



MINUTES
President and Board of Trustees
Village of Arlington Heights
Board Room
Arlington Heights Village Hall
33 S. Arlington Heights Road
Arlington Heights, IL 60005
July 6, 2015
8:10 PM

VIDEO I. CALL TO ORDER

VIDEO II. PLEDGE OF ALLEGIANCE

VIDEO III. ROLL CALL OF MEMBERS

The Village Clerk Called the roll with President Hayes the following Trustees responding: Scaletta, Sidor, Blackwood, LaBedz, Glasgow, Tinaglia, Farwell and Rosenberg.

Also in attendance were: Randy Recklaus, Robin Ward, Tom Kuehne, Scott Shirley, Charles Perkins, Diana Mikula and Becky Hume.

VIDEO IV. APPROVAL OF MINUTES

VIDEO A. Committee of the Whole Minutes 5/26/2015 Approved

Trustee Thomas Glasgow moved to approve. Trustee John Scaletta
Seconded the Motion.
The Motion: Passed

VIDEO B. Village Board Minutes 06/15/2015 Approved

Trustee Carol Blackwood moved to approve. Trustee John Scaletta
Seconded the Motion.
The Motion: Passed

Abstain: Farwell, Tinaglia.

VIDEO C. Committee-of-the-Whole Minutes 06/22/2015 Approved

Trustee Joe Farwell moved to approve. Trustee Robin LaBedz Seconded the Motion.

The Motion: Passed

Ayes: Blackwood, Farwell, Hayes, LaBedz, Rosenberg, Scaletta, Sidor, Tinaglia.

Abstain: Glasgow.

VIDEO V. APPROVAL OF ACCOUNTS PAYABLE

VIDEO A. Warrant Register of 6/30/2015 Approved

Trustee Joe Farwell moved to approve the Warrant Register dated 6/30/2015 in the amount of \$2,057,892.53. Trustee Thomas Glasgow Seconded the Motion.

The Motion: Passed

Ayes: Blackwood, Farwell, Glasgow, Hayes, LaBedz, Rosenberg, Scaletta, Sidor, Tinaglia.

VIDEO VI. RECOGNITIONS AND PRESENTATIONS

VIDEO A. Recognition of Keaton Keller, Recipient of the 2015 Celebrating High School Innovators Award from the University of Illinois

President Hayes said Mr. Keller won the High School Innovators award from the University of Illinois at Urbana/Champaign. The award is an opportunity for students to be recognized for their innovative achievements. Mr. Keller is one of 20 students State wide being recognized. He created a You Tube channel regarding technology called Tech Smart that has over 350,000 subscribers. President Hayes presented Mr. Keller with a proclamation. Mr. Keller said he will attend University of Santa Barbara in California and thanked his family.

VII. PUBLIC HEARINGS

VIII.CITIZENS TO BE HEARD

VIDEO IX. OLD BUSINESS

VIDEO	A.	Report of the Closed Session Meeting of May 26, 2015	Approved
-------	----	--	----------

Trustee Glasgow moved to concur with the Mayor's recommendation of Mr. Burkland of Holland and Knight as Village Attorney. Trustee Tinaglia seconded the motion. The motion passed unanimously.

President Hayes announced that Mark Burkland has been selected with concurrence from the Village Board as the new Village Attorney. He said it was not easy to replace Jack Siegel but that Mr. Burkland's firm of Holland and Knight is an experienced international firm with a large practice in Chicago which likes to develop long term relationships. Mr. Burkland represents clients at all levels of government law.

Trustee Glasgow said a lot of thought went into this selection. There is no more fitting attorney and it is a benefit that Mr. Burkland is from the same firm as Mr. Siegel. Mr. Siegel oversaw the growth of Village and his historical perspective has been handed down.

Mr. Burkland said he was humbled and honored to serve as Village Attorney. He said he was delighted to work with Ms. Ward. He said he was really excited, that Arlington Heights was a great place, and he couldn't be happier to serve.

Trustee Thomas Glasgow moved to approve. Trustee Jim Tinaglia Seconded the Motion.

The Motion: Passed

Ayes: Blackwood, Farwell, Glasgow, Hayes, LaBedz, Rosenberg, Scaletta, Sidor, Tinaglia.

VIDEO B. Report of the Committee-of-the-Whole Meeting of Approved
June 22, 2015

Review of the Proposed FY2016-FY2020 Capital Improvement Program

Trustee Rosenberg moved, seconded by Trustee Farwell, that the Committee-of-the-Whole recommend to the Village Board that the Board approve, as of April 30, 2015, transfers-in of \$2 million to the Capital Projects Fund and \$2 million to the MFT Fund be made from the General Fund

Trustee Scaletta moved, seconded by Trustee Sidor, that the Committee-of-the-Whole recommend to the Village Board that the Board approve the proposed 2016-2020 Capital Improvement Program and that the first year of the Program totaling \$21,613,300 be incorporated into the Village's proposed 2016 Budget. The motion passed unanimously.

Trustee Bert Rosenberg moved to approve the transfer of \$2 million to the Capital Projects Fund and \$2 million to the MFT Fund be made from the General Fund for roadway projects using FY2015 General Fund surplus monies. Trustee Joe Farwell Seconded the Motion.

Ayes: Blackwood, Farwell, Glasgow, Hayes, LaBedz, Rosenberg, Scaletta, Sidor, Tinaqlia.

Ayes: Blackwood, Farwell, Glasgow, Hayes, LaBedz, Rosenberg, Scaletta, Sidor, Tinaqlia.

Request for "Opt Out" from Cook County Animal
and Consumer Protection Ordinance (Puppy Mill)
from Happiness is Pets, 15 W. Golf Road,
Arlington Heights

Trustee Glasgow moved, seconded by Trustee Tinaglia that the Committee-of-the-Whole recommend to the Village Board to adopt a simple "Opt-Out" Ordinance without any limitations, but direct Staff to propose additional licensing requirements for consideration within 60 days.

The motion passed unanimously.

Mr. Recklaus said the "Puppy Mill Ordinance" is a difficult and complex issue which has garnered political involvement from some of the Village's youngest citizens. Cook County passed an ordinance last fall; a subsequent motion was made by the Village Board to opt out of the County ordinance. This motion was not acted upon because there was a legal challenge to the County's law. Tonight the Board is voting on opting out of the Cook County ordinance which becomes effective soon. This action allows the Village to create their own ordinance.

Trustee Glasgow said that the Board is choosing to opt out, not because it supports puppy mills but because he believes that the Cook County ordinance went overboard in its prohibitions. He said he thinks the Village can write better legislation and will therefore limit unintended consequences. Trustee Glasgow said the Village has home rule for this reason and it allows the Village Board to come up with solutions to problems that better fit the Village.

Madeline O'Dell asked the Board to support the Cook County law which does not allow pet stores to obtain animals from puppy mills. She described the mistreatment of the animals in the mills. She said the mills care more about money than the animals. She asked the Board to consider the welfare of the animals when they make their decision.

Brooke Martin said the Village should enforce this law. Orland Park has a law that requires pet stores to state where the puppies come from and if they have any health conditions. A law like this would be good protection for the puppies and maybe better for the pet stores too.

Claire Hackmann said stores should be required to reveal where they get their puppies. The Puppy Mill Project receives complaints because people purchase sick puppies and they don't know where they came from. If people know the breeder, then they can choose not to buy puppies from puppy mills and the mills will go out of business. This would be good for the puppies.

President Hayes said the ladies did a good job on expressing their concerns. He said the Village is opting out of the Cook County ordinance in the hopes that they can craft something that can better protect the puppies. The Board hopes to review a Village ordinance within the next sixty days.

Trustee Thomas Glasgow moved to approve. Trustee Jim Tinaglia Seconded the Motion.

The Motion: Passed

Ayes: Blackwood, Farwell, Glasgow, Hayes, LaBedz, Rosenberg, Scaletta, Sidor, Tinaglia.

- D. Report of the Committee-of-the-Whole Meeting of
July 6, 2015

Consideration of recommending to the Liquor
Commissioner the issuance of a Class "B" & "T"
Liquor License to R-K Group Enterprises, Inc., dba
Foremost Liquors, located at 1776 W. Algonquin
Road

VIDEO **X. CONSENT AGENDA**

CONSENT OLD BUSINESS

VIDEO **CONSENT APPROVAL OF BIDS**

VIDEO A. Cisco Switches Approved

Trustee Robin LaBedz moved to approve. Trustee Joe Farwell Seconded the Motion.

The Motion: Passed

Ayes: Blackwood, Farwell, Glasgow, Hayes, LaBedz, Rosenberg, Scaletta, Sidor, Tinaglia.

VIDEO B. Janitorial Supplies Approved

Trustee Robin LaBedz moved to approve. Trustee Joe Farwell Seconded the Motion.

The Motion: Passed

Ayes: Blackwood, Farwell, Glasgow, Hayes, LaBedz, Rosenberg, Scaletta, Sidor, Tinaglia.

VIDEO **CONSENT LEGAL**

VIDEO A. Resolution (Permission granted by Illinois
Department of Transportation on State rights-of-way) Approved

for maintenance/emergency work performed by the Village)

Trustee Robin LaBedz moved to approve R15-023. Trustee Joe Farwell Seconded the Motion.

The Motion: Passed

Ayes: Blackwood, Farwell, Glasgow, Hayes, LaBedz, Rosenberg, Scaletta, Sidor, Tinaglia.

VIDEO	B.	An Ordinance Amending Chapter 4 of the Arlington Heights Municipal Code (Sections 4-105, 4-106 and 4-110, renaming Police Captain to Deputy Chief)	Approved
-------	----	--	----------

Trustee Robin LaBedz moved to approve 15-020. Trustee Joe Farwell Seconded the Motion.

The Motion: Passed

Ayes: Blackwood, Farwell, Glasgow, Hayes, LaBedz, Rosenberg, Scaletta, Sidor, Tinaglia.

VIDEO **CONSENT PETITIONS AND COMMUNICATIONS**

VIDEO	A.	Bond Waiver - Northwest Suburban Genealogy Society	Approved
-------	----	--	----------

Trustee Robin LaBedz moved to approve. Trustee Joe Farwell Seconded the Motion.

The Motion: Passed

Ayes: Blackwood, Farwell, Glasgow, Hayes, LaBedz, Rosenberg, Scaletta, Sidor, Tinaglia.

VIDEO	B.	Bond Waiver - Arlington Heights Senior Center, Inc.	Approved
-------	----	---	----------

Trustee Robin LaBedz moved to approve. Trustee Joe Farwell Seconded the Motion.

The Motion: Passed

Ayes: Blackwood, Farwell, Glasgow, Hayes, LaBedz, Rosenberg, Scaletta,

Sidor, Tinaglia.

VIDEO C. Permit Fee Waiver - Arlington Heights Park District Approved

Trustee Robin LaBedz moved to approve. Trustee Joe Farwell Seconded the Motion.

The Motion: Passed

Ayes: Blackwood, Farwell, Glasgow, Hayes, LaBedz, Rosenberg, Scaletta, Sidor, Tinaglia.

VIDEO **CONSENT REPORT OF THE VILLAGE MANAGER**

VIDEO A. 2015 Material Testing Services Approved

Trustee Robin LaBedz moved to approve. Trustee Joe Farwell Seconded the Motion.

The Motion: Passed

Ayes: Blackwood, Farwell, Glasgow, Hayes, LaBedz, Rosenberg, Scaletta, Sidor, Tinaglia.

XI. APPROVAL OF BIDS

VIDEO **XII. NEW BUSINESS**

VIDEO A. Suburban Trim & Glass - 206 W. Campus Dr. - Approved
PC#15-005
Land Use Variation

Ron Mueller of Suburban Trim and Glass appeared before the Board. He has owned this business for many decades. They are expanding their operation and moving from Rand Road to Campus Drive which requires some variations in order to operate in this new location.

Trustee Glasgow said this was a straightforward petition. He asked Mr. Mueller if he understood that the Land Use Variation pertains only to Suburban Glass and Trim and cannot be transferred to another company. Mr. Mueller said yes.

Trustee Thomas Glasgow moved to approve. Trustee Mike Sidor Seconded the Motion.

The Motion: Passed

Ayes: Blackwood, Farwell, Glasgow, Hayes, LaBedz, Rosenberg, Scaletta, Sidor, Tinaglia.

VIDEO	B.	Northwest Metalcraft - 413 S. Arlington Heights Rd. - PC#15-002 PUD Amendment to Ord. 67-120	Approved
-------	----	---	----------

Trustee Tinaglia recused himself and left the room.

Mr. Drake Mertes presented the project for the business. He said initially, they resisted the improvement of the parkway, but now concur with the recommendation and all the Plan Commission recommendations. Mr. Perkins said this is a longstanding business that has an old house used for storage which is in disrepair; they are presenting a plan to redo parking and add a new storage area. The landscaping and parkway are also being improved. Staff and the Plan Commission fully support and recommend the project.

Trustee Farwell said the reinvestment in community is very exciting. He inquired into the turning radius for fire apparatus. Mr. Perkins said the Fire Department confirmed that its trucks can circulate and this plan is acceptable to all departments.

Trustee Labedz said she appreciated the vastly improved look of the parking lot. She asked if the gazebo still contained lumber in it. Mr. Perkins said the business owns the property across the street which has a garden with a gazebo, they had been storing lumber there. The owner indicated they would move it after discussions with the Building Department.

Trustee Rosenberg asked if the materials for construction had been approved. Mr. Perkins said the petitioner intends to seek relief on fire suppression from the Building Code Review Board which will impact the material selections. If they make that application, it would come back to the Village Board. Trustee Rosenberg said that as the new building will be eight feet from existing building, there is a fire concern because of its proximity to the main building. Mr. Perkins said this proposal better than the current situation but the project would either have to meet current codes or seek relief.

Trustee Blackwood thanked the petitioner for the depth of landscaping and thoughtfulness.

Trustee Scaletta liked that the petitioner found a way to spruce up the front and update the center. He said the architectural design works well for the neighbors and the business. He asked why the petitioner did not seek relief from the Building Code Review Board simultaneously. The petitioner did not have an answer.

Trustee Joe Farwell moved to approve. Trustee Carol Blackwood Seconded the Motion.

The Motion: Passed

Ayes: Blackwood, Farwell, Glasgow, Hayes, LaBedz, Rosenberg, Scaletta, Sidor.

Abstain: Tinaglia.

VIDEO	C.	DC#15-067 - Holiday Inn Express - 2111 S. Arlington Heights Rd. - Sign Variation	Approved
-------	----	--	----------

Trustee Tinaglia returned to the meeting.

Mr. Perkins said the site was acquired by Holiday Inn Express and has had some major renovations. In 1998, Bradbury Suites, received a sign variation at this location. Holiday Inn Express is seeking to relocate that sign and increase the size. The Design Commission approved. The former Holiday Inn Express across the street will become a Comfort Inn.

Trustee Scaletta said the property looks great. Mr. Larry Jones of Kieffer & Company for Holiday Inn Express said the Comfort Suites brand is planning on upgrading that property as well.

Trustee John Scaletta moved to approve. Trustee Jim Tinaglia Seconded the Motion.

The Motion: Passed

Ayes: Blackwood, Farwell, Glasgow, Hayes, LaBedz, Rosenberg, Scaletta, Sidor, Tinaglia.

VIDEO	D.	DC#15-070 - Northwest Crossings - 1421/1501 W. Shure Dr. - Sign Variation	Approved
-------	----	---	----------

Mr. Perkins said the petitioner is proposing to replace the existing ground sign with a new 360 square foot ground sign that will identify the overall property as "Northwest Crossings" and also identify the primary tenants for each of the subdivided lots. The original ground sign variation was granted at 150 square feet but grew to 390 square feet. Torburn is asking to replace the sign using approximately the same square footage. The Design Commission made two motions increasing the size of the signs and exhibit panels.

Trustee Glasgow said based on the location of the sign on the property the request was pretty straightforward.

Trustee Scaletta asked if the sign would be precluded from having multiple tenant names. Mr. Perkins said it could there was nothing to prohibit a multi-tenant sign, the current proposal is one tenant/sign for each building. Mr. Bauer of Meltzer, Purtil & Stelle said the goal was to only have one tenant on each sign. The sign will be internally illuminated.

Trustee Rosenberg asked if the temporary sign on roadway will be kept. Mr. Perkins said that sign was approved on a temporary basis until building is leased. Staff will follow up to make sure it is removed. Mr. Bauer said that the 1421 building is one week away from signing a lease and there is traction on the 1501 building. He said the current sign will come down once new signs are up.

Trustee Thomas Glasgow moved to approve. Trustee John Scaletta Seconded the Motion.

The Motion: Passed

Ayes: Blackwood, Farwell, Glasgow, Hayes, LaBedz, Rosenberg, Scaletta, Sidor, Tinaglia.

VIDEO **XIII.LEGAL**

VIDEO	A.	A Resolution Approving an Agreement with the Performing Arts at Metropolis	Approved
-------	----	--	----------

Mr. Recklaus said this Agreement will define the new nature of the relationship between Metropolis and the Village. It creates a blueprint for an ongoing successful relationship using input from the Johnson Study, the Village Board and the Performing Arts at Metropolis (PAM) Board. A Reserve Fund is an important component of the Theater's success. Regardless of how/when the reserve account is established, along with the new business plan, this Agreement will make the Theater a successful piece of the community.

President Hayes said that there are differences of opinion on how to set up the Reserve Account. He said he hoped a unanimous decision can be reached.

Trustee Rosenberg said this is a good Agreement. He said there have been significant improvements on financial and operational sides of the Theater. He asked that monthly income statements be added as a requirement under Section 6. Mr. Kuehne said in the Agreement staff would get the

monthly reports and the Board would be forwarded the quarterly reports which include the PAM narrative, unless something else is requested.

Trustee Rosenberg said monthly income results were needed, not just year to date results on a monthly basis. Mr. Kuehne agreed and said the Agreement should be updated with this clarification. Trustee Rosenberg said he would also like a statement of cash flow in addition to the projected cash flow on number 9. Mr. Kuehne agreed. Ms. Ward said she would make those changes.

Trustee Rosenberg said that he still wants the Village to maintain control of the Reserve Account and have it earmarked for benefit of Metropolis.

Trustee Glasgow said there is no language as to whether or not the Village could deny the funds of the Reserve Account. He said he would like the Board to have time to object and review any request for reserve funds. If a Board member has an objection, it should be brought before the entire Board for public discussion. Mr. Recklaus asked Trustee Glasgow if in addition to bringing reserve requests to the Board the Village Manager should also have the ability to withhold signature. Trustee Glasgow said the signature is ministerial, the funds are from the Board and the Board should have the ability to object release of reserve funds. He said as it reads now, there is no legal basis to withhold funds.

Ms. Ward said that the Agreement was written with the reserve account in PAM's name versus the Village's name, so that the Village was aware of what was being spent. She said she can add objection language. If the Board decides to have the reserve account Village owned, then the language will be changed to reflect something different. If it is Village money, the Board would clearly have to authorize that expenditure. Trustee Glasgow said its Village money either way.

Mr. Recklaus said the time the Board would authorize this expenditure is the time funds would be transferred to this account and that is the vote the Board would make by making it an asset of Metropolis. Ms. Ward said if it is the Board's will that Metropolis not be permitted to spend this money prior to getting Board approval, then having the Village maintain ownership of those funds is the way to do it.

Mr. Kuehne said this was designed as a restricted account meaning that the Village Manager or the Village Board could direct the Manager to not co-sign. The funds would need two signatures in order to be released so the Village does have some power over the process. He agreed some additional language should be added to ensure that the signature was not ministerial.

Trustee Glasgow added that if this is to be an emergency fund, if the Village Manager is not available, a designee needs to be added.

Trustee Scaletta said the Board was unanimous in its support of a reserve fund so if there was a downfall in sales, or economic challenge the Theater could make it through. There are ebbs and flows in the performing arts. When Mr. Kuehne presented the spread sheet the Board wanted a reserve. The account should be held in Village's name, because if the Theater was not operating, and vendors went after the money, people who had prepaid tuition and tickets would be out in the cold and the Village wouldn't be able to stop it. It's not PAM's money until the Board says it is. He implored the Board to bear with him and Trustee Rosenberg and create the reserve account; it can be reviewed every single budget year. If it is in the best interest to move it to their name down the road, then the Board can move it then. Putting it in their name immediately is not in best interest of the Village.

Trustee Tinaglia said \$18,000 this fiscal year goes into the Reserve Fund. It's \$83,000 the following year. This is money the Board wants them to have. He said he thinks the PAM Board Pam doesn't care how they get it, if it is a reasonable request, they will get the money. Trustee Tinaglia moved for Option #1 which keeps the Reserve Fund under Village control. This motion includes Trustee Rosenberg's amendments and Trustee Glasgow's suggestions. Trustee LaBedz seconded the motion.

President Hayes said his concern was by not giving control to Metropolis, they would lose their financial viability. When outside people look at the Theater, they want to see that it has a well- funded reserve account. Is that purpose lost if the money transfers to the Village? Mr. Kuehne said yes. Currently PAM has a negative working cash balance. They would be funded on a break even budget. If they have a bad show or season, they would have to come to the Village to access their reserves. Most organizations have their own reserves; they do not have to go their municipalities to access them. President Hayes said he doesn't want to stifle Metropolis and doesn't want them to lose their financial viability if the Board can give them the control with caveats.

Trustee Sidor said he was squeamish on the reserve account because he motioned for the \$300,000 several years ago that went poof. If Metropolis comes to the Board looking for \$18,000 on an emergency basis than the problems are larger than trying to figure out which account the money is coming from.

Mr. Recklaus said accessing a reserve account does not constitute an emergency. This is a working reserve where they could access it for a variety of different reasons. The Village accesses its reserve multiple times throughout the course of a year based on cash flow, not on an emergency basis. There can be good business reasons to access reserves. Mr. Kuehne said cash flow fluctuates in the theater business and during the recession, fewer people went to the Theater. That doesn't mean there is positive news every quarter and a reserve fund would assist with these varying cash flow situations.

Trustee Sidor said he understood there was an ebb and flow, and was supportive of a hybrid motion of Option #1 and Option #2 where the account would exist but be in the Village's control for a year before it was turned over to Metropolis. He said he didn't know if \$18,000 in a reserve fund would help them that much. Mr. Kuehne said the \$18,000 is only for this 8 month budget period. Next year the amount would be to \$83,000. Mr. Recklaus suggested a hybrid motion could include Option #1, the reserve fund could be established as Village account, and the first granting of monies to Metropolis, could be enough to eliminate that negative balance.

Trustee Farwell said he would prefer staff's suggestion as a show of confidence to provide reserve funds as an asset to Metropolis, with the improved wording suggested by Trustee Glasgow. That would make the Village trustees of a trust account, with the right to decline funds. He said it was clear that the Board was not yet in unanimous agreement on giving autonomy to the Metropolis Board. He said agreements are made to be amended. Trustee Farwell said he would defer to Trustees Rosenberg and Scaletta and agree to Option #1, but he recommended a review in a year or when prudent to reevaluate. He agreed with the Mayor that the reserve fund is most helpful on Metropolis' balance sheet and would give them a clear head start.

Trustee Blackwood said a reserve account holds rainy day funds. It is recommended that organizations save a percentage of their funds in a reserve account. She said having the Village own the reserve account is prudent and Metropolis will most likely need these funds. Maybe in three years, they will be able to add to the reserve themselves. In the meantime, putting the account in the Village's name makes her more comfortable going forward. She said the support of Trustee's Rosenberg and Scaletta for Option #1 should be respected.

Trustee Glasgow said for clarification that he was the Trustee who made the motion for \$300,000 and Trustee Sidor seconded it. He said he had changed his mind after hearing from his colleagues, especially Trustees Rosenberg and Scaletta. He said he did not think it would damage Metropolis if the money is in a Village account, and it can be changed later if needed.

Trustee LaBedz said she originally preferred Option #3, but chose to second the motion after Trustee Scaletta's concerns were expressed. She said she agreed with Trustee Farwell, that the arrangement can be reviewed at a later date. She said Option #1, is the way to go.

Trustee Tinaglia said there is always time for change. He amended his motion to add language to open the dialogue every 12 months, from this period right now.

Trustee Scaletta said in the performing arts there are cash flow issues, performance advances are required where the theater must pay in advance for a performer who may not be in for months. At the end of this year it appears the Theater will be ending with a positive cash flow. Mr. Kuehne said with cash flow, Trustee Scaletta is right, but when addressing working cash, the Theater's deferred revenues and accounts payables will exceed their cash and receivables. Trustee Scaletta said the Theater is in much better financial shape because of the actions taken in the past 8 months and not just because of the Village's money. At least there will be a reserve account, in case of emergency.

Mr. Recklaus said all of the proposals follow the recommendations of the Johnson study. There has been no dispute as to the amount of money the Board is willing to dedicate to the Theater. This is a very positive and successful business plan. What the Board is debating is which pocket the money goes into. The discussion reflects how technically invested the Village Board is.

President Hayes said he preferred Option #3, as he believes it gives Metropolis the best chance to succeed, but he said he will defer to his more financially astute colleagues and experts on the Board who are recommending otherwise. He said it is important to have a unanimous agreement tonight.

Ms. Grossman of PAM asked if there is an expectation that if reserve funds are used for cash flow issues that the monies are paid back to the Village. Usually an organization takes money out and replaces it later. Mr. Kuehne said usually there is a goal for a reserve fund (25%), every year the goal is not met, an attempt is made to pay it back in future years. Ms. Grossman agreed, but asked if Metropolis will be expected to pay back into the Village's reserve account. Mr. Kuehne said they would work that out later but initially he thought no. He said Metropolis should start its own reserve fund and these two funds should be a joint effort.

Mr. Keefe, Executive Director of Metropolis, said a reserve fund is a selling tool, and would allow him to approach contributions in a different way. Showing confidence in Metropolis is critical and useful and establishes a sense of security and trust. Arts institutions that have municipal support are more successful. He said they would like to begin building their own reserve fund because it will give them more autonomy. He agreed that PAM needed to earn the Board's trust.

Trustee Sidor said that many of the statements regarding how reserves are used sounded like the previous Executive Director's pitch and it made him uncomfortable. He said he wanted the reserve fund to stay at the same level. He said he could vote for it, but is not crazy about this reserve fund issue. He said he would like Metropolis to develop their own fund so they have skin in the game. Mr. Keefe said their budget and business plan do not contemplate using reserve funds. Typically reserve funds are used to

cover a big show that doesn't sell. He said that a reserve fund is a selling tool when they are looking for legacy money. Their next step will be to develop their plan for a fund once the agreement with Village is made. Trustee Sidor said Metropolis could spin the pitch to say not only does Metropolis have a reserve fund but the Village has one for it too.

Trustee Glasgow said the Board believes in the idea of Metropolis; there has been a trust issue. He asked that PAM prove to the Board that they are deserving of this agreement. Mr. Keefe said no stone will be left unturned.

Trustee Tinaglia agreed to amend the motion to include an annual review. Trustee LaBedz said the amendment was okay.

Trustee Rosenberg said that the review should occur in budget year 2016 effective in fiscal year 2017.

Trustee Jim Tinaglia moved to approve the agreement between the Village and PAM as amended by changing the restricted access account owned by PAM to a reserve account owned by the Village, which includes all changes necessary to effectuate the modification of the type of the account as well as the modification to Section 6 to add the additional reports that Trustee Rosenberg requested. In addition, the agreement will be amended to provide a review period on the status of this account each budget year. Trustee Robin LaBedz Seconded the Motion.

The Motion: Passed

Ayes: Blackwood, Farwell, Glasgow, Hayes, LaBedz, Rosenberg, Scaletta, Sidor, Tinaglia.

XIV. APPOINTMENTS

VIDEO XV. PETITIONS AND COMMUNICATIONS

Mayor Hayes thanked the Frontier Days Red Shirt Volunteers; the Festival Committee and all the people who helped make the event a success. He said it was an entertaining and worthwhile 4th of July.

Trustee Sidor said a successful collaborative Library/Tuscan Market book signing event occurred with Candace Bushnell author of the New York Times Best Seller Sex in the City.

VIDEO XVI. REPORT OF THE VILLAGE MANAGER

Mr. Recklaus said that Ms. Ward has been filling the role of Village Attorney and In House Counsel for almost two years. He said she helped define the roles moving forward and has been instrumental in the recruitment process. He thanked her for her efforts. President Hayes said that Ms. Ward had

been invaluable during the Village Manager interim period. He said he appreciated her wise counsel, advice and expertise.

VIDEO A. Request for Closed Session per 5 ILCS 120/2(c)
(21): Discussion of minutes lawfully closed,
whether for purposes of approval of the minutes
or the semi-annual review of the minutes

-and-

5 ILCS 120/2(c)(11): litigation, when an action
against, affecting or on behalf of the Village has
been filed and is pending before a court or
administrative tribunal, or when the Board finds
that an action is probable or imminent

VIDEO **XVIIADJOURNMENT**

Trustee Joe Farwell moved to adjourn to Closed Session. Trustee Thomas Glasgow Seconded the Motion.

The Motion: Passed

Ayes: Blackwood, Farwell, Glasgow, Hayes, LaBedz, Rosenberg, Scaletta, Sidor, Tinaglia.