be \$2,250 per machine. It was previously surmised that “opting out” of the video gaming program would disallow a community from receiving state capital project funds. However, the IML advises that the State Finance Act (which governs the Capital Projects Fund) does specify that funding is contingent upon allowing video gaming, so it remains to be seen if that distinction is made when projects are awarded funds.

Since the Act’s adoption in 2009, many communities opted out of the program, citing a wide range of reasons including morality, incompatibility with community character, opposition to funding the state capital program with “sin” taxes, and increased competition with nearby gambling riverboat venues. Many municipalities, including Gilberts, have not taken a formal position on video gaming but have general prohibitions on “gambling” in their liquor codes. It appears that most of these communities have taken a “wait and see” attitude until the Illinois Gaming Board promulgated their rules. Now that the rules and registration procedures are in place, many communities are now considering ordinances to specifically allow or prohibit video gaming.

Staff conducted a survey of Metro West Council of Government communities in Kane, Kendall and DeKalb Counties to discern how other municipalities were addressing the issue. The survey results, including a few nearby communities not in Metro West, are provided for your information. The survey reflects how each community views video gaming from their unique point of view, with some communities reevaluating earlier positions based on the new rules, requests from local establishments or what neighboring communities are doing. Gilberts’ neighbors have taken the following positions:

- West Dundee, East Dundee and Carpentersville have formally “opted out” of video gaming;
- Huntley and Lake in the Hills adopted ordinances allowing video gaming;
- Pingree Grove and Hampshire anticipate considering video gaming ordinances in July;
- Elgin (except at Grand Victoria) and Algonquin prohibit gambling through their liquor codes, but may consider video gaming ordinances in the near future, and
- Sleepy Hollow does not have any eligible establishments.

Adoption of the drafted ordinance would create an exception to the “gambling” prohibition in the liquor code that would specifically allow video gaming subject to the conditions found in the ordinance, the Act and any regulations adopted by the Gaming Board. Adoption of the ordinance would allow Gilberts’ four eligible establishments (Cruisin’, The Point, Drift Inn and the Eagles Club) the opportunity to submit applications to the Gaming Board to get video gaming machines. Without creating the

exception to the gambling prohibition in the liquor code, Gilberts establishments cannot submit applications to the state. The ordinance would impose the conditions specified in the Act and institute the \$25 annual registration fee that the Act allows municipalities to collect.

Supplemental information from the IML and the Illinois Gaming Board are provided for your reference. Please contact me prior to the meeting if additional information and/or interpretation will be needed at the Board meeting.

C. Motion to approve Ordinance 14-2012, an Ordinance authorizing the Disposal of Personal Property Owned by the Village of Gilberts

Approval of this ordinance would turn over ownership of the two monument ground signs recently installed at 111-135 E. Higgins Road and 215-227 E. Higgins Road. Earlier this year, the Village used TIF funds to finance the installation of the signs with the goal of encouraging retail/service business development on the two properties. As the signs are complete, the Village can hand ownership of the signs, as well as maintenance and liability, to the property owners. As the signs are "personal property," the Board may pass the ordinance with majority approval (instead of two-thirds board approval for selling real property). Staff recommend approval.

D. Motion to approve Resolution 21-2012, a Resolution waiving Public Works and Police costs incurred during the 2012 Community Days event

Approval of this resolution would direct staff to not charge the 2012 Community Days budget for public works and police costs incurred before and during the event. After accounting for actual revenues and expenses (not including Village labor costs), the event budget showed a profit of \$9,938.74. The Village incurred \$5,164.54 in Public Works and Police Department labor costs; the two departments' budgets were to be reimbursed by the Community Days proceeds. However, if the Village's labor costs were not charged to the event budget, the Community Days Committee could use the available profits as seed funding for next year's event. The Village's labor costs would then be considered in-kind contributions instead of costs charged against the event budget.

The Community Days Committee met on June 13 to discuss the budget and post-event evaluation. The Committee recommended that the event budget only be charged \$681.73 for the overtime incurred by the Police Department. If approved by the Board, the Community Days Committee would be left with a positive balance of \$9,257.01 to start planning for next year's event.

6. ITEMS FOR DISCUSSION

A. Road Program Updates

Village Engineers from Baxter & Woodman will return to present an updated status on the drainage improvements and punchlist completion.

7. STAFF REPORTS

8. BOARD OF TRUSTEES REPORTS

9. PRESIDENT'S REPORT

10. EXECUTIVE SESSION

Please contact me if you any questions about executive session topics.

11. ADJOURNMENT

**Village Board of Trustees
Meeting Agenda
Village of Gilberts
87 GALLIGAN ROAD,
GILBERTS, ILLINOIS 60136
July 3, 2012
7:00 P.M.**

A G E N D A

ORDER OF BUSINESS

- 1. CALL TO ORDER / PLEDGE OF ALLEGIANCE**
- 2. ROLL CALL / ESTABLISH QUORUM**
- 3. PUBLIC COMMENT**
- 4. CONSENT AGENDA**
 - A. A Motion to approve Minutes from the June 5, 2012 Village Board Meeting
 - B. A Motion to approve Minutes from the June 12, 2012 Committee of the Whole Meeting
 - C. A Motion to approve Minutes from the June 19, 2012 Village Board Meeting
 - D. A Motion to approve Bills and Salaries dated July 3, 2012
- 5. ITEMS FOR APPROVAL**
 - A. Ordinance 12-2012, an Ordinance amending the Gilberts Village Code Title 6 "Motor Vehicles & Traffic"
 - B. Ordinance 13-2012, an Ordinance amending certain sections of the Village Code to Authorize Video Gaming within the Village of Gilberts
 - C. Ordinance 14-2012, an Ordinance Authorizing the Disposal of Personal Property Owned by the Village of Gilberts
 - D. Resolution 21-2012, a Resolution waiving the Public Works and Police costs incurred during the 2012 Community Days event
- 6. ITEMS FOR DISCUSSION**
 - A. Road Program Updates
- 7. STAFF REPORTS**
- 8. BOARD OF TRUSTEES REPORTS**
- 9. PRESIDENT'S REPORT**
- 10. EXECUTIVE SESSION**

A portion of the meeting will be closed to the Public, effective immediately as Permitted by 5 ILCS 120/2 (c) (1) to discuss the appointment, employment, compensation, discipline, performance, or dismissal of specific employees of the Village, and as permitted by 5 ILCS 102/2 (c) (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 and as permitted by 5 ILCS 120/2 (c) (21) to review and approve closed session minutes and as permitted by 5 ILCS 120/2 (c) 2 Collective negotiating matters.
- 11. ADJOURNMENT**

AUDIENCE PARTICIPATION

Anyone indicating a desire to speak during Public Comments will be acknowledged by the Village President. Please state your name, address and topic when called upon to speak. All remarks are to be addressed to the Village President and Board of Trustees as a whole, not to any specific person(s). Interrogation of the Village Staff, Village President, Village Board or any of their comments will not be allowed at this time. Personal invectives against Village Staff or Elected Officials are not permitted.

To ensure that everyone who wishes to speak has the opportunity to do so, please limit your comments to five minutes. Additional time may be granted at the discretion of the Village President.

If you have written comments, please provide a copy to the Village President. If there are a number of individuals present to speak on the same topic, please designate a spokesperson that can summarize the issue.

During Public Comments, the Village President, Trustees and Staff will listen to comments and will not engage in discussion. The Village President or Trustees may ask questions to better understand your concern, suggestion or request. Please direct any personnel concerns to the Village Administrator before or after the meeting.

"The Village of Gilberts complies with the Americans with Disabilities Act (ADA). For accessibility assistance, please contact the Village Clerk at the Village Hall, telephone number 874/428-2861." *Assistive services will be provided upon request.*

4A

**Village of Gilberts
87 Galligan Road
Gilberts, Illinois 60136
Board of Trustees
Meeting Minutes
June 5, 2012**

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

Members Present: Trustees Corbett, Mierisch, Zambetti, Farrell, and President Zirk. Trustee Clark arrived at 7:03 p.m. Others present: Administrator Keller, Assistant to the Village Administrator Beith, Finance Director Blocker, Chief Williams and Attorney Tappendorf.

Public Comment and Discussion

Jerry Factly of 591 Welch Street stated his concern for the drainage in his front swale. He says there is standing water, which he did not have prior to the road program, and the ditch is too steep for him to mow the grass. He said that Engineer Blecke estimated the pitch was zero, and that the water isn't moving.

President Zirk informed Mr. Factly that the issue is on this evening's agenda, and the Engineers are here to speak on the matter. He added that the Village wanted to make sure that while fixing Mr. Factly's drainage problems, they don't cause the surrounding properties to retain water.

Mr. Factly went on to ask how long the Board would take to decide whether the Engineer's recommendations would be approved. He stated his concern for the length of time it is taking the Village to solve his issue, and he's looking for is a resolution.

President Zirk restated that the Village Engineers were present and would be reporting on this topic later in the meeting.

Mr. Factly gave his recommendation of installing a pipe under Welch Street to the pond. He feels that would solve the problem.

President Zirk stated that there are a number of issues that need to be resolved, and the Village would like for the contractors to be able to do all of the repairs at once.

Engineer Blecke stated that all of the residents he had met with were informed that they were hoping to complete the work by the end of the month or by the first week of July.

President Zirk said that the Village has made many fixes to the drainage over the past few years, and it is hard to make the drainage repairs while completing a road program. He added that several public hearings

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were held before the road project began. If these concerns were brought up then, the Village could've budgeted for them at that time.

Mr. Factly then stated his concern for a lack of money in the budget to make the necessary repairs.

Kara Vicente of School District #300 came before the Board to introduce two new principals that will be serving Gilberts' residents. Craig Zieleniewski is the new principal at Gilberts Elementary School, and Kurt Rohlwing is the new principal at Hampshire Middle School. They both stated that they are excited to be working with the community.

Consent Agenda

- A. A motion to approve Minutes from the May 15, 2012 Village Board Meeting**
- B. A motion to approve the Bills and Salaries dated June 5, 2012 as follows: General Fund \$49,079.48, Permit Pass Thru \$1,800.00, Performance Bonds and Escrows \$2,634.81, Water Fund \$61,883.71 and Payroll \$124,920.23.**

A motion was made by Trustee Corbett and seconded by Trustee Farrell to approve the consent agenda as presented. Roll call: Vote: 5-ayes (Trustees Clark, Corbett, Farrell, Mierisch, and Zambetti) 0-nays, 0-abstained. Motion carried.

Items for Approval

A motion to approve Ordinance 10- 2012, an Ordinance Adopting the Prevailing Wage Rates to be Paid to Laborers, Mechanics and other Workers Performing Construction of Public Works in the Village of Gilberts, Kane County, Illinois

A motion was made by Trustee Clark and seconded by Trustee Farrell to approve Ordinance 10-2012, an Ordinance Adopting the Prevailing Wage Rates to be Paid to Laborers, Mechanics and other Workers Performing Construction of Public Works in the Village of Gilberts, Kane County, Illinois. Roll Call: Vote: 5-ayes (Trustees Clark, Corbett, Farrell, Mierisch, and Zambetti) 0- nays, 0-abstained. Motion carried.

A motion to approve Ordinance 11-2012, an Ordinance amending the Village Code Concerning Part Time Police Officers

Chief Williams gave a brief explanation of why the changes are necessary.

A motion was made by Trustee Clark and seconded by Trustee Zambetti to approve Ordinance 11-2012, an Ordinance amending the Village Code Concerning Part Time Police Officers. Roll Call: Vote: 5-ayes (Trustees Clark, Corbett, Farrell, Mierisch, and Zambetti) 0- nays, 0-abstained. Motion carried.

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Meeting Minutes
June 5, 2012
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A motion to approve Resolution 15-2012, a Resolution approving and authorizing an agreement with Water Services, Inc. to replace residential water meters

A motion was made by Trustee Corbett and seconded by Trustee Clark to approve Resolution 15-2012, a Resolution approving and authorizing an agreement with Water Services, Inc. to replace residential water meters. Roll Call: Vote: 5-ayes (Trustees Clark, Corbett, Farrell, Mierisch, and Zambetti) 0- nays, 0-abstained. Motion carried.

A motion to approve Resolution 16-2012, a Resolution authorizing the Purchase Agreement between the Village of Gilberts and McCann for one Loader Backhoe

Administrator Keller stated that the lease payment was included in the budget.

Trustee Mierisch asked whether the Village had inquired about sharing a surrounding municipalities' backhoe loader. Administrator Keller stated that a couple of municipalities were contacted. However, the use of the backhoe loader would be needed at the same time as our neighbors. Trustee Mierisch then questioned the money the Village received from selling the Public Works truck. Finance Director Blocker stated that the proceeds were put into the capital equipment account to be used when replacing a vehicle. Trustee Mierisch stated that she doesn't feel the Village should be going further into debt.

A motion was made by Trustee Clark and seconded by Trustee Zambetti to approve Resolution 16-2012, a Resolution authorizing the Purchase Agreement between the Village of Gilberts and McCann for one Loader Backhoe. Roll Call: Vote: 4-ayes (Trustees Clark, Corbett, Farrell, and Zambetti). 1-nay (Trustee Mierisch), 0-abstain. Motion carried.

A motion to approve Resolution 17-2012, a Resolution authorizing borrowing from Union National Bank

A motion was made by Trustee Clark and seconded by Trustee Zambetti to approve Resolution 17-2012, a Resolution authorizing borrowing from Union National Bank. Roll Call: Vote: 4-ayes (Trustees Clark, Corbett, Farrell, and Zambetti). 1-nay (Trustee Mierisch), 0-abstain. Motion carried.

A motion to approve Resolution 18-2012, a Resolution approving memorializing the intent of the Board of Trustees to reduce the number of authorized supervisory positions within the Village of Gilberts Police Department

Village Board
Meeting Minutes
June 5, 2012
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The way the ordinance is written is if any one of the three supervisory positions would be vacated, it would not be refilled. The intent is to abolish the Lieutenant position and to have two Sergeant positions.

Trustee Corbett asked what the difference was between the Lieutenant and the Sergeant position. Chief Williams stated that at this time there is very little difference.

A motion was made by Trustee Zambetti and seconded by Trustee Clark to approve Resolution 18-2012, a Resolution approving memorializing the intent of the Board of Trustees to reduce the number of authorized supervisory positions within the Village of Gilberts Police Department. Roll Call: Vote: 4-ayes (Trustees Clark, Farrell, Zambetti, and President Zirk). 2-nays (Trustees Corbett and Mierisch), 0-abstain. Motion carried.

Items for Discussion
CERT Updates - none

Staff Reports
Road Program Updates

Engineer Blecke stated that they had spent approximately 30 hours shooting grades and contacting residents regarding drainage and driveway issues. They spoke with or met with over 70 residents. Some of the residents on the list didn't have issues and were happy with the work. The resident at 554 Welch Street still has to be contacted.

Trustee Mierisch questioned whether Ryland had hooked up some sump pumps to discharge into vacant lots or behind the lots. Administrator Keller stated that he would need specifics and then he could check with Chief Building Inspector Swedberg. A discussion ensued between Engineer Blecke and President Zirk regarding the county storm water ordinances and best management practices.

Trustee Mierisch inquired as to whether the next step for the engineers was to determine who is responsible for the repairs now that the solutions and resolutions to the drainage and driveway issues were completed. The answer was yes.

There is approximately \$40,000 - \$45,000 left in the road program fund.

Engineer Blecke stated that some of the concerns meet specs, but the residents aren't pleased with the outcome. It is still to be determined how those repairs will be paid for.

**Village Board
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The property at 570 Welch was discussed. The repairs that the homeowner is requesting could create a bigger problem for the homeowner.

Trustee Clark would like the pricing cost before the next meeting.

Trustee Corbett questioned whether it would've been better to repair the roads and not to have done any drainage repairs. President Zirk responded by stating that it could've been, but some areas didn't have proper drainage or there was a lack of maintenance.

A brief discussion ensued regarding the following properties: 491 Sleeping Bear, 388 Pierce, 404 Pierce, and 499 Kathleen.

Sump pumps were then discussed.

Trustee Mierisch asked whether the list of who is responsible to make the repairs and the estimated cost will be known by next week. Engineer Blecke said it would.

Any sketches or concept designs are to be given to Administrator Keller.

On Thursday, June 7, Village Engineers will be meeting with Peter, Baker, and Son regarding the restoration of the road. The Board would like for Village Staff to be updated, so they have an idea of what's taking place.

The intersection of Red Hawk Lane and Sleeping Bear Trail is difficult to mow.

Administrator Keller informed the Board that there may be somebody coming to the next meeting to discuss turning the existing, non-conforming billboard along the highway into a digital sign.

A discussion ensued between President Zirk and Attorney Tappendorf.

Assistant to the Administrator Beith stated that Community Days was successful.

Finance Director Blocker stated that the Village received a certificate from GFOA. She also received notice that the Village received the Popular Annual Financial Award.

Board of Trustees Report
none

**Village Board
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President's Report

President Zirk received an email complaint regarding a resident being charged a sanitary sewer fee for filling his pool. It is difficult for the Village to distinguish between water usage for pools and non-pool water usage.

Staff stated that the determined cost for sewer took into account the types of usage.

Trustee Zambetti questioned why the pay for public works and police came out of the Community Days' proceeds. He feels that the Village is sending out a bad message with Community Days being funded by donations from businesses. He thinks that the Village could pay for staff for an event that is a benefit to the community.

Administrator Keller said that Community Days began at the same time as when cuts were being made to the budget. He added that the Village had kept track of hours staff spent on the event in case it was ever taken over by a non-profit organization. He stated that this can be incorporated into next year's budget, if the Board wished.

Trustee Clark stated that he would like to see the event kept the same way for the next couple of years because of the history of festivals in the Village.

Trustee Farrell added that the intent of Community Days is to entertain the residents. The goal is not to bring in thousands of people.

President Zirk added that it is only being asked that the Village provide public works and police coverage, not contribute any other money.

Trustee Mierisch would like to see the actual costs and profits, which will be provided at the next meeting once Clerk Meadows is in attendance.

The executive session minutes will be added to the consent agenda.

Adjournment

A motion was made by Trustee Clark and seconded by Trustee Farrell to adjourn the meeting at 9:40 p.m. Roll call: Vote: 6-ayes by unanimous voice vote.

Respectfully submitted,
Karen Danca, Recording Secretary

June 5, 2012

Jeannie Allen	499 Kathleen St.	847-836-0828
Kara Vicente	2566 Hatfield Ct. Elgin (CUSD 300)	847-531-6360
Tom Ward	485 Kilbuck	224-628-1857

4B

**Village Board of Trustees
Committee of the Whole
Village of Gilberts 87 Galligan Road
Gilberts, Illinois 60136
June 12, 2012
Meeting Minutes**

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

Clerk Meadows called the roll. Roll call: Members present: Trustees Corbett, Clark, Mierisch, Hacker and President Zirk. 2-Absent: Trustees Farrell and Zambetti. Others present: Administrator Keller, Finance Director Blocker, Assistant to the Village Administrator Beith, Engineer Blecke and Clerk Meadows. For members of the audience please see the attached list.

Items for Discussion

Clear Channel Outdoor Sign Request

Mr. Christopher Lupo representative of Clear Channel Outdoor addressed the Board. On behalf of CCO he asked if the Board would favorably consider allowing his company to upgrade their existing traditional static billboard located at 16N155 McCormack Rd. on the south side of I-90 to a LED digital sign. This upgrade would reduce the time constraints of printing the advertising copy onto vinyl and delivery time which on average takes 30-45 days. The LED digital sign provides CCO with the ability to change the advertising message instantaneously with one click of a mouse. In addition, the digital sign coincides with their green initiative.

Mr. Lupo went on to report that they have partnered with the FBI and the State Police to post Public Service Announcements such as "Amber Alerts" and "Persons of Interest". They also would provide the Village advertising displays to announce special events and community announcements.

Administrator Keller commented on the fact CCO is present this evening to receive feedback from the Board Members. If the Board Members are in favor of considering allowing the billboard to be upgraded Mr. Lupo would continue on with the variance request process. Administrator Keller stated upon consideration the Board Members would have the options to either deny the variance request, or approve the request as presented, or approve the request with conditions.

Mr. Lupo discussed in length the LED technology and the aesthetic benefits.

Administrator Keller inquired if CCO sold advertising billboard location packages. Mr. Lupo replied yes. Businesses may purchase advertising displays to run in multiple locations.

Trustee Hacker asked if the transmission of the messages is secure. Mr. Lupo replied yes. The messages are transmitted via satellite. In addition, each billboard has a mounted camera which is monitored 24/7.

The Board Members directed staff to investigate any possible negative impact the LED billboard could have on any existing properties. In addition, also research any possible negative impact it could have on future developments.

Trustee Hacker inquired if any studies have been done with respect to the signage distracting drivers. Mr. Lupo replied yes. The studies contend that the signage is not distracting to motorists.

The Board Members concurred that they were in favor of considering a variance. Mr. Lupo was directed to contact Administrator Keller.

Ordinance amending Village Code Title 6 "Motor Vehicles & Traffic" to prohibit the on-street parking of motor homes and trailers

President Zirk expressed concerns with the draft ordinance. He noted that the way in which the ordinance was drafted was more restrictive than the Board intended. He commented on the fact the Police Department is not accessible seven days a week and it might be difficult for residents to request parking permits. In addition, he noted that this is an isolated concern. He would prefer the approach that would allow residents to park their motor homes and/or trailers on the street for 24 hours within a 48 hour period and the clock would begin upon a resident complaint. Administrator Keller reported that he had spoken with Chief Williams about this approach and he was comfortable that it was enforceable.

There was some discussion with respect to previous concerns with motor home and trailer parking. However, that issue was concerning private property and has since been resolved.

Administrator Keller will consult with Attorney Tappendorf to ensure the revised draft ordinance does not conflict with any of the existing codes.

This matter will be placed on the next agenda.

Parks and Recreation Funding

Administrator Keller recommended this matter be carried over to the next meeting. He reported that Trustee Zambetti was not in attendance and he is very passionate about this subject matter. The Board Members concurred with Administrator Keller's recommendation.

Committee of the Whole

Meeting Minutes

June 12, 2012

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Road Program Updates

Engineer Dachsteiner discussed the Road Program worksheet depicting the concerns, responsible parties and the reconstruction cost estimate.

Engineer Blecke reported that he was scheduled to meet with Peter Baker in the field today. However, the representative from Peter Baker had the incorrect meeting date noted on his calendar. In lieu of the physical meeting Engineer Blecke reported that he did discuss the reconstructive work with Peter Baker via a conference call. Baxter & Woodman will provide Peter Baker with the addresses of the residences requiring repairs.

A lengthy discussion ensued with respect to the increase in noticeable drainage concerns. The Board was under the impression although it was a Road Program some of the more significant drainage issues would be improved. However, some of the drainage issues appear to have taken on a heightened exposure. Engineer Blecke stated that the appearance of additional standing water in the culverts is due to the lack of vegetation. Weather conditions have not been conducive to the reestablishment of the vegetation.

Trustee Mierisch questioned if Peter Baker had agreed to complete the punch list items as noted. Engineer Blecke did not foresee any problems with Peter Baker fulfilling their contractual obligations.

Trustee Mierisch requested a clear and concise reconstruction timeline. She would like to ensure the Village meets the target dates that were previously promised to the residents.

Engineer Blecke reported that IDOT's specs allow seeding in the spring from April 15- June 15th and fall seeding September 1st –November 1st. However, they do allow hydro seeding.

Engineer Blecke does not believe Peter Baker will be able to complete the reconstruction work until after the fourth of July. President Zirk expressed his frustration with the push back from Peter Baker. President Zirk recommended Baxter & Woodman discuss this concern with Peter Baker.

Staff Reports

Administrator Keller discussed Trustee Zambetti and Trustee Farrell's idea to not charge the Community Days Committee for police and public works services. This matter will be discussed when Trustee Zambetti and Farrell are in attendance.

Committee of the Whole

Meeting Minutes

June 12, 2012

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Village Clerk Meadows provided the Board Members with a worksheet depicting Community Days expenses and revenues. The event raised \$5,591.36 which includes police and public works wages in the combined amount of \$5,164.54.

Board of Trustee Reports

Trustee Corbett commented on the Public Notice cancelling the EDC Meeting and rescheduling it for June 27th.

Trustee Corbett would like to discuss a recent Daily Herald article. However he will wait until all the Trustees are in attendance.

Adjournment

There being no further business to discuss, a motion was made by Trustee Clark and seconded by Trustee Corbett to adjourn from the public meeting at 8:55 p.m. Roll call: Vote: 4-ayes by unanimous voice vote.

Respectfully submitted,

Debra Meadows

4C

**Village of Gilberts
87 Galligan Road
Gilberts IL 60136
Board of Trustees
Meeting Minutes
June 19, 2012**

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

Clerk Meadows called the roll. Roll call: Members present: Trustees Corbett, Clark, Mierisch, Farrell, Hacker and President Zirk. Others present: Administrator Keller, Assistant to the Village Administrator Beith, Engineer Dachsteiner, Finance Director Blocker and Village Clerk Meadows. For members of the audience please see the attached list.

Public Comment

President Zirk acknowledged that there were residents in attendance that have comments with respect to the road program. He suggested they consider waiting to comment until that agenda item is under discussion.

Resident Mr. Jerry Factly expressed his concerns with respect to the road program. However, he will reserve his comments until the matter is under discussion.

Trustee Zambetti arrived at 7:02 p.m.

President Zirk reported that two Citizen Corp Council Members were in attendance and at this time they would like to provide the Board Members with an update on the council's and the Citizens Emergency Response Team's activities and achievements.

Citizen Corp Council and CERT Member David Alice reported that Federal Funds have been depleted. However, over the last four years they have been granted \$24,000.00. The funds have been used to purchase emergency equipment such as warming and cooling stations, tents, radios and a trailer. The funds also aided in training efforts. They have trained over thirty residents.

Council Member Michael Geren continued reporting on the council and CERT's progress. Mr. Geren recognized Fire Fighter Danny Fleck for all his support and for providing CPR and first aid training.

President Zirk believes it might be helpful if Council Member Geren could provide the Board Members with a description of the organizational structure for both the Citizens Corp Council and the Citizens Emergency Response Team. Council Member Geren reported that the Citizens Corp. Council oversees the Citizens Emergency Response Team. In addition, the council solicits donations. However, many of the council members are also CERT members. Currently the Council has nine members.

President Zirk expressed concern with liability coverage. He understands that the members are covered while performing their duties in an emergency situation. However, he questioned who provides the coverage with respect to pulling the trailer with a privately owned vehicle. Council Member Alice will research this matter and report back to the Board.

Trustee Farrell asked what is the current number of active CERT members. Mr. Geren replied thirteen. Trustee Farrell questioned what happened to the remaining thirty trained members. Council Member Ronan reported that many trainees are now Kane County Office of Emergency Management Volunteers. Trustee Farrell questioned the cost of training. Council Member Alice reported that the majority of the cost incurred was with updating the manual.

The Board Member thanked Council Members Alice and Geren for their time.

Consent Agenda

- A. A Motion to approve Bills and Salaries dated June 19, 2012 as follows: General Fund \$85,199.00, Developer Donations \$1,000.00, Permit Pass Thrus \$2,967.50, Performance Bonds and Escrows \$48.75, Water Fund \$12,592.38 and Payroll \$66,260.85.**
- B. A Motion to approve the May 2012 Treasurer's Report**
- C. A motion to approve Resolution 19-2012, a Resolution approving the Executive Session Meeting Minutes**

A motion was made by Trustee Clark and seconded by Trustee Farrell to approve the consent agenda as presented. Roll call: Vote: 6-ayes: Trustees Corbett, Clark, Mierisch, Zambetti, Farrell and Hacker. 0-nays, 0-abstained. Motion carried.

Items for Approval

A Motion to approve Resolution 20-2012, a Resolution approving a purchase agreement between the Village of Gilberts and Auto Group for one Auto-Crane.

Administrator Keller reported that the purchase of the crane was anticipated and included in the FY-2013 water/wastewater enterprise fund budget.

The crane would be installed on the hydrant truck for use by the Public Works Department, primarily for pulling lift station pumps. The Village presently rents a crane when the pumps need to be serviced, or repaired, which is not always available immediately when needed.

Trustee Mierisch inquired on what was the rental cost. Finance Director replied \$650.00 each rental. Trustee Mierisch asked on average how many times per month did pumps need to be pulled. Finance Blocker replied on average two-three times per month.

A Motion was made by Trustee Zambetti and seconded by Trustee Farrell to approve Resolution 20-2012, a Resolution approving a purchase agreement between the Village of Gilberts and Auto Truck Group for one Auto Crane. Roll Call: Vote: 5-ayes: Trustees Clark, Zambetti, Farrell, Hacker and Corbett. 1-nay: Trustee Mierisch. 0-abstained. Motion carried.

Items of Discussion

Road Program Updates

President Zirk reported that he and Engineer Dachsteiner had meet in the field to discuss ditch and drainage solutions. President Zirk was comfortable with Baxter & Woodman's recommendations.

Engineer Dachsteiner provided the Board Members with the three week construction schedule.

Engineer Dachsteiner discussed the additional drainage work to be conducted on Sleeping Bear, Welch, Kildare, Kathleen and Park Court.

Engineer Dachsteiner reported that the sub-contractor Cooling has begun mowing and removing the mesh blankets. They are expected to have all ditch and swale work completed by July 4th. The driveway/pavement work will begin after July 4th. They expect to have all the punch list items and the identified extra work completed within 4 to 6 weeks.

President Zirk discussed how Peter Baker and Baxter & Woodman were able to provide solutions and keep the cost within budget.

Engineer Dachsteiner will provide the Board with an updated schedule at the first meeting in July.

Trustee Mierisch asked if Baxter & Woodman could consolidate various list into one list. Engineer Dachsteiner agreed. He will provide the Board Members with an updated list by Monday.

Parks & Recreation Funding

Administrator Keller discussed the proposed hypothetical \$672,000 park & recreation budget. He reported that the budget would provide staffing, capital improvements and maintenance for both new and redeveloped park facilities. The budget would need to be supported by a new property tax levy, which would require referendum approval, or an equivalent new funding source. The proposed property tax levy would increase the homeowner's tax bill by \$300-\$400 per year.

Trustee Zambetti stated that staff had done a great job researching this matter. He was in favor of placing the referendum on the November Ballot and letting the voters decide if park & recreation funding is something they are interested in paying for.

Trustee Zambetti expressed his frustration with the amount of money that was spent on the 2008 Strategic Plan in which park improvements was named as the second priority. However, to date no initiatives have been taken to improve the parks.

There was some discussion with respect to the limited number of public works employees.

Trustee Clark inquired as to the estimated cost of drafting the referendum materials. Administrator Keller replied that it would be dependent on the scope.

Both Trustees Farrell and Corbett agree it is the voters right to consider the question.

The Board Members discussed ways in which to get the community involved in the process.

Trustee Clark emphasized the importance of offering the public a detailed long term park plan.

Staff Reports

Administrator Keller reported that staff had been approached by the Point and Eagles requesting the Board consider amending the Village Code to allow video gaming.

Trustee Mierisch would like for staff to research reasons why other communities are prohibiting video gaming. In addition, Trustee Mierisch would like Chief Williams input on this matter. Trustee Hacker agreed.

There was some discussion with respect to the Illinois Gaming Act.

Administrator Keller reported that recently the Eagles had approach staff to inquire if the ladies auxiliary would be allowed to host a casino night. Currently the liquor license code prohibits any and all types of gambling. The Board directed staff to handle this code amendment request separate from the video gaming amendment request.

Administrator Keller reported that Ray Medina owner of the soccer complex located at the intersection of Tyrrell and Mason Road inquired last week about whether the Village would be interested in annexing his property and issuing his establishment a liquor license. The Board was not in favor of annexing the property. However, he has the right to submit a request.

Board of Trustee Reports

Trustee Corbett discussed a recent Daily Herald article. The article discussed the recent passage of Resolution 18-2012, a resolution memorializing the intent of the Board to reduce the number of authorized Police Department supervisory positions. The article conveyed a negative message with respect to one of the police department's employees. Trustee Corbett inquired if that was the Board's intention with the passage of the resolution. The Board responded no.

Adjournment

There being no further public business to discuss, a motion was made by Trustee Clark and seconded by Trustee Zambetti to adjourn from the public meeting at 9:25 p.m. Roll call: Vote: 6 ayes by unanimous voice vote.

Respectfully submitted,

Debra Meadows

Village of Gilberts

87 Galligan Road

Gilberts, Illinois

Board of Trustees

Meeting Sign-in-Sheet

June 19, 2012

Name

Address

Telephone #

David Alice 146 Charleston

Michael Geren 130 Copper mountain Dr 847-741-3681

Carol Roman 88 Summit Dr 847-741-4709

Bob SROKA 383 EVERGREEN CIR (EAGLES) 815-715-1470

Chris Hazel 1151 Rohlfing Rd Rolling Meadows 847 774 9038

DANIEL PRYOR 147 CHARLESTON

HAROLD MIERISCH 124 RESTON LANE 847-428-6502

Linda Band 571 Running Deer 847-844-1584

4D

	VENDOR	TOTAL	GENERAL FUND	DEVELOPER DONATIONS	PERMIT PASS THRU	PERFORMANCE BONDS AND ESCROWS	WATER FUND	PAYROLL
	GRAND TOTAL	175,855.85	54,210.53	-	-	495.00	71,051.78	50,098.54
	BILLS ADDED AFTER PACKETS:							
	PAYROLL - 06/17/12 - 06/30/12	50,089.54						50,089.54
	U.S. POSTAGE - UTILITY BILLS	649.62					649.62	
ALTPW01	ALTERNATE POWER, INC	5,254.00					5,254.00	
BEITHWM	WILLIAM BEITH	913.46	913.46					
EVFLORAL	EVERYTHING FLORAL	64.95	64.95					
EXELON	EXELON ENERGY	7,279.06					7,279.06	
GRAINGER	GRAINGER	25.88					25.88	
MANAL Y01	MCHENRY ANALYTICAL WATER	519.00					519.00	
METRO001	METRO WEST COUNCIL	55.00	55.00					
MORTSALT	MORTON SALT	2,477.77					2,477.77	
NAPA01	DUNDEE NAPA AUTO PARTS	365.80	365.80					
PAC001	PACES AUTO SERVICE	373.25	373.25					
PIEMONTE	AL PIEMONTE CHEVROLET	406.30	406.30					
PROPAC01	PROPAC	682.22	682.22					
SCHOCKS	SCHOCKS TOWING SERVICE	100.00	100.00					
SUBLAB01	SUBURBAN LABORATORIES	260.00					260.00	
VIKING01	VIKING CHEMICAL CO	980.80					980.80	
ACE002	ACE COFFEE BAR INC.	33.50	33.50					
ASP002	ASPEN VALLEY LANDSCAPE, INC.	42.00	42.00					
AT&TUV01	AT&T U-V-ERSE	75.00	75.00					
AZAVAR01	AZAVAR AUDIT SOLUTIONS, INC.	275.69	275.69					
B&E001	B&F TECHNICAL CODE SVC. INC.	980.00	485.00			495.00		
B&W002	B&W CONTROL SYSTEMS INTEGRATION	24,150.00	180.00				23,970.00	
BENCHMARK	BENCHMARK SALES & SERVICE	1,000.00					1,000.00	
BLOCKER	MARLENE BLOCKER	158.70	158.70					
CAN01	CANON FINANCIAL SERVICES, INC.	865.00	690.00				175.00	
COM003	COMMONWEALTH EDISON	185.97	185.97					
DOMYOWN	DO MY OWN PEST CONTROL	94.95	94.95					
EMBOCF	EMBASSY COFFEE SERVICE	38.77	38.77					
EPC001	ELGIN PAPER COMPANY	214.23	214.23					
EXELON	EXELON ENERGY INC.	7,189.64	177.92				7,011.72	
EXXON01	WRIGHT EXPRESS FSC	5,441.73	5,153.16				288.57	
GPPF01	GILBERT'S POLICE PENSION FUND	33,348.16	33,348.16					
ILCMA01	ILCMA	75.50	75.50					
ILEPA01	IL EPA BUREAU OF WATER #15	18,500.00	1,000.00				17,500.00	
ILLO02	IL DEPT OF EMPLOYMENT SECURITY	2,347.63	2,347.63					
INTOX001	INTOXIMETERS	436.00	436.00					
KCRECORD	KANE COUNTY RECORDER	32.00	32.00					
MANAL Y01	MCHENRY ANALYTICAL WATER	1,428.00					1,428.00	
MEN002	MENARDS - CARPENTERSVILLE	79.54	52.03				27.51	

FINAL 07/03/12

2

[illegible]

A	Check Warrant Report
	Payroll Checks From 06/17/12 - 06/30/12
	Employee Name
	Net Pay
Blocker, Marlene	1,517.22
Meadows, Debra	1,379.26
Sorenson, Shirley	1,091.40
Danca, Karen	305.19
Beith, William	427.83
Keller, Raymond B.	2,312.48
Joswick, Michael	1,978.48
Joswick, Christopher	190.69
Rood, Jackie E. Jr	1,810.17
Block, Todd J	1,820.23
Puigar, Hector L	1,466.91
Oberth, Michael	1,381.03
Hill, Jeff R	1,159.62
Levand, James A	912.07
Williams, Steven	2,299.51
Stokes, Janet	983.78
Swedberg, John L	1,986.89
Castillo, John	1,611.84
Varas, Randy	1,278.33
Siegbahn, Lisa	683.24
Mueller, Steve G.	150.89
Maculitis, Jerome	195.18
Izydorski, Michael	1,190.68
Meador, Eric E.	1,263.88
Hernandez, Jason	546.23
Steiner, George	295.28
Lorkowski, Michael	195.18
Klaras, Jason	934.87
Sheppard, Paul	1,181.26
Foley, Aaron	1,174.22
Schuring, Larry	781.05
Bethke, Daniel	289.77
LeClerq, David	22.34
	PAYROLL LIABILITIES:
	Federal Tax Deposits
	11,539.32
	ICMA-RC
	337.47
	ICMA-RA
	500.00
	Illinois Department of Revenue
	2,270.17
	State Disbursement Unit
	323.00
	State Disbursement Unit-Cook
	186.57
	KCC State Disbursement Unit
	116.01
	Total All Checks
	50,089.54

5A

VILLAGE OF GILBERTS

KANE COUNTY

STATE OF ILLINOIS

ORDINANCE NUMBER 12-2012

**An Ordinance Amending the Village of Gilberts' Code Title 6
"Motor Vehicles & Traffic"**

**ADOPTED BY THE
PRESIDENT AND BOARD OF TRUSTEES
OF THE
VILLAGE OF GILBERTS
KANE COUNTY
STATE OF ILLINOIS**

July ____ 2012

**Published in pamphlet form by authority of the President and Board of Trustees of
the Village of Gilberts, Kane County, Illinois this ____ day of July, 2012.**

**AN ORDINANCE AMENDING THE VILLAGE OF GILBERTS' CODE
TITLE 6 "MOTOR VEHICLES & TRAFFIC,"**

WHEREAS, from time to time the Village Board of Trustees of the Village of Gilberts reviews its Ordinances to determine if they are up to date to meet the changing conditions in the Village; and

WHEREAS, the Village Board of Trustees of the Village have determined that it is in the best interest of the welfare and safety of its citizens to amend the Village Code Title 6 "Motor Vehicles & Traffic" by adding a section limiting parking of motor homes, mobile homes, trailers, tractors, and buses on public rights of way to Section 6-4-3 "No Stopping, Standing or Parking; and

WHEREAS, the President and Board of Trustees have determined that this Ordinance would serve and be in the best interest of the Village of Gilberts; and

THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF GILBERTS, ILLINOIS, as follows:

Section 1. Recitals. The recitals set forth above are hereby incorporated into and made a part of this Ordinance as though set forth in this Section 1.

Section 2. Amendment. Title 6 entitled "Motor Vehicles & Traffic", Section 6-4-3 "No Stopping, Standing or Parking" is hereby amended to add the following language (additions are identified as underlined):

- E. Park or leave standing any motor home, trailer, boat trailer or boat and trailer, tractor, and or bus or a motor vehicle of the second division, defined in 625 Illinois Compiled Statutes 5/1-146, pertaining to motor vehicles, on any street except for the purpose of loading, unloading, or the delivery of material and then, in such case, for a period of time no longer than consecutive twenty-four (24) hour periods (i.e. vehicle may be present for 24 hours, then cannot be present again for another 24 hours).

Section 3. Severability. In the event a court of competent jurisdiction finds this Ordinance or any provision hereof to be invalid or unenforceable as applied, such finding shall not affect the validity of the remaining provisions of this Ordinance and the application thereof to the greatest extent permitted by law.

Section 4. Repeal and Savings Clause. All ordinances or parts of ordinances in conflict with this Ordinance are hereby repealed; provided, however, that nothing herein contained shall affect any rights, actions, or causes of action which shall have accrued to the Village of Gilberts prior to the effective date of this Ordinance.

Section 5. Effective Date. This Ordinance shall be in full force and effect from and after its approval in the manner provided by law.

PASSED BY ROLL CALL VOTE OF THE BOARD OF TRUSTEES of the Village of Gilberts, Kane County, Illinois, this ____ day of _____, 2012.

	<u>Ayes</u>	<u>Nays</u>	<u>Absent</u>	<u>Abstain</u>
Trustee Everett Clark	_____	_____	_____	_____
Trustee Dan Corbett	_____	_____	_____	_____
Trustee Louis Hacker	_____	_____	_____	_____
Trustee Nancy Farrell	_____	_____	_____	_____
Trustee Patricia Mierisch	_____	_____	_____	_____
Trustee Guy Zambetti	_____	_____	_____	_____
President Rick Zirk	_____	_____	_____	_____

APPROVED this _____ day of _____, 2012

(SEAL)

Village President Rick Zirk

ATTEST:

Village Clerk, Debra Meadows

Published: _____

5B

VILLAGE OF GILBERTS

KANE COUNTY

STATE OF ILLINOIS

ORDINANCE NUMBER 13-2012

**An Ordinance amending certain sections of the Village Code to authorize Video
Gaming within The Village of Gilberts**

**ADOPTED BY THE
PRESIDENT AND BOARD OF TRUSTEES
OF THE
VILLAGE OF GILBERTS
KANE COUNTY
STATE OF ILLINOIS**

July ____ 2012

**Published in pamphlet form by authority of the President and Board of Trustees of
the Village of Gilberts, Kane County, Illinois this ____ day of July, 2012.**

**AN ORDINANCE AMENDING CERTAIN
SECTIONS OF THE VILLAGE CODE TO AUTHORIZE
VIDEO GAMING WITHIN THE VILLAGE OF GILBERTS**

WHEREAS, the General Assembly approved the Video Gaming Act, 230 ILCS 40/1, et seq. (“Act”);

WHEREAS, the Village Board of the Village of Gilberts Grove desires to authorize video gaming in accordance with the Act;

WHEREAS, Sections of the Village Code must be amended in order to authorize video gaming within the corporate limits of the Village;

WHEREAS, the Village of Gilberts is authorized by the Act, 230 ILCS 40/65, to establish a fee for the operation of a video game terminal;

WHEREAS, the Act, 230 ILCS 40/58, restricts the locations of video gaming terminals within licensed establishments;

WHEREAS, the Act, 230 ILCS 40/40, prohibits any person under 21 years of age from using or playing a video gaming terminal;

WHEREAS, the corporate authorities of the Village find it to be in the best interests of Village residents to regulate video gaming terminals in accordance with the Act and the rules of the Illinois Gaming Board.

NOW THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of Gilberts, Kane County, as follows:

SECTION 1: The above-stated recitals are incorporated by this reference.

SECTION 2: Title 3 “Business and License Regulations,” Chapter 2 “Liquor Control,” Section 3-2-16 “Prohibited Acts and Conditions,” Paragraph B-1 is amended to add the following underlined text:

1. It shall be unlawful to permit or allow any lewd persons or any prostitutes to remain in and about any licensed premises or to allow or permit any soliciting of prostitution, practices of prostitution or lewdness, idleness, gaming, gambling, fornication or other misbehavior to be conducted on the licensed premises or to permit or allow any slot machines or any vending machines where the element of chance is involved, either directly or indirectly, to be or to remain in or on or about the licensed premises, except video gaming and video gaming terminals may be allowed on the premises pursuant to 230 ILCS 40/1, et seq., the regulations of the Illinois Gaming Board and the provisions of the Village Code.

SECTION 3: Title 3, Chapter 2 “Liquor Control” of the Village Code is amended to add a new Section 3-2-21 as follows:

3-2-21: Video Gaming

A. Notwithstanding any other provision in this Code to the contrary, video gaming as defined and regulated under the Illinois Video Gaming Act, 230 ILCS 40/1 et seq., shall be permitted within the Village.

B. At all times a licensed establishment shall comply in all respects with the Video Gaming Act and the regulations of the Illinois Gaming Board, as they each may be amended from time to time.

C. Not more than five (5) video gaming terminals may be located in a licensed retail establishment where alcoholic liquor is drawn, poured, mixed or otherwise served for consumption on the premises. Video gaming terminals may also be located at licensed fraternal establishments, licensed veterans establishments and licensed truck stop establishments as defined by the Video Gaming Act, 230 ILCS 40/1, et seq.

D. An annual fee of \$25 is hereby imposed on each video gaming terminal operated within the village. An establishment licensed by the Illinois Gaming Board to operate video gaming terminals shall supply information about the location and operation of such video gaming terminals on a form supplied by the Village, shall provide a copy of the licensee's application to the Illinois Gaming Board and a copy of the license issued by the Illinois Gaming Board, and shall pay the fee each year on or before April 30 in conjunction with the licensee's application for or renewal of a liquor license.

E. Video gaming terminals must be located in an area restricted to persons over 21 years of age, the entrance to which is within the view of at least one employee of the establishment who is over 21 years of age. Any licensed establishment that allows persons under 21 years of age to enter must segregate video gaming terminals in a separate area inaccessible to minors.

F. All video gaming terminals must be located in an area of the licensed establishment with restricted visibility from areas outside the business.

G. An owner, manager or employee over the age of 21 shall be present during all hours of operation when video gaming terminals are available for use by the public. Video gaming terminals may be operated only during the hours of operation for the

consumption of alcohol at that licensed establishment.

H. The licensed establishment shall prevent access to video gaming terminals by persons who are visibly intoxicated.

I. The village and its agents shall have unrestricted access to enter the licensed establishment to determine compliance with this Article and the Illinois Video Gaming Act.

SECTION 4: Title 2 “Finances and Taxes,” Chapter 4 “Fee Schedule” of the Village Code is amended to add a new Section 2-4-35 “Video Gaming Registration Fee” as follows:

2-4-35: Video Gaming Registration

The annual registration fee for each video gaming terminal operated within the Village as authorized by Section 3-2-21 of this code shall be twenty-five dollars (\$25.00). The fee shall be paid each year on or before April 30 in conjunction with the licensee’s application for or renewal of a liquor license.

SECTION 5: In the event a court of competent jurisdiction finds this Ordinance or any provision hereof to be invalid or unenforceable as applied, such finding shall not affect the validity of the remaining provisions of this Ordinance and the application thereof to the greatest extent permitted by law.

SECTION 6: This Ordinance shall be in full force and effect from and after passage and approval.

SECTION 7: All ordinances in conflict with the terms of this Ordinance are hereby repealed to the extent of such conflict.

PASSED BY ROLL CALL VOTE OF THE BOARD OF TRUSTEES of the Village of
Gilberts, Kane County, Illinois, this _____ day of _____, 2012.

	<u>Ayes</u>	<u>Nays</u>	<u>Absent</u>	<u>Abstain</u>
Trustee Everett Clark	_____	_____	_____	_____
Trustee Dan Corbett	_____	_____	_____	_____
Trustee Louis Hacker	_____	_____	_____	_____
Trustee Nancy Farrell	_____	_____	_____	_____
Trustee Patricia Mierisch	_____	_____	_____	_____
Trustee Guy Zambetti	_____	_____	_____	_____
President Rick Zirk	_____	_____	_____	_____

APPROVED this _____ day of _____, 2012

(SEAL)

Village President Rick Zirk

ATTEST: _____

Village Clerk, Debra Meadows

Published: _____

**Metro West Council of Governments
Municipal Positions on Video Gaming**

	Ban on video gaming ("Opt out")	Liquor code prohibits gambling	Liquor code allows video gaming	Other Info
Algonquin		x		May be discussed in near future.
Aurora	x			Opted out
Batavia	x			Ordinance No. 09-35, dated 11/16/09
Big Rock		x		
Burlington		x		Village Code Sect. 12.224
Campton Hills	x			[referenced in Chronicle article]. PS confirmed.
Carpentersville	x			Opted out
DeKalb		x		Ord. to allow video gaming per state regs anticipated for a July board agenda
East Dundee	x			Advisory referendum favored video gaming prohibition, to be discussed again at 7/9 COTW
Elburn	x			Board opposed video gaming until state established rules and video gaming established track record/model in other communities
Elgin		x		Discussion to allow video gaming at locations other than Grand Victoria tabled at 6/13 board meeting
Geneva		x		To be discussed at 7/30 board meeting, Code presently prohibits gaming "except permitted by the state" (confusing language)
Gilberts		x		Village Code 3-2-16B.
Hampshire		x		Ord. to allow video gaming on 7/5 board agenda
Kaneville	x			[referenced in Chronicle article]
Lily Lake	x			Ordinance No. 2009-18, dated 10/19/09
Montgomery		x		Village Code Ch. 12, Sect. 12-23
North Aurora			x?	Liquor code currently allows gaming if regulated by state, but another (1982) ordinance prohibits gaming generally. Board will act on 1 of 2 ordinances at 7/12 meeting to either allow or not allow video gaming. [reference in Chronicle article oversimplified the situation]
Oswego		x		Village Code Sect. 6-2-11
Pingree Grove		x		To be discussed at July COTW meeting
Sleepy Hollow				No eligible establishments
St. Charles	x			Position reaffirmed at recent mid-year board retreat. Gambling isn't compatible with community character.
South Elgin			x	Adopted Nov. 2011
Sugar Grove			x	To be discussed at July board meeting
Virgil			x	Ord approved 5/10/12
Wayne	x			Ordinance No. 09-13, dated 9/15/09
West Dundee	x			Ordinance No. 2010-07, dated 3/15/10
Yorkville			x	Ord. to allow video gaming on 6/26 board agenda
Nearby communities not in Metro West:				
Huntley			x	Ordinance No. 2012-06.24, dated 6/14/12
Crystal Lake	x			Ordinance No. 6794, dated 6/5/12
Marengo			x	Specifically allowed by Ordinance No. 12-5-3
Lake in the Hills			x	Specifically allowed by Ch. 33, Sect. 33.23

Supplemental Information on Municipalities' Positions on Video Gaming

Carpentersville – It is not in the best interest of the village. Until the Illinois Gaming Board completes and adopts its final rules video gaming will not be allowed. The Village passed a moratorium on video gaming – not that they are opposed to it, they are just awaiting more information on enforcement, licensing, etc. Until the Illinois Gaming Board completes and adopts its final rules video gaming will not be allowed.

Crystal Lake – quotes from city council members:

“Does not want to open the door to more things the State may introduce to raise money”

“Does not want to introduce a “sin” so that it could be taxed”

“Gaming could have the effect of driving customers from establishments – it would change the atmosphere”

“They tend to prey on people who are down on their luck”

Mt. Prospect – The Mayor thought there was very little detail about local enforcement other than the \$5,000 fine for an offense. She said, “I can’t take their business or liquor licenses away. This is a piece of legislation written by the gambling industry”. One trustees said, “It’s sad when government is being required to seek funding through gambling operations”.

North Aurora – quote from a trustee; “There is a riverboat a couple miles down the road in Aurora. We should try to come up with other ways for revenue. I didn’t think we needed it.”

St. Charles - quote from administration “The City Council was not at all interested in getting tied up in that”.

West Dundee – (from board minutes of March 2012) Discussion took place regarding the fact that the logistics have not been finalized by the State; Village concerns about who enforces it; trustees also concerned about whether it is good for the community; who would qualify for gaming machines....also discussed was the opportunity to revisit this issue once the logistics are finalized.

On Hold:

Bartlett – will decide on July 17th board meeting; EDC voted unanimously to allow video gaming – potential to gain \$258,750 annually

Sandwich – per the clerk, “The board was ready to pass it 2 weeks ago then word got out. It is now tabled indefinitely waiting to see what neighboring towns are doing. We have held 2 public meetings with mixed feelings. Of course, all the bars are for it but after it was pointed out that there would be a minimum of 55 machines in a town of 7,400 people with new businesses on waiting lists if it passes and demand for even more liquor licenses, the council is taking a breather”.

Sycamore – per the clerk, “City of Sycamore’s code has been identified by the State as opposing it, but at Monday’s Council meeting it sounded like we will allow it...our City Manager would like to hold off for a bit to see how it pans out”.



THE VIDEO GAMING ACT: A LEGAL OVERVIEW

Brian Day, Staff Attorney
Illinois Municipal League

Illinois Municipal League
Municipal Attorneys Seminar
The DoubleTree Hotel, Bloomington, IL
Friday, March 19, 2010



500 East Capitol Avenue | P.O. Box 5180 | Springfield, IL 62705 | P. 217.525.1220 | F. 217.525.7438 | bday@iml.org



QUESTIONS AND ANSWERS ON THE NEW VIDEO GAMING ACT

The Video Gaming Act, enacted on July 13, 2009, legalizes the use of video gaming terminals in specific land locations in Illinois. The new Video Gaming Act is codified at 230 ILCS 40. Other states that allow video gaming outside a casino or racetrack include Louisiana, Montana, Nevada, Oregon and South Dakota.

Many of the provisions of this new Act will impact local governments and local businesses. This document is intended to answer the most frequent questions that municipal officials may raise. It is important that municipal officials consult with their attorney for specific actions that may arise from the implementation of the Video Gaming Act.

The law allows for the placement of “video gaming terminals”. What is a video gaming terminal?

A video gaming terminal is any electronic game machine that, upon insertion of cash, is available to play or simulate the play of a video game, such as video poker, line up and blackjack, using a video display and microprocessors in which the player may receive free games or credits that can be redeemed for cash. The term does not include a machine that directly dispenses coins, cash, or tokens or that is only for amusement purposes.

Who regulates the machines and the operators of those machines?

The Illinois Gaming Board has jurisdiction over and shall supervise all gaming operations under this Act. Municipalities are not responsible for administering or enforcing the provisions of this Act. The Illinois Municipal League will be monitoring all rulemakings proposed by the Illinois Gaming Board pertaining to the implementation of this Act to be sure that no local mandates are adopted under the rulemaking procedure.

Where may these video gaming machines be located?

The statute specifically defines four types of establishments where video gaming machines are allowed:

- Licensed establishment – a licensed retail establishment where alcoholic liquor is served for consumption on the premises such as a bar or restaurant;
- Licensed fraternal establishment – a qualified fraternal organization that derives its charter from a national fraternal organization;
- Licensed veterans establishment – a qualified veterans organization that derives its charter from a national veterans organization; and



- Licensed truck stop establishment – a facility that is at least 3 acres with a convenience store and with separate diesel islands for fueling and parking commercial motor vehicles.

What are the restrictions on the operation of these video gaming machines?

The statute sets forth a number of requirements for the operation of these games, the more prominent restrictions are:

- Location restrictions—Video gaming terminals may not be operated on any premises that is (i) located within 1,000 feet of a horse racing or riverboat gambling facility or (ii) located within a 100 feet of a school or a place of worship.
- Number of machines—There may not be more than five machines on any premises.
- Location of machines—Video gaming terminals must be located in an area that is restricted to persons over 21 years of age. The entrance to that area must be within the view of at least one employee.
- Age restrictions—No licensee may cause or permit any person under the age of 21 years to use or play a video gaming terminal.
- Liquor license required—Each premises establishment must possess a valid liquor license issued by the Illinois Liquor Control Commission.
- Hours of operation—Those premises that are licensed establishments, licensed fraternal establishments, and licensed veterans establishments may operate video gaming terminals only during the hours of operation for the consumption of alcohol at that premises. There appears to be no limit on the hours of operation for licensed truck stop establishments.
- Additional regulations—The Illinois Gaming Board may adopt rules that add additional restrictions or conditions on the placement or operation of the video gaming machines.

Can municipalities prohibit video gaming in their community?

The statute identifies two ways by which video gaming may be prohibited in a municipality:

- The corporate authorities may pass an ordinance prohibiting video gaming within the corporate limits. Also, a county may pass an ordinance prohibiting video gaming in the unincorporated areas of the county.
- A petition containing not less than 25% of the legal voters of that municipality may be filed with the clerk at least 90 days prior to the election. If this occurs, then a proposition will be placed on the ballot asking whether video gaming shall be prohibited. If a majority of the voters voting in the election vote “Yes,” then video gaming is prohibited in that community. A similar referendum may be held in a county, but it is unclear from the language whether the prohibition would apply countywide or just in the unincorporated areas of the county.

If my community bans video gaming, will it still be eligible to receive funds through the State’s Capitol Program?

The State’s Capitol Program is supported through a combination of (i) the increase and expansion of taxes on alcohol, soft drinks and candy; (ii) increased vehicle

registration fees; and (iii) video gaming. It is estimated that video gaming will raise approximately 25% of the projected funds to the State's Capitol Program.

The Capitol Projects Fund is created under Section 6z-77 of the State Finance Act. The statute is silent regarding whether capitol projects may be held back because a county or municipality passed a ban to prohibit video gaming.

Can a municipality impose other restrictions on video gaming?

The statute is silent as to whether the municipality may impose stricter standards for the operation of video gaming than what is set forth in the Act. It should be noted that the Act does not preempt any home rule powers.

Can a 'dry' community have video gaming under this Act?

No. A precondition for licensure is that the premises possess a valid liquor license. Additionally, video gaming may only be conducted during the legal operations allowed for the consumption of alcohol at licensed establishments, licensed fraternal establishments, and licensed veterans establishments.

What about existing amusement games that are currently in operation?

The new law makes it a felony to own, operate, or possess any device that "awards credits and contains a circuit, meter, or switch capable of removing and recording the removal of credits when the award of credits is dependent upon chance." A video gaming terminal that is operated only for amusement and that bears an amusement tax sticker is not subject to the prohibition until the earlier of (i) the expiration of the tax sticker or (ii) the Gaming Board's establishment of a central communications system.

This prohibition could lead to the loss of some tax revenue for coin-operated amusement devices under Section 11-55-1 of the Illinois Municipal Code.

Is there a tax on these machines and do municipalities receive any of the revenue?

A tax of 30% is imposed on the net income from each video gaming terminal. The State collects the tax. Of the tax collected, one-sixth goes to the unit of local government where the machine is located. According to a report titled "The Estimated Revenues from a New Video Gaming Tax in Illinois" by the firm of Arduin, Laffer & Moore Econometrics, a reasonable median projection for the net income per machine is \$45,000 per year. Using this projected income, the total tax per machine would be \$13,500 per year, and the municipal share of that tax would be \$2,250 per year. Therefore, for each establishment with the maximum number of five machines, a municipality will generate an estimated \$11,250 in tax revenue per year.

The unit of local government may use the proceeds of that tax for any general corporate purpose authorized for that municipality or county.

Can the municipality impose a fee on the video gaming terminals?

Yes. A non-home municipality may not impose a fee in excess of \$25 per terminal per year. There is no limitation in the statute on these fees imposed by Home Rule Municipalities. Adoption of this fee by the corporate authorities is necessary.

What are the penalties for violating the provisions of this Act?

Depending on the violation, the penalties range from a petty offense with a fine not to exceed \$100 to a Class 4 felony. Also, for certain offenses, the establishment may lose its licenses to operate video gaming and to serve or sell alcohol.

When is it likely for us to start seeing these machines in Illinois?

The Video Gaming Act went into effect on July 13, 2009. But under the statute, video gaming machines may not become operational until the Illinois Gaming Board establishes a centralized communications system that connects the machines. The Gaming Board. In February of 2010, the Gaming Board closed its solicitations for vendors to assist in creating this system. The IML has been told that it is unlikely that that video gaming machines will be allowed to be operational before January of 2011.

Additional Information is available at:

The Illinois Municipal League: www.iml.org

The Illinois Gaming Board: www.igb.state.il.us

Video Gaming

On July 13, 2009 Governor Pat Quinn signed the Video Gaming Act (Public Acts 096-0034, 096-0037 and 096-0038) (the “Act”) making Licensed Video Gaming Terminals legal in Illinois. The Act allows for Licensed Video Gaming Terminals to be placed in certain liquor establishments, truck stops and fraternal/veterans clubs throughout the State. **The Illinois Gaming Board (the “IGB” or “Board”) has the responsibility of implementing and regulating video gaming in Illinois.**

Frequently Asked Questions regarding the Video Gaming Act and Video Gaming License Applications Updated April 2012

Answers to some common and frequently asked questions related to the Video Gaming Act and Video Gaming License Applications are provided below. The following list is non-exhaustive and may be supplemented or updated in the future.

Q1: What is a Video Gaming Terminal?

A1: A “Video Gaming Terminal” (“VGT”) is an electronic video gaming machine that plays or simulates the play of a video game authorized by the Board upon the insertion of cash. Authorized video games include, but are not limited to, video poker, line up, and blackjack. The VGT must utilize a video display and microprocessors in which the player may receive free games or credits that can be redeemed for cash. VGT does *not* include a Terminal that directly dispenses coins, cash, or tokens or is for amusement purposes only.

Q2: Does the IGB have jurisdiction over “amusement only” devices in Illinois?

A2: The IGB does not license “amusement only” devices in Illinois. Questions about the licensure of such devices should be directed to the Illinois Department of Revenue at (312) 814-5232 (Chicago) or (217) 782-3336 (Springfield).

Questions or complaints about amusement only devices that illegally pay out should be directed to the police in the municipality where the Terminals are located.

Q3: When will the IGB adopt Rules for video gaming?

A3: The IGB has adopted Administrative Rules which will dictate how video gaming will operate and be regulated in Illinois. (11 Ill. Admin. Code 1800 *et seq.*) The Rules can be found on the IGB website, at www.igb.state.il.us/VideoGaming. The IGB continues to promulgate additional rules and the text of any pending rule along with information on how to submit comments on the rule is also posted on the IGB website.

Q4: Can local jurisdictions restrict the use of VGTs?

A4: Yes. A municipality may pass an ordinance prohibiting video gaming within the corporate limits of the municipality. A county board may pass an ordinance prohibiting video gaming within the unincorporated areas of the county. Video gaming is not allowed in these communities. The IGB is in

the process of developing a list of such communities and will post the list on its website in the near future.

In addition, a local government may hold a referendum proposing to prohibit video gaming in the municipality. This is otherwise known as an “opt-out” provision. A petition for referendum must be filed in the office of the clerk (municipal or county) at least 90 days before the date of an election. If a majority of the voters vote “YES,” video gaming shall be prohibited within the municipality or county. Petitions to prohibit video gaming shall be public documents. A list of the communities that have opted out of video gaming is posted on the IGB website.

If you have any questions about the status of your community, please contact your local municipal authority.

Q5: What types of licenses will the IGB issue, and when will applications for those licenses be made available?

A5: Applications for Manufacturer, Distributor, Supplier, Terminal Operator and Location licenses are currently available on the IGB website. Applications for Technician and Terminal Handler licenses will be available in the near future. Descriptions of the licenses are as follows:

“Manufacturer.” A manufacturer is an individual, partnership corporation or limited liability company licensed to manufacture or assemble video gaming terminals.

“Distributor.” A distributor is an individual, partnership corporation, or limited liability company licensed to buy, sell, lease, or distribute video gaming terminals, or major components or parts thereof, to or from terminal operators.

“Supplier.” A supplier is an individual, partnership corporation or limited liability company licensed to supply major components or parts of video gaming terminals to terminal operators.

“Terminal operator.” A terminal operator is an individual, partnership corporation or limited liability company licensed to own, service, and maintain video gaming terminals for placement in licensed establishments, licensed truck stop establishments, licensed fraternal establishments, or licensed veterans establishments.

“Licensed video gaming location.” A licensed establishment, licensed fraternal establishment, licensed veterans establishment, or licensed truck stop establishment, all defined in Question 6, below.

“Licensed Technician.” A licensed technician is an individual licensed to repair, service, and maintain video gaming terminals. A licensed technician is not licensed under the Act to possess or control a video gaming terminal or have access to the inner workings of a video gaming terminal (i.e., the logic area maintained in a separately locked cabinet of the video gaming terminal which houses electronic components that have the potential to significantly influence the operation of the video gaming terminal). As such, licensed technicians can repair, service and maintain VGTs only outside of the innermost locked area of a VGT housing the electronic logic components that have the potential to significantly influence the operation of the VGT. Such repairs and maintenance would include refilling printer paper, repairing bill validators, resetting tilted Terminals, repairing video displays, etc.

“Licensed Terminal Handler.” A licensed terminal handler is a person licensed to possess or control a video gaming terminal or to have access to the inner workings of a video gaming terminal (i.e., the logic area maintained in a separately locked cabinet of the video gaming terminal which houses electronic components that have the potential to significantly influence the operation of the video gaming terminal.) The category of “licensed terminal handler” may include, but is not limited to, an employee or independent contractor working for a manufacturer, distributor, supplier, technician, or terminal operator.

Q6: What types of locations can be licensed to have VGTs?

A6: Video Gaming Terminals may only be placed in the following four categories of Licensed Locations:

“Licensed establishment.” A licensed establishment is any licensed retail establishment where alcoholic liquor is served for consumption on the premises.

“Licensed fraternal establishment.” A licensed fraternal establishment is a location where a fraternal organization that derives its charter from its national parent organization regularly meets.

“Licensed veterans establishment.” A licensed veterans establishment is a location where a qualified veterans organization that holds a charter from its national parent organization regularly meets.

“Licensed truck stop establishment.” A licensed truck stop establishment is a facility of at least three acres with a convenience store, separate diesel islands for fueling commercial motor vehicles, parking spaces for commercial vehicles, and that sells at retail more than 10,000 gallons of diesel or biodiesel fuel per month.

Q7: What type of documentation will be required to meet the definition of Licensed Truck Stop Establishment?

A7: An affidavit confirming that the facility is at least 3 acres and has average monthly sales of more than 10,000 gallons of diesel or biodiesel fuel per month (which may be met by showing estimated future sales or past sales). Supporting documentation for these factors must be attached to the affidavit.

Q8: What type of documentation will be required to meet the definition of Licensed Fraternal or Veterans Establishment?

A8: A copy of the most recent letter from the Internal Revenue Service stating that the Applicant organization is either a fraternal benefit society that is exempt from federal income tax under section 501(c)(8) of the Internal Revenue Code, a domestic fraternal society that is exempt from federal income tax under section 501(c)(10) of the Internal Revenue Code, or a veterans organization that is exempt from federal income tax under section 501(c)(19) of the Internal Revenue Code.

Q9: Who needs to obtain a Technician license under the Video Gaming Act?

A9: If an individual is a Licensed Terminal Operator, or is employed by a Licensed Terminal Operator, Licensed Distributor or Licensed Manufacturer, that individual may service, maintain or repair a VGT *without* obtaining a Technician license. Any other individual who services, maintains or repairs a VGT *must* obtain a Technician license under the Act.

Q10: Who needs to obtain a Terminal Handler license under the Video Gaming Act?

A10: Any individual needing access to the inner workings of a VGT. "Inner workings" comprises the logic area inside of a VGT. The logic area has a separate locked compartment inside the VGT which houses electronic components that have the potential to significantly influence the operation of the VGT. The specific electronic components contained in the logic area include: (1) the game's central processing unit(s), (2) communication controller electronics and components housing the communication storage device, and (3) the memory back-up device.

Q11: Can an individual be licensed as a Licensed Technician and a Licensed Terminal Handler?

A11: Yes.

Q12: Does a company who provides ticket payout systems to Licensed Terminal Operators and Licensed Locations need to be licensed?

A12: Yes. Major Components or Parts is defined in the applications as "[c]omponents or parts that compromise the inner workings and peripherals of a Video Gaming Terminal, including but not limited to the device's hardware, software, human interface devices, interface ports, power supply, ticket payout system, bill validator, printer and any component which affects or could affect the result of a Game played on the device." Buying, selling, leasing, or distributing Major Components or Parts requires a license.

Q13: Does a Licensed Distributor who is distributing VGTs also need a Supplier's license to supply replacement parts for the VGTs it distributes?

A13: No. A Licensed Distributor is defined as "[a]n Individual, partnership corporation or limited liability company licensed under the Act to buy, sell, lease or distribute Video Gaming Terminals or major components or parts of Video Gaming Terminals to or from Terminal Operators."

Q14: Can an individual who owns a bar also be licensed as a Terminal Operator?

A14: Yes, as long as the bar in question is NOT a Licensed Video Gaming Location. In other words, the bar in question may not participate in video gaming, regardless of who would serve as its Terminal Operator.

Q15: What are the requirements for licensure under the Act?

A15: Many requirements for licensure are listed in Rule 420 of the Video Gaming Rules. In addition, the following are also requirements for licensure:

(a) Burden is upon applicant. The burden is upon each applicant to demonstrate suitability for licensure. The Board may issue or deny a license under this Act to any person under the same criteria set forth in Section 9 of the Riverboat Gambling Act (230 ILCS 10/9 (West 2008)). In addition, no person may receive a license under the Act if found by the Board to:

(1) Have been convicted of any violation of Article 28 of the Criminal Code of 1961; and/or

- (2) Have a background (including a criminal record, reputation, habits, social or business associations, or prior activities) that poses a threat to the public interests of the State or to the security and integrity of video gaming; and/or
 - (3) Create or enhance the dangers of unsuitable, unfair, or illegal practices, methods, and activities in the conduct of video gaming; and/or
 - (4) Present questionable business practices and financial arrangements incidental to the conduct of video gaming activities.
- (b) Background investigations. Each person seeking and possessing a license shall submit to a background investigation conducted by the Board with the assistance of the State Police or other law enforcement. This investigation shall include an applicant's direct and indirect owners, an applicant's officers and directors, and the video gaming manager for a license application.
- (c) Disclosure of financial interests. Each person seeking and possessing a license under the Act shall disclose the identity of every person or entity having a direct ownership interest in the video gaming operation, and shall disclose each person or entity having an indirect interest of more than 1% in the video gaming operation for which the license is sought. If the disclosed entity is a trust, the application shall disclose the names and addresses of the beneficiaries; if a corporation, the names and addresses of all stockholders and directors; if a partnership, the names and addresses of all partners, both general and limited; if a limited liability company, the names and addresses of all members.
- (d) License application fees:

Manufacturer	\$5,000
Distributor	\$5,000
Terminal operator	\$5,000
Supplier	\$2,500
Technician	\$100
Terminal handler	\$50

- (e) Term of License & Annual license fees. A license must be renewed every year, and the annual fees may not exceed these levels:

Manufacturer	\$10,000
Distributor	\$10,000
Terminal operator	\$5,000
Supplier	\$2,000
Technician	\$100
Licensed establishment (in any category)	\$100
Video Gaming Terminal	\$100
Terminal handler	\$50

Q16: How will the distance restrictions in Section 25(h) of the Act be measured?

A16: Video gaming is restricted from the following locations:

- 1) 1,000 feet of a facility operated by an organization licensee, inter-track wagering licensee, or inter-track wagering location licensee licensed under the Illinois Horse Racing Act of 1975 (230 ILCS 5/1 et seq. (West 2008)) (the Board may waive this restriction in certain circumstances);
- 2) 1,000 feet of the home dock of a riverboat licensed under the Riverboat Gambling Act (230 ILCS 10/1 et seq. (West 2008)) (the Board may waive this restriction in certain circumstances); or
- 3) 100 feet of either a school or a place of worship under the Religious Corporation Act (805 ILCS 110/0.01 et seq. (West 2008)).

These distances will be determined by measuring the distance from a proposed or existing Licensed Video Gaming Location to a preexisting facility, riverboat, school or place of worship by drawing a straight line between the closest part of any building used for the proposed or existing Licensed Video Gaming Location and the closest part of any building used for the facility, riverboat, school or place of worship. When located within a subsection of property by virtue of a lease, deed, or other arrangement (e.g., a tenant in a shopping center or commercial condominium), measurement shall be from the subsection of property (i.e., boundaries of the establishment's leased building premises).

For purposes of these restrictions, "home dock" is interpreted to mean the casino building or vessel (i.e., the building or vessel housing the casino floor).

Q17: Must Licensed Video Gaming Location applicants enter into a signed Use Agreement with a Terminal Operator before they can submit an application to the IGB?

A17: No, a signed Use Agreement is not required for a potential Licensed Video Gaming Location to submit an application. However, a Licensed Video Gaming Location must have a signed Use Agreement with a Licensed Terminal Operator prior to the placement of any VGTs in the Licensed Video Gaming Location's establishment.

Q18: Do the directors and officers of the parent company of a licensee need to file Personal Disclosure Forms?

A18: For license applications that require Personal Disclosure Forms (e.g., Manufacturer, Distributor, Supplier, and Terminal Operator), if the director or officer of the parent company owns more than 5% of the licensee, then that director or officer will need to file a Personal Disclosure Form.

Q19: If an entity that has been doing business in Illinois for 48 months prior to July 13, 2009 forms a subsidiary to conduct its video gaming business in Illinois (and would therefore be the Applicant for licensure), would that subsidiary meet the residency requirement (i.e., would the subsidiary meet the requirement that it has been doing business in Illinois for 48 months)?

A19: If an entity who meets the residency requirement forms a 100% wholly owned subsidiary to conduct its video gaming business in Illinois, that 100% wholly owned subsidiary meets the residency requirement. Please note that this answer is limited to a 100% wholly owned subsidiary.

Q20: Section 3(c) of the Manufacturer/Distributor/Supplier License Application requires 5% or greater shareholders of a publicly-traded parent company of an applicant to submit a Personal Disclosure Form or Business Entity Disclosure Form. How is this requirement being applied to institutional investors/investment advisors that hold the interest for investment purposes and certify in an SEC Schedule 13-G filing that the interest is not for the purpose of controlling the applicant?

A20: Pursuant to Rule 520(c), a business entity that qualifies as an institutional investor may submit a Video Gaming Institutional Investor Disclosure Form in lieu of a Video Gaming Business Entity Disclosure Form.

Q21: Section 5(A) of the Manufacturer/Distributor/Supplier License Application and Section 4(A) of the Business Entity Disclosure Form require financial statements for a period ending 1 month prior to the date of application. Will the most recently filed SEC reports for a publicly traded company satisfy this requirement?

A21: Yes. If reference is made to SEC reports, it will be sufficient if the applicant identifies where those reports can be found on the internet.

Q22: Convertible debt is included in the definition of ownership. Does each person who holds convertible debt have to file a Personal Disclosure Form?

A22: The Applicant/Licensee must identify each person who holds convertible debt and provide a copy of the applicable debt instrument(s) and associated agreement(s) with the application or upon issuance of the convertible debt. The Board will make a determination as to the debt holder's influence and/or control over the Applicant/Licensee consistent with section 430 of the Video Gaming Rules. The holder of convertible debt must submit a Video Gaming Personal Disclosure Form and any other required document and receive prior Board approval in order to convert the debt.

Q23: How long does it take a license to be investigated and approved?

A23: The investigation of any application under the Act is a thorough and time consuming process. The length of time it takes the IGB to complete an investigation depends on the type of license applied for, and the complexity of the applicant and any issues involved in the application.

Q24: How many VGTs will be allowed at each site?

A24: Up to five VGTs may be placed at each Licensed Video Gaming Location.

Q25: Are VGTs allowed anywhere inside a Licensed Video Gaming Location?

A25: VGTs must be located in an area restricted to persons 21 years of age and over, the entrance to which is within the view of at least one employee who is at least 21 years of age. The placement of VGTs in Licensed Video Gaming Locations shall be subject to section 810 of the Video Gaming Rules. For all Locations that restrict admittance to patrons 21 years of age or older, a separate restricted area is not required. For all Locations that admit individuals under the age of 21, a physical barrier to the gaming area, including but not limited to a short partition, gate or rope shall be required. No barrier shall visually obscure the entrance to the gaming area from an employee of the Location who is over the age of 21.

Q26: Are there limits on the hours of operation of a VGT?

A26: Yes. Pursuant to Sections 35(b)(2) and 55 of the Act, hours of operation of a VGT must coincide with the legal hours of operation for the consumption of alcoholic beverages on the premises. However, a Licensed Truck Stop Establishment that does not hold a liquor license may operate VGTs on a continuous basis.

Q27: Are multi-game VGTs permitted under the Video Gaming Act?

A27: Yes, provided that the games have been tested and approved.

Q28: Will Licensed Manufacturers need secondary approval for their VGTs?

A28: Yes. All VGTs will need to be (1) certified by Gaming Laboratories International pursuant to the IGB's current Technical Standards for Video Gaming Terminals in Illinois, and (2) approved in writing by the IGB for use in Illinois.

Q29: In what circumstances can VGTs be displayed in Illinois prior to the actual commencement of video gaming in Illinois?

A29: VGTs that are disabled for marketing purposes such that they do not accept money, do not dispense money or payout tickets, or only contain demonstration software that cannot be disabled may, until further notice, be displayed in the following circumstances:

- 1) Licensed Manufacturers, Licensed Distributors, Licensed Terminal Operators and Applicants for a Manufacturer's License under the Act may display VGTs at "trade shows" or similar events as long as the IGB is notified 10 days in advance of the following information, and prior approval by the IGB is obtained:
 - a. the date and location of the event;
 - b. the model and serial number of each VGT involved;
 - c. the manner of transport of each VGT involved;
 - d. a description of how the VGTs will at all times be possessed by and under the control of the applicant for a Manufacturer's License under the Video Gaming Act.

Q30: In what circumstances can VGTs be used in conjunction with focus groups in Illinois prior to the actual commencement of video gaming in Illinois?

A30: VGTs that are disabled for marketing purposes such that they do not accept money, do not dispense money or payout tickets, or only contain demonstration software that cannot be disabled may, until further notice, be used in conjunction with a focus group in the following circumstances:

- 1) Licensed Manufacturers, Licensed Distributors, Licensed Terminal Operators and Applicants for a Manufacturer's License under the Act may use VGTs at "focus groups" as long as the IGB is notified 10 days in advance of the following information, and prior approval by the IGB is obtained:
 - a. the date, time and location of the event;
 - b. the model and serial number of each VGT involved;
 - c. the manner of transport of each VGT involved;
 - d. a description of the purpose of the focus group;
 - e. a description of how the applicant for a Manufacturer's License will be inviting participants;
 - f. a description of the method and amount of compensation of participants, if applicable; and
 - g. any other relevant details regarding the focus group (including but not limited to whether food and beverage will be provided).
- 2) Alcohol must not be provided to participants of focus groups.

Q31: Is compensating or paying a third party a percentage of revenue from a VGT(s) permitted?

A31: Compensating any third party based on a percentage of revenue from a VGT is permitted, however, any third party compensated in such a manner will be required to complete a Video Gaming Personal Disclosure Form or a Business Entity Disclosure Form.

Financing the purchase of VGTs based on a percentage of revenue will not be permitted.

Q32: Has the IGB developed standards to identify an illegal inducement by a Licensed Terminal Operator?

A32: Yes. The IGB's Inducement Policy is posted on its website.

Q33: Are licensees allowed to use player tracking systems or establish "Players' Clubs" or similar programs that provide rewards to customers for repeated play?

A33: Tracking systems and Players Clubs may be authorized by the IGB in the future but are prohibited at this time.

Q34: What types of payout systems will be allowed by the IGB?

A34: A vault-type or kiosk system provided by a Licensed Supplier or Licensed Distributor, that interfaces with the Central Communications System through a site controller, and that dispenses cash. Specifications for payout systems will be posted on the IGB website in the near future.

Pursuant to Section 20 of the Act, a patron must hand a ticket to an appropriate person at a Licensed Location. A patron will not be able to insert a ticket into a payout system by himself or herself. The cash, however, may be dispensed directly to a patron.

Q35: Will a Licensed Manufacturer, Licensed Terminal Operator or Licensed Location be permitted to attach an online monitoring system to the second port of a VGT?

A35: Yes.

Q36: Are Licensed Terminal Operators required to maintain a separate bank account for each Licensed Location, as provided in Rule 250(i)?

A36: The IGB is taking steps to eliminate the Rule that requires Licensed Terminal Operators to maintain separate bank accounts for each Licensed Location it contracts with. However, it is still a requirement that revenues generated from the play of VGTs shall be deposited by the Licensed Terminal Operator in one specially created, separate bank account maintained by the Licensed Terminal Operator to allow for electronic fund transfers of moneys for tax payment.

5C

VILLAGE OF GILBERTS

KANE COUNTY

STATE OF ILLINOIS

ORDINANCE NUMBER 14-2012

**An Ordinance authorizing the disposal of personal property owned by the
Village of Gilberts**

**ADOPTED BY THE
PRESIDENT AND BOARD OF TRUSTEES
OF THE
VILLAGE OF GILBERTS
KANE COUNTY
STATE OF ILLINOIS**

July __ 2012

**Published in pamphlet form by authority of the President and Board of Trustees of
the Village of Gilberts, Kane County, Illinois this __ day of July, 2012.**

**AN ORDINANCE AUTHORIZING THE DISPOSAL OF
PERSONAL PROPERTY OWNED BY THE VILLAGE OF GILBERTS**

WHEREAS, it is the opinion of the corporate authorities of the Village of Gilberts that it is no longer necessary, useful, or in the best interests of the Village to retain ownership of the personal property described in this Ordinance; and

WHEREAS, the Village of Gilberts finds and determines that it will dispose of the personal property in the manner described in this Ordinance;

THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF GILBERTS, ILLINOIS, as follows:

Section 1. Recitals. The recitals set forth above are hereby incorporated into and made a part of this Ordinance as though set forth in this Section 1.

Section 2. Disposal of Surplus Property. The President and Board of Trustees find that the personal property described in the bills of sale attached as Exhibit A to this Ordinance (“***Surplus Property***”) is no longer necessary or useful to the Village and that the Village Administrator for the Village of Gilberts is hereby authorized to direct the transfer of the Surplus Property in the manner most appropriate to the Village. The transfer of the Surplus Property shall relieve the Village of any maintenance, liability, or other obligations over the Surplus Property, which serves as consideration for the transfer. The Surplus Property shall be transferred in an “as is” condition.

Section 3. Severability. In the event a court of competent jurisdiction finds this ordinance or any provision hereof to be invalid or unenforceable as applied, that finding shall not affect the validity of the remaining provisions of this ordinance and its application to the greatest extent permitted by law.

Section 4. Repeal and Saving Clause. All ordinances or parts of ordinances in conflict with this ordinance are hereby repealed; provided, however, that nothing in this ordinance contained shall affect any rights, actions, or cause of action which have accrued to the Village of Gilberts prior to the effective date of this ordinances.

Section 5. Effective Date. This Ordinance shall be in full force and effect after its approval in the manner provided by law.

PASSED BY ROLL CALL VOTE OF THE BOARD OF TRUSTEES of the Village
of Gilberts, Kane County, Illinois, this _____ day of _____, 2012.

	<u>Ayes</u>	<u>Nays</u>	<u>Absent</u>	<u>Abstain</u>
Trustee Everett Clark	_____	_____	_____	_____
Trustee Dan Corbett	_____	_____	_____	_____
Trustee Louis Hacker	_____	_____	_____	_____
Trustee Nancy Farrell	_____	_____	_____	_____
Trustee Patricia Mierisch	_____	_____	_____	_____
Trustee Guy Zambetti	_____	_____	_____	_____
President Rick Zirk	_____	_____	_____	_____

APPROVED this _____ day of _____, 2012

(SEAL)

Village President Rick Zirk

ATTEST:

Village Clerk, Debra Meadows

Published: _____

EXHIBIT A

Bills of Sale

BILL OF SALE

Transferor, **Village of Gilberts**, an Illinois municipal corporation located in Gilberts, Illinois, in consideration of TEN AND NO/100 (\$10.00) dollars, receipt having been acknowledged, does by this Bill of Sale sell, assign, transfer, and set over to Transferee, **T Corporation**, Attn: Kathleen Tonelli, 12590 Green Meadow Court, Huntley, IL 60142-7808, the monument sign located at 111-135 E. Higgins Road, IL Route 72, Gilberts, Illinois, PIN 02-24-302-001.

Transferor hereby represents and warrants to Transferee that Transferor is the absolute owner of the personal property, that the property is free and clear of all liens, charges and encumbrances, and that Transferor has full right, power and authority to transfer ownership of the personal property and to make this Bill of Sale. All warranties of quality, fitness, and merchantability are excluded, and the personal property is transferred in an "as-is" condition. Transferee acknowledges that ownership, maintenance, liability, and other obligations and responsibilities over the personal property become the Transferee's responsibility upon this transfer.

IN WITNESS WHEREOF, Transferor and Transferee have signed and sealed this Bill of Sale:

VILLAGE OF GILBERTS

By: _____

Its: _____

Date: _____

Subscribed and sworn to before me
this ____ day of _____, 2012

Notary Public

Acceptance of Bill of Sale:

**KATHLEEN TONELLI
T CORPORATION**

Date: _____

Subscribed and sworn to before me
this ____ day of _____, 2012

Notary Public

Blue Dot Sign Company
PO Box 163
Gilberts, IL 60136



INVOICE

201148

6/14/2012

Bill To

Village of Gilberts
73 Industrial Drive
Village of Gilberts, IL 60136
Attn: John Swedberg

Ship To

Kathy Tonelli
Algonquin Road
Gilberts, IL 60136

Vendor Number		P.O. No.	Terms	Due Date
			Net 30	7/14/2012
Item	Description	Qty	Rate	Amount
Monument Sign	Monument Sign - Fabricated per SOW and last rendering - O/H and profit included	1	7,880.00	7,880.00
Foundation	Foundation excavation, re-bar, forms, cement and labor - O/H and profit included	1	4,180.00	4,180.00
Masonry	Masonry per SOW - Completed by JDH Masonry - Pass-through - Direct to JDH Masonry	1	3,600.00	3,600.00
			Subtotal	\$15,660.00
			Sales Tax (0.0%)	\$0.00
			Total	\$15,660.00
			Payments/Credits	\$0.00
			Balance Due	\$15,660.00

PLEASE REMIT PAYMENT TO:
BLUE DOT SIGN COMPANY
PO BOX 163, GILBERTS, IL 60136

BILL OF SALE

Transferor, **Village of Gilberts**, an Illinois municipal corporation located in Gilberts, Illinois, in consideration of TEN AND NO/100 (\$10.00) dollars, receipt having been acknowledged, does by this Bill of Sale sell, assign, transfer, and set over to Transferee, **R G Tonelli & Associates**, Attn: Kathleen Tonelli, address of 520 West Huron, Chicago, Illinois 60610, the monument sign located at 215-227 E. Higgins Road, IL Route 72, Gilberts, Illinois, PIN 02-24-300-106.

Transferor hereby represents and warrants to Transferee that Transferor is the absolute owner of the personal property, that the property is free and clear of all liens, charges and encumbrances, and that Transferor has full right, power and authority to transfer ownership of the personal property and to make this Bill of Sale. All warranties of quality, fitness, and merchantability are excluded, and the personal property is transferred in an "as-is" condition. Transferee acknowledges that ownership, maintenance, liability, and other obligations and responsibilities over the personal property become the Transferee's responsibility upon this transfer.

IN WITNESS WHEREOF, Transferor and Transferee have signed and sealed this Bill of Sale:

VILLAGE OF GILBERTS

By: _____

Its: _____

Date: _____

Subscribed and sworn to before me
this ____ day of _____, 2012

Notary Public

Acceptance of Bill of Sale:

KATHLEEN TONELLI
R G Tonelli & Associates Inc.

Date: _____

Subscribed and sworn to before me
this ____ day of _____, 2012

Notary Public

Blue Dot Sign Company
PO Box 163
Gilberts, IL 60136



INVOICE

201147

6/14/2012

Bill To

Village of Gilberts
73 Industrial Drive
Village of Gilberts, IL 60136
Attn: John Swedberg

Ship To

Tim Polk
Algonquin Road
Gilberts, IL 60136

Vendor Number		P.O. No.	Terms	Due Date
			Net 30	7/14/2012
Item	Description	Qty	Rate	Amount
Monument Sign	Monument Sign - Fabricated per SOW and last rendering - O/H and profit included	1	7,880.00	7,880.00
Foundation	Foundation excavation, re-bar, forms, cement and labor - O/H and profit included	1	4,180.00	4,180.00
Masonry	Masonry per SOW - Completed by JDH Masonry - Pass-through - Direct to JDH Masonry	1	3,600.00	3,600.00
			Subtotal	\$15,660.00
			Sales Tax (0.0%)	\$0.00
			Total	\$15,660.00
			Payments/Credits	\$0.00
			Balance Due	\$15,660.00

PLEASE REMIT PAYMENT TO:
BLUE DOT SIGN COMPANY
PO BOX 163, GILBERTS, IL 60136

5D

RESOLUTION

VILLAGE OF GILBERTS

A Resolution waiving the Public Works and Police costs incurred during the 2012 Community Days event

Be it Resolved by the President and Board of Trustees of the Village of Gilberts, Kane County, Illinois that:

Section 1:

The Village of Gilberts hereby directs the Finance Director to not charge the Community Days Committee and working budget the amount of \$4,482.81, which represents the wages charged for Police and Public Works services before and during the 2012 Community Days event. The Finance Director is further directed to charge the Community Days working budget \$681.73 for Police overtime costs. The costs incurred by the Community Days Committee for the 2012 event are memorialized in the summary hereto attached as Exhibit "A".

Section 2:

This resolution shall be in full force and in effect from and after its passage and approval pursuant to law.

Passed this _____ day of _____, 2012 by a roll call vote as follows:

	<u>Ayes</u>	<u>Nays</u>	<u>Absent</u>	<u>Abstain</u>
Trustee Everett Clark	_____	_____	_____	_____
Trustee Dan Corbett	_____	_____	_____	_____
Trustee Nancy Farrell	_____	_____	_____	_____
Trustee Louis Hacker	_____	_____	_____	_____
Trustee Patricia Mierisch	_____	_____	_____	_____
Trustee Guy Zambetti	_____	_____	_____	_____
President Rick Zirk	_____	_____	_____	_____

APPROVED THIS _____ DAY OF _____, 2012

Village President, Rick Zirk

(SEAL)

ATTEST:

Village Clerk, Debra Meadows

Published: _____

Exhibit "A"

Overview

Community Days 2012

RECEIPTS

Donations	9,950.00	
Other Receipts	15,047.75	
Village Budget	1,500.00	
Total Receipts		26,497.75

EXPENSES

Expenses	16,559.01	
Total Expenses		16,559.01

SUBTOTAL

9,938.74

P/W & Police Hours

Public Works	2,570.78	
Police	2,593.76	
Total Wages		5,164.54

PROFIT/LOSS

4,774.20

	1-Jun	2-Jun	3-Jun		Total Hours	Hourly Rate	Total Wages	FICA	Medicare	Total Including Benefits
Joswick	5.5	10.5	6.5		22.5	42.43	954.68	59.19	13.84	1,027.71
Levand		5	6.5		11.5	38.64 *	444.36	27.55	6.44	478.35
Meador	5.5				5.5	34.35 *	188.93	11.71	2.74	203.38
Maculitis		5.5			5.5	18.67	102.69	6.37	1.49	110.54
Oberth	5.5	10.5			16	18.67	298.72	18.52	4.33	321.57
Izydorski	5.5	10.5	6.5		22.5	18.67	420.08	26.04	6.09	452.21

Overtime rate

*

2,593.76 Includes Lt. Joswick

83.5

1,566.05 Excludes Lt. Joswick