

1200 WILMETTE AVENUE
WILMETTE, ILLINOIS 60091-0040

**MINUTES OF THE REGULAR MEETING OF THE PRESIDENT AND BOARD
OF TRUSTEES OF THE VILLAGE OF WILMETTE, ILLINOIS, BROADCAST ONLY
(VILLAGE HALL CLOSED DUE TO THE VILLAGE PRESIDENT’S DELCARATION
OF LOCAL DISASTER AND PUBLIC HEALTH EMERGENCY ORDER)
ON TUESDAY, APRIL 28, 2020 AT 7 P.M.**

President Bielinski called the meeting to order at 7:01 p.m.

1.0 ROLL CALL

President: Bob Bielinski

Trustees:

- Daniel Sullivan
- Peter Barrow
- Kathy Dodd
- Joel Kurzman
- Gina Kennedy
- Senta Plunkett

Staff Present:

- Michael Braiman, Village Manager
- Erik Hallgren, Assistant Village Manager
- Jeffrey Stein, Assistant Village Manager/Corporation Counsel
- Melinda Molloy, Finance Director
- Brigitte Berger-Raish, Engineering & Public Works Director
- John Adler, Community Development Director
- Nabil Quafisheh, Water Management Director
- Peter Skiles, Administrative Services Director
- Dan Manis, Village Engineer
- Ryan Kearney, Project Engineer
- Alexander Arteaga, Management Analyst

President Bielinski explained the Village Board meeting was being broadcast live via the use of Microsoft Teams in order to comply with the shelter in place order issued by Governor JB Pritzker.

2.0 PUBLIC COMMENT

There were two public comments received via email. Management Analyst Alex Arteaga read them aloud:

Jeff Axelrod thanked the Board for amending the Optima Ordinance for 1210 Central Avenue. He said he would like to see the language regarding Optima's \$1.6 million contribution be clarified further to specifically state the funds would be used for the purchase and development of housing units. Mr. Axelrod also went on to request President Bielinski appoint members to the Housing Commission as soon as possible in support of affordable housing efforts in Wilmette.

Ben Schmidt, 1204 Gregory Avenue, expressed his concern over the April 17 emergency declaration and the process to which it was enacted. He said he feels more public debate and consideration would be prudent going forward. He went on to state that the CDC guidelines are recommendations and not law and that the actions neighboring municipalities are taking should not lead Wilmette in any one particular direction. He said he feels Wilmette is home to smart people and business leaders capable of making responsible decisions and that information on case numbers and hospital statistics for Wilmette should be factored in when making these decisions.

3.0 CONSENT AGENDA

Trustee Kennedy removed Item No. 3.3 from the Consent Agenda.

Trustee Sullivan moved approval of the remaining items on the Consent Agenda as follows:

- 3.1 Approval of minutes from the Regular Board meeting held on April 14, 2020.
- 3.2 Approval of minutes from the Committee of the Whole meeting held on March 31, 2020.

FINANCE COMMITTEE CONSENT AGENDA

- 3.4 Approval of the March 2020 Financial Report.
- 3.5 Approval of an engagement with PMA Securities, LLC for financial advisor services for an initial contract term of three (3) years starting in 2020, with an option for two (2) additional one-year terms.

ADMINISTRATION COMMITTEE CONSENT AGENDA

- 3.6 Adoption of Resolution #2020-R-27 extending the Declaration of Emergency affecting the public health and wellbeing due to the outbreak of COVID-19 Virus.
- 3.7 Approval of Economic Relief Grant Expenditures.
- 3.8 Reappointment of David Farina to the Police Pension Fund Board of Trustees.
- 3.9 Reappointment of Todd Ehlman to the Board of Fire and Police

Commissioners.

MUNICIPAL SERVICES COMMITTEE CONSENT AGENDA

- 3.10** Approval of a contract with Christopher B. Burke Engineering, Ltd., Rosemont, Illinois, in an amount not-to-exceed \$401,233 for design services associated with the Neighborhood Storage Project (NSP) Phase 2 at Hibbard Park.
- 3.11** Adoption of Resolution #2020-R-18 approving a Local Agency Agreement for Federal Participation and Construction Engineering Services Agreement for Federal Participation for the Central Avenue and Downtown Streetscape Project.
- 3.12** Approval of a contract in an amount of \$1,055,307 with TranSystems Corporation, Schaumburg, Illinois, for Phase III construction inspection services associated with the Central Avenue and Downtown Streetscape Project.
- 3.13** Approval of a change order in the amount of \$48,920 with Raftelis, Charlotte, North Carolina, for implementation of the stormwater utility fee.
- 3.14** Approval of change order in the amount of \$13,904.53 to Contract No. 18009 with IHC Construction Companies LLC, Elgin, Illinois, for the Water Plant Electrical Improvements Project, Illinois Environmental Protection Agency (IEPA) Revolving Loan Fund Project Number L173763.

Trustee Kennedy seconded the motion. Voting yes: Trustees Sullivan, Barrow, Dodd, Kurzman, Kennedy, Plunkett and President Bielinski. Voting no: none. The motion carried.

4.0 REPORTS OF OFFICERS

President Bielinski took a moment to recognize David Farina of the Police Pension Fund Board of Trustees who was just reappointed for another term. He thanked Mr. Farina for his 12 years of service. He said former Village President Chris Canning said that Mr. Farina was invaluable during and after the global financial crisis when the pension fund suffered significant losses. He was an advocate and supporter of a daily domestic large cap equity purchase program, which lasted over the course of months and set the pension funds up for strong recovery when the economy rebounded. President Bielinski said that again with the Coronavirus induced market decline, Mr. Farina advocated a course of action to mitigate damage to portfolios. President Bielinski went on to say that he has heard we are already seeing the results of his efforts. He said we are fortunate to have residents like Mr. Farina who volunteer their time and provide dedicated service the residents.

Village Manager Michael Braiman thanked all Village employees for their dedicated service and commitment to provide critical services to the community during the pandemic. He said he wanted to thank all employees who continue to report to work putting their health and the health of their families at risk. He said he doesn't think the Village has missed a beat in providing services and it's a credit to the great team in place. He said the communications team has done a great job in keeping the public involved and informed and in promoting and supporting the local businesses. He said he encourages all residents to take part in some of the unique activities the Village has to offer such as the "Take Out Challenge" or "Social Distancing Bingo."

There was no report from Corporation Counsel Jeffrey Stein.

5.0 REPORT OF LIQUOR CONTROL COMMISSIONER

There was no report.

6.0 STANDING COMMITTEE REPORTS

6.1 LAND USE STANDING COMMITTEE REPORT

- 3.3** Introduction of Ordinance #2020-O-22 granting special use for a planned unit development (preliminary plan) pursuant to the Wilmette Zoning Ordinance (1210 Central Avenue); Waiver of rules – Adoption of Ordinance #2020-O-22 granting special use for a planned unit development (preliminary plan) pursuant to the Wilmette Zoning Ordinance (1210 Central Avenue).

Trustee Barrow moved approval of Item No. 3.3 – Introduction of Ordinance #2020-O-22 granting special use for a planned unit development (preliminary plan) pursuant to the Wilmette Zoning Ordinance (1210 Central Avenue); Waiver of rules – Adoption of Ordinance #2020-O-22 granting special use for a planned unit development (preliminary plan) pursuant to the Wilmette Zoning Ordinance (1210 Central Avenue), seconded by Trustee Dodd.

President Bielinski opened the floor to Trustee Kennedy who removed the item from the Consent Agenda.

Trustee Kennedy thanked the staff for addressing her concerns and incorporating her suggestions into the amended Ordinance. She said she is still concerned with procedural issues in reference to the pandemic and the Executive Orders, Open Meetings Act and Emergency Declaration. She said she wants to be sure that all actions taken during this pandemic period are prudent and legal. She asked that Corporation Counsel Stein give an overview to the Board about what actions are considered appropriate and lawful during the virtual meetings.

Mr. Stein said we need to look at the Governor's orders, our own orders and the Attorney General's guidelines. He said the Governor's order says physical meetings are not required during this time period and that public bodies are encouraged to postpone public business where possible. He also said the Attorney General's guidelines are similar. If a meeting is necessary, public access through audio, video or telephone is encouraged. President Bielinski's order takes this into consideration and Wilmette Board meetings have been conducted via virtual means, adhering to the guidelines set forth by state and local governments.

Mr. Stein said that a few days ago the City of Joliet was sued for having a meeting on matters that were not "necessary." The courts ruled in favor of Joliet saying that it is not the court's decision what is and is not important to the city; that's for the city's Board to decide. He said the determination of what is necessary on the agenda is up to the Board; however, it is staff's protocol to only place critical items on the agenda during this critical period.

President Bielinski said this is an administrative matter tonight to keep the project moving along. He said it will come back for the final plan for a vote at a later date. He said the matter was in front of the Plan Commission twice and the Village Board twice and he feels comfortable the matter was approved at a prior in-person meeting.

Trustee Kennedy said an ordinance should be a memorialization of all the things discussed and approved by the Board. She said the ordinance for this item had two items in it that weren't discussed prior: free parking for construction vehicles and the potential diversion of some of the affordable housing contribution for other things. She said she is concerned with the fact that they were included. She apologized for the lateness of her comments but said her concerns warranted review, especially on the items that were included in the ordinance but never discussed previously. She said the packets are large and she didn't get the appendix attachments until Friday and at that time, she was reviewing the budget item on the agenda.

President Bielinski said details like the parking are typically left to staff. He said it's to the public's benefit to have the construction traffic off the streets and alleys, and he does not fault staff for that. He said as far as the diversion of funds, it's common in negotiations that Mr. Stein represent as best as he can with a third party. He said Trustee Kennedy's comments were prudent, but that Mr. Stein's verbiage was to provide the Village flexibility when negotiating with the third party. He asked Trustee Kennedy if she wanted to table the matter.

Trustee Kennedy said she just wanted clarification on the whether or not the urgency to vote on this was enough to leave it on the agenda.

She said so long as no other Board members have an issue, she is okay with voting.

President Bielinski said the public comment was already received on this project and other comments have been received since so he feels comfortable that requirement has been satisfied.

Trustee Kurzman said he has found the evening's discussion helpful in that he felt clarification of the urgency of placing items on an agenda during the Executive Orders and Emergency Declaration was needed. He said he is concerned about how the Board has been interpreting the leeway that has been granted through these orders. He went on to ask Mr. Stein to put in writing his interpretation of what is lawful and prudent to be discussed and decided at Board meetings during these orders. Trustee Kurzman then asked if new guidelines could be imposed on how to proceed with Village business under these new terms. He said it's about how to be the best Board moving forward under these circumstances.

Trustee Dodd said she thinks a written policy on conducting Village business under this declaration is a good idea. She said regarding Optima, she is comfortable proceeding but if the Board is not, then the rest of the agenda needs to be evaluated as well. She said staff should be trusted on their recommendations. She then went on to say that if Trustee Kennedy's concerns were addressed, the Optima item should proceed.

President Bielinski asked Mr. Stein if the term "emergency" was in the Governor's order. Mr. Stein said that it was but it's not applicable to the Open Meetings Act. He said that provision states that the physical presence of the governing body requirement is suspended; however, if you have items of a non-critical nature, suspension of the meetings is encouraged. Mr. Stein reiterated that it's the Village Board's discretion what is considered pressing or critical.

Trustee Kennedy said she just wants to be sure that procedures are being followed. She asked Mr. Stein if the Village's Ordinance prohibiting telephonic Board meetings would need to be suspended during this pandemic. Mr. Stein stated that the Governor's Orders and the Village's Emergency Declaration cover that issue by suspending the requirement to have board members physically present.

President Bielinski asked Trustee Kennedy if she would like to make a formal request to amend the Emergency Declaration. Trustee Kennedy moved to amend the Emergency Declaration to suspend the portion of the Village Code that requires physical presence of all Trustees at meetings. Trustee Kurzman seconded the motion. Village Manager Michael Braiman said that he didn't feel there

needed to be a new motion, as it can be brought to the next meeting with the additions. He said he is confident that the Board is operating legally and didn't feel the need to address something that wasn't on the agenda. Mr. Stein said he would address the matter at the next Board meeting, and President Bielinski said that amendment would be incorporated into an amended Emergency Declaration at the May 12, 2020 Village Board meeting.

Trustee Kennedy withdrew her motion and said the amendments to the Ordinance were sufficient. She asked if the vote would be on the amended version. Mr. Stein said concurred. Trustee Kennedy said she felt comfortable voting.

President Bielinski asked Mr. Arteaga if there was any public comment on this item. Mr. Arteaga reported none.

Voting yes: Trustees Sullivan, Barrow, Dodd, Kurzman, Kennedy, Plunkett and President Bielinski. Voting no: none. The motion carried.

6.2 FINANCE STANDING COMMITTEE REPORT

6.21 Discussion of First Quarter Financial Report and 2020 projections related to COVID-19 pandemic.

Erik Hallgren presented information on the First Quarter financials and 2020 projects related to COVID-19 pandemic (PowerPoint attached). Mr. Hallgren said based on the Board's requests, a financial model was developed for analyzation of COVID-19's effect on the Village's finances. He said this document may be edited in real time as changes occur to the assumptions in the model. He said that good, sound financial decisions in years past have put the Village in a strong financial position to adapt to the impacts of COVID-19.

Mr. Hallgren said the revenue model was based on historical budget projections and adjusted by factors from 3% to 75% on likelihood of COVID-19 impact. He said service fees were assigned a lower factor and items like permit fees and real estate transfer tax were assigned a higher factor. He said the sales tax was analyzed based upon the mix in types of sales tax producing entities. He said grocery stores were likely to see an increase based upon initial spending at the outbreak. Decreases of 50-75% for restaurant spending were projected while entities that were closed could see the revenues go away completely. He said they took information from the Governor's office which reflected an 8-14% decrease in state distributed revenues depending on how long the slowdown lasts. He said the last items that were closely analyzed were related to housing such as real estate transfer tax and permits. He said the impact is

projected to be down 17-27%. He also added that revenue distributions could possibly be delayed from the state and county, but that remains to be seen.

Mr. Hallgren discussed 2 financial scenarios; re-opening the economy in the 3rd quarter or re-opening in the 4th quarter. He said both assumed a structural impact to the tax base and a gradual recovery into late 2020 and 2021. He said that in the General Fund, in the 1st quarter, the revenue projections were on target. In the first scenario there's a projected reduction of \$2.3 million and in the second scenario, it's \$3.1 million reduction.

He then discussed operating expenses, which were analyzed on a three-year trend analysis for personnel, contractual services and commodities. Capital expense projections were based on project cash flows (Neighborhood Storage, Central Avenue and Electrical Upgrade Projects). He said they layered these together to determine cash needs for the remainder of 2020.

Mr. Hallgren said that cost savings have been proposed and of those savings, \$300,000 in operating expenses has been included in the projections as well as approximately \$500,000 in business assistance grant expenses. He said in looking at the original 2020 Budget, the total was \$35.54 million. With the updated model, the projection is \$35.35 million, which reflects \$200,000 in expense savings.

He then discussed how this will affect the General Fund reserves, which were originally projected to stand at \$13.83 after this budget year. However, given the updated revenue scenarios, it looks like in Scenario 1, the reserves are projected to finish at \$11.51 million and in Scenario 2, approximately \$10.72 million. He said this is still a very good number, especially for rating purposes because Wilmette would still be at the required 30% of operating expenses to maintain the Aaa bond rating. He said while there will be significant impact to the revenues, the Village's finances are still in a very good place on all fronts.

Mr. Hallgren then gave the next steps staff will take to monitor the situation and update the projections on a monthly basis.

President Bielinski thanked staff for the detailed and thorough analysis. He said he is looking forward to the future updates and feels this model is a solid tool moving forward. He said decisions will be made as issues arise. He said he, Trustee Kennedy and staff interviewed financial advisors and one of them said the main question rating agencies are asking is how do you think COVID-19 will affect you. He said the proactive work staff is doing currently will serve the Village well when being rated.

Trustee Barrow said the information presented was very helpful and asked about the significance of the percentage of operating expenses dropping below 30% related to the issuance of bonds.

Finance Director Melinda Molloy said that one of the financial advisors gave a matrix of what goes into rating an entity and assigning a Aaa bond rating. She said fund balance has always been an item under credit watch for several years, as it was not at the level it is today, and we still had a Aaa rating because some of the other factors were so strong. She said right now the items they are watching are the pension funds. She said that the fact that the Village is proactively working to gauge and monitor the impact COVID-19 will have on our budget will be looked at favorably by rating agencies. She said the timing for the bond issuance is to go to market this summer, and she doesn't anticipate the fund balance will be below 30%.

President Bielinski said that the 30% benchmark is also for normal financial times; not during financial crises. He said it would not be unusual for a community maintaining that 30% and a Aaa bond rating to slip to 25-20% with the notion there is a plan in place to build it back up once the crisis passes. Ms. Molloy concurred and said that currently, the reserves are at nearly 40% and that the modeling being utilized for projections shows the worst case scenario bringing the reserves down to just above 30%.

Trustee Plunkett said it's helpful to know that historically our reserves are so much higher than they were even seven years ago, and the Aaa rating was maintained even then. She said it's good for residents to know that the Village was in an excellent financial place before this crisis started.

President Bielinski said that Trustees Sullivan and Kennedy met with staff and went over the financials and he encouraged any other member of the Board to do the same.

Trustee Sullivan said staff not only answered his questions, they exceeded his expectations with this tool. He said he there is still a lot of work to do but he feels the Village is in a good position and he is comfortable moving forward.

Trustee Kennedy said she was impressed with the sophistication and accuracy of the model. She said as more data comes in, the model will allow for fluid updates. She thanked staff for their hard work.

President Bielinski asked if permit fees from the Optima project were included in the model. Ms. Molloy and Mr. Hallgren concurred they were not.

There was no further discussion on this topic.

6.3 ADMINISTRATION STANDING COMMITTEE REPORT

All items listed on the Consent Agenda.

6.4 MUNICIPAL SERVICES STANDING COMMITTEE REPORT

- 6.41** Approval of contract in an amount not-to-exceed \$2,344,369 with J. A. Johnson Paving Company, Arlington Heights, Illinois, for the 2020 MFT Road Program.

Trustee Sullivan moved to approve a contract in the amount not-to-exceed \$2,344,369 with J. A. Johnson Paving for the 2020 MFT Road Program, seconded by Trustee Kennedy.

Mr. Braiman discussed the 2020 MFT Road Program. Mr. Braiman gave an overview of the project and said there is the option to reduce the contract by removing 3 blocks to save \$215,000. He then showed a slide of the streets to be resurfaced. He reviewed the alley and brick street reconstruction program saying there is the option to scale back the work here as well to reduce the overall costs by \$172,000 by removing 1.5 alleys from the project. He said the project also includes 4,400 square feet of brick repairs but no reconstruction, as that has been deferred. He said staff did a great job getting these out to bid early which resulted in excellent bid results.

Mr. Braiman said there is some time to consider the reductions to the projects and moving forward, the Board will be presented with more information as data is received related to COVID-19 and its impact to Village finances.

President Bielinski said normally this item would be on the Consent Agenda because the items have already been discussed; however, we are not living in normal times. He then opened up the floor for questions.

Trustee Plunkett said this was discussed at length a few weeks ago and she feels with the Village's strong financial status, the projects should proceed as planned. She said it will be good for the community to see some constructive work being done. President Bielinski agreed.

There were no further questions or comments.

Voting yes: Trustees Sullivan, Barrow, Dodd, Kurzman, Kennedy,

Plunkett and President Bielinski. Voting no: none. The motion carried.

- 6.42** Approval of a contract in an amount not-to-exceed \$845,072 with Schroeder & Schroeder, Inc., Skokie, Illinois, for the 2020 Alley and Brick Street Reconstruction Program.

Trustee Sullivan moved to approve a contract in an amount not-to-exceed \$845,072 with Schroeder & Schroeder for the 2020 Alley and Brick Street Reconstruction Program, seconded by Trustee Plunkett.

There were no questions or comments on this item.

Voting yes: Trustees Sullivan, Barrow, Dodd, Kurzman, Kennedy, Plunkett and President Bielinski. Voting no: none. The motion carried.

6.5 PUBLIC SAFETY STANDING COMMITTEE REPORT

No report.

6.6 JUDICIARY STANDING COMMITTEE REPORT

No report.

6.7 REPORTS FROM SPECIAL COMMITTEES

No reports.

7.0 NEW BUSINESS

There was no new business.

8.0 ADJOURNMENT

Trustee Sullivan moved to adjourn the meeting at 8:17 p.m., seconded by Trustee Barrow. Voting yes: Trustees Sullivan, Barrow, Dodd, Kurzman, Kennedy, Plunkett and President Bielinski. Voting no: none. The motion carried.

Respectfully submitted,



Karen Norwood
Deputy Village Clerk

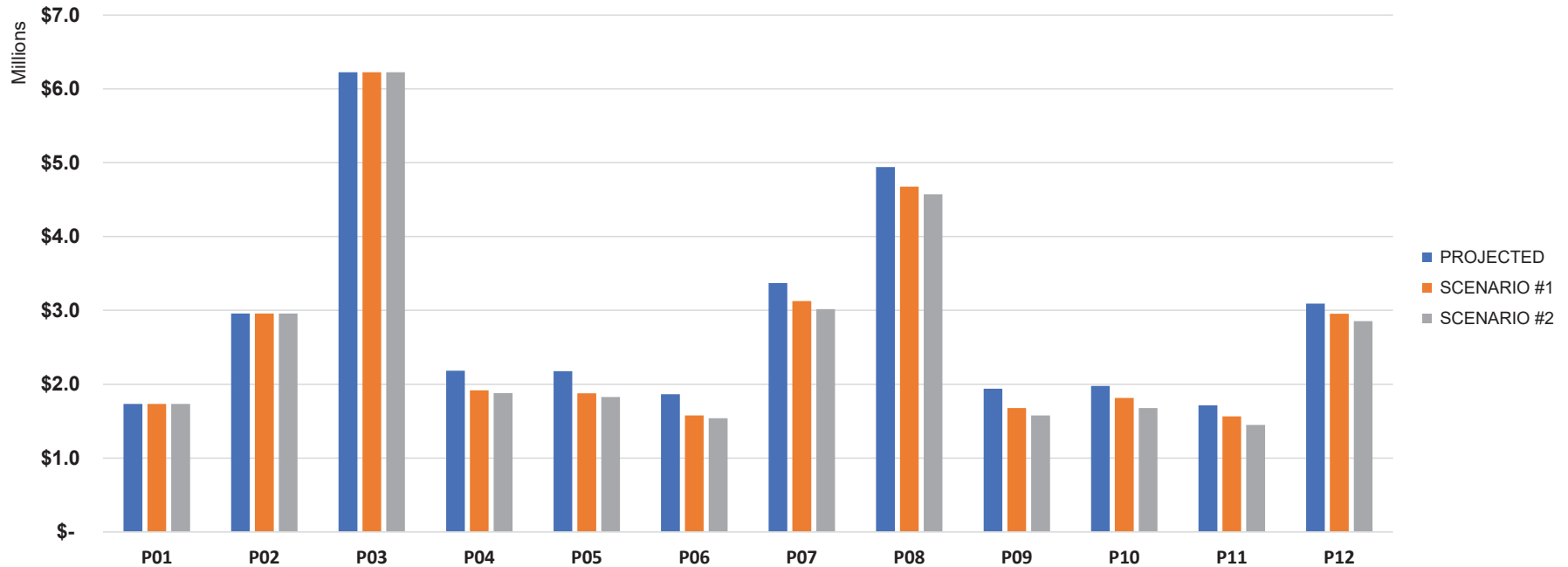
FY2020 Financial Analysis

April 28, 2020

Revenue Assumptions

- Looked at original monthly budget projections
 - Adjusted projections by factors from 3% to 75% on likelihood of impact
- Impact factors utilized variety of methodologies
 - Built sales tax from bottom-up; analyzed Wilmette's unique business mix
 - Utilized state projections for state distributed revenues
 - Compared to impacts during Great Recession for market driven revenues
- No shift in timing of revenue distributions from state and county
 - Indication there may be delays but no firm actions to date
- Two Scenarios
 - Scenario #1 – Assumes re-opening of economy starting 3rd quarter
 - Scenario #2 – Assumes re-opening of economy starting 4th quarter

Revenue Outcomes – General Fund

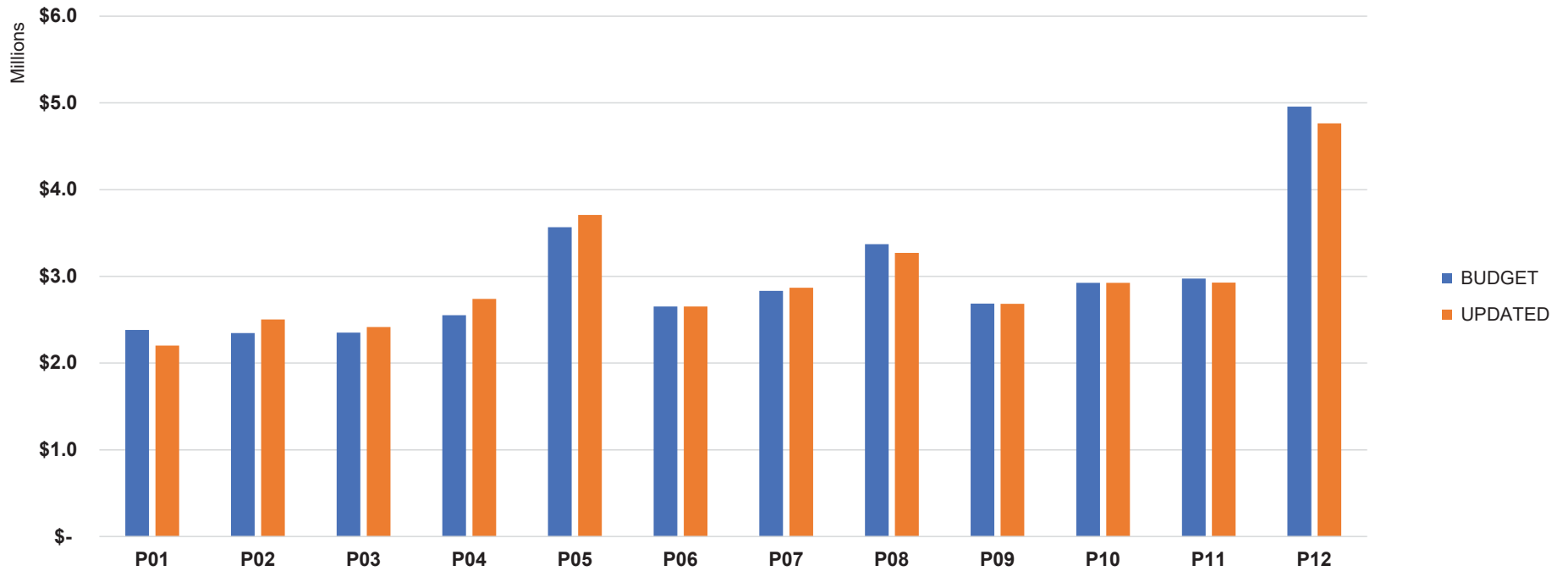


- **Updated projection - \$34.17M**
 - Equal to original budget
- **Scenario #1 - \$31.85M – \$2.32M differential**
- **Scenario #2 - \$31.06M – \$3.11M differential**

Expense Methodology

- Operating expense projections based on 3-year trend analysis
 - Personnel, contractual services, commodities
- Capital expense projections based on project cash flows
 - Neighborhood Storage Project, Central Avenue, Electric Upgrades
- Cost savings
 - Included operating expense (\$300k);
 - Does not include engineering (\$220k); and CERF (\$242k)
- Village's business assistance program added to projections

Expense Outcomes – General Fund



- Original budget - \$35.54M
- Updated projection - \$35.35M

Reserve Projections – General Fund

- Does not include capital expense reduction options
- Similar Analysis for Water and Sewer Funds
- Continue to monitor Village’s cash position

	Projection	Scenario #1	Scenario #2
2020 Beginning Reserve	\$15.01	\$15.01	\$15.01
Revenues	\$34.17	\$31.85	\$31.06
Expenses	(\$35.35)	(\$35.35)	(\$35.35)
Projected Ending Reserve	\$13.83	\$11.51	\$10.72
% of Operating Expense	38.9%	32.3%	30.2%

**In Millions*

Next Steps

- Gather data to provide more precise projections
- Update projections on monthly basis
- Continue to evaluate level of risk for revenue streams
- Monitor state and county for shifts in revenue disbursements
- Watch state and federal government for reimbursement opportunities
- Continue to report findings to the Village Board