



**THE VILLAGE OF HAWTHORN WOODS
SPECIAL VILLAGE BOARD MEETING
2 LAGOON DRIVE, HAWTHORN WOODS, ILLINOIS
MONDAY, DECEMBER 15, 2014
7:00 P.M.**

MINUTES

I. CALL TO ORDER AND ROLL CALL

Mayor Mancino called the meeting to order at 7:00 p.m. Roll call indicated the following members were present: Mayor Mancino, Trustees Ponzio, Riess, Morgan, and Corrigan. Trustee David and Trustee DiMaggio were absent.

Also present were Chief Operating Officer Pamela Newton, Chief Financial Officer Kristin Kazenas, and Village Attorney Robert Kenny.

Trustee David arrived at 7:02 p.m.

II. PLEDGE OF ALLEGIANCE

III. OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD

None this month.

IV. NEW BUSINESS

A. Consent Agenda

1. Approval of Minutes from the November 17, 2014 Village Board Meeting
2. Approval of Paid Invoice List Dated December, 2014
3. Approval of Bills List Dated December, 2014
4. Approval of an Amended Meeting Calendar for 2015
5. Approval of a Resolution Proclaiming December 2014 as Drunk and Drugged Driving (3D) Prevention Month
6. Approval of a Resolution Authorizing the Chief Operating Officer to Execute a Quote From Energy Efficiency Products, for the Purpose of Submitting Grant Applications for the Upgrading of Ceiling Fans in the Barn Meeting Hall With ZOO H60 High Energy Efficient Units Through Incentives Issued by the Department of Commerce and Economic Opportunity (DCEO)
7. Approval of a Resolution Authorizing the Execution of a Proposal With Christopher B. Burke Engineering, Ltd.—Professional Engineering Services—62 Acres
8. Approval of a Resolution Authorizing the Mayor to Execute a Proposal to Retain RHMG Engineers, Inc. for Professional Consultation Services Regarding the Route 53 Proposed Extension Through Lake County

Items #1 and #8 were removed from the consent agenda.

Motion by Corrigan, second by Morgan to approve the Consent Agenda with the exception of items #1 and #8.

Roll call vote.

Ayes: Ponzio, Riess, Morgan, Corrigan, David

Nays: None

Abstentions: None

Absent: DiMaggio

Motion carried.

Motion by Ponzio, second by Morgan to approve Consent Agenda item #1, Approval of the Minutes from the November 17, 2014 Village Board Meeting.

Trustee David was absent from the November 17, 2014 Village Board Meeting.

Roll call vote.

Ayes: Ponzio, Riess, Morgan, Corrigan

Nays: None

Abstentions: David

Absent: DiMaggio

Motion carried.

Motion by Corrigan, second by Morgan to approve Consent Agenda item #8, Approval of a Resolution Authorizing the Mayor to Execute a Proposal to Retain RHMG Engineers, Inc. for Professional Consultation Services Regarding the Route 53 Proposed Extension Through Lake County.

Trustee Riess asked if the Village staff had obtained three proposals for this proposal. Mayor Mancino stated that there was a need for a quick decision on this matter and formal proposals were not obtained, but there was consideration of several firms talents and specialties. RHMG is the best fit for this special project. In addition, their rates are competitive. Mayor Mancino stated that he needs technical assistance with his role on the Finance and Land Use Committees for the proposed Route 53 expansion project. RHMG has significant experience in this area and recently assisted Mettawa and Green Oaks with a similar project related to the I-94 expansion. RHMG is a well-respected, local firm. In addition, the president of the firm is a resident of the Village of Hawthorn Woods and is knowledgeable and up to speed on certain aspects of the Route 53 expansion.

Trustee Riess asked if the Village would be reimbursed for this expense. Mayor Mancino responded no. Trustee Riess asked about the estimated budget for this special project. Mayor Mancino responded that he expected that the special project will be complete by February – and will be significantly less than \$10,000. In addition, staff will

provide updates as the project progresses. Mayor Mancino stated that he is very frugal and would not recommend this expenditure unless he felt it was absolutely necessary.

Trustee David questioned the use of the word “retain” – are we planning a monthly retainer, and if so, what amount is the retainer? Mayor Mancino stated we would be billed on an hourly basis, not a retainer. Trustee Riess suggested replacing the word “retain” with the word “engage” to be more specific.

Trustee Corrigan amended the motion, seconded by Morgan to approve Consent Agenda item #8, Approval of a Resolution Authorizing the Mayor to Execute a Proposal to *Engage* RHMG Engineers, Inc. for Professional Consultation Services Regarding the Route 53 Proposed Extension Through Lake County

Roll call vote.

Ayes: Ponzio, Riess, Morgan, Corrigan, David

Nays: None

Abstentions: None

Absent: DiMaggio

Motion carried.

B. Items for Separate Action

1. Approval of a Resolution Authorizing the Chief Operating Officer to Enter Into an Agreement with Arthur J. Gallagher Risk Management Services:

- Accept the Proposal of Insurance from Arthur J. Gallagher Risk Management Services; and
- Execute “Client Authorization to Bind Coverage”; and
- Execute “Gallagher Compensation Agreement”; and
- Expend \$173,902 for Property, Casualty, and Workers Compensation Insurance

Motion by Riess, second by Corrigan to Approve the Resolution Authorizing the Chief Operating Officer to Enter Into an Agreement with Arthur J. Gallagher Risk Management Services, Accept the Proposal of Insurance from Arthur J. Gallagher Risk Management Services; and Execute “Client Authorization to Bind Coverage”; and Execute “Gallagher Compensation Agreement”; and Expend \$173,902 for Property, Casualty, and Workers Compensation Insurance.

Ms. Kazenas explained that there were several reasons for the increase of \$32,267 (22.79%) in the insurance policies for property, casualty and workers compensation. With regards to the workers compensation increase, there are several factors which impacted the renewal. The State of Illinois workers compensation statutes are favorable to the employee and often result in significant payments for workers compensation which results in higher premiums. In addition, there was a significant workers compensation claim in the current year which impacted the renewal. Finally, the new hires planned for fiscal year 2015 impacted the workers compensation premiums because the premiums are calculated based upon the budgeted salaries for the coming

year. Finally, there are increased property values related to the Midlothian Road sewer lift stations, new trucks, vehicles and equipment.

Roll call vote.

Ayes: Ponzio, Riess, Morgan, Corrigan, David

Nays: None

Abstentions: None

Absent: DiMaggio

Motion carried.

2. Approval of Medical, Dental, and Vision Insurance Plans for 2015

Motion by Ponzio, second by Corrigan to Approve the Medical Dental and Vision Insurance Plans for 2015.

Trustee Corrigan stated that the initial renewal proposal from Blue Cross Blue Shield was a 22% increase over the current premium. Village staff followed best practices and obtained comparable quotes from other providers which resulted in an updated employee census. As a result of the census change and the competition, Blue Cross submitted a revised quote with a 1.3% increase based upon the current employee census. Mayor Mancino complimented staff on the great work with the renewal. Trustee Ponzio commented that the Village medical plans require a higher participation by employees than other surrounding communities and that the staff has done a great job balancing the employee needs with the Village budget.

Trustee David asked about the deductibles for each plan. Ms. Kazenas outlined the deductible amounts for each plan. There was some discussion about the merits of self-insurance. Although the Village does self-insure a small portion of the high deductible plans through the Health Reimbursement Arrangement (HRA), Ms. Kazenas explained that the Village is currently too small to manage the risk associated with being fully self-insured. GFOA best practices dictate that generally self-insurance is only cost-beneficial for large plans.

Ms. Newton commented that the current plan design allows employees options to choose which plan best fits their needs and budget. The Village was ready and willing to change providers and switch to United Healthcare. In fact, the Village is recommending a change of providers for dental coverage from Guardian to Principal because a more cost effective price was available for employees and the Village. The renewal this year required additional effort from staff and our consultant, Courtney Calabrese, with Digital Benefit Advisors (formerly the Linden Group.)

Mayor Mancino commented that the 1.3% renewal was incredible. The Village is nimble like a small business. This is one example of the continued impressive results attained by applying small business principles in a municipal setting.

Roll call vote.

Ayes: Ponzio, Riess, Morgan, Corrigan, David

Nays: None
Abstentions: None
Absent: DiMaggio
Motion carried.

3. Approval of Budget Transfer

Motion by Ponzio, second by David to Approve the Budget Transfer.

Roll call vote.

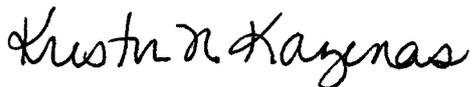
Ayes: Ponzio, Riess, Morgan, Corrigan, David
Nays: None
Abstentions: None
Absent: DiMaggio
Motion carried.

Mayor Mancino stated that he was delighted to be able to continue to serve the residents of Hawthorn Woods. He thanked the Trustees, and the staff for their dedication and hard work and commented that he felt truly blessed to be a part of this team.

V. ADJOURNMENT

Motion by Riess, second by Morgan to adjourn the meeting. Upon a voice vote, the motion carried and the meeting adjourned at 7:29 p.m.

Respectfully submitted,



Kristin Kazenas
Chief Financial Officer/Human Resources Director