

MINUTES OF THE WAUKEGAN-WARREN FIRE PROTECTION DISTRICT
GURNEE FIRE STATION #2
Wednesday, March 16, 2005

President John Badtke called the meeting of the Board of Trustees of the Warren-Waukegan Fire Protection District to order at 7:30 p.m.

Trustees Present: John Badtke, Phillip DeRuntz, Marty Klauber

Other Officials Present: Linda E. Spring, Attorney

Others Present: Angela Moreno, Recording Secretary
Fred Friedl, Fire Chief, Gurnee Fire Department
Heath Graham, Homeowner
Joe Hubbard, Captain, Gurnee Fire Department
John Kavanagh, Gurnee Firefighters Association
Tom Chamberlain, Trustee, Village of Gurnee
Tim Spyridon, Web Developer
Alain H. Oller, Commissioner, Grandwood Park Park District
David Brown, Homeowner

***THESE MINUTES ARE NOT A VERBATIM ACCOUNT, EXCEPT WHERE OTHERWISE NOTED.**

Approval of minutes:

Trustee Klauber made a motion to approve the minutes from February 1, 2005 special call meeting as reviewed. Trustee DeRuntz seconded the motion.

AYES: Badtke, DeRuntz, Klauber NAYS: None Motion carried.

Trustee Klauber made a motion to approve the minutes from the February 16, 2005 meeting as reviewed. Trustee DeRuntz seconded the motion.

AYES: Badtke, DeRuntz, Klauber NAYS: None Motion carried.

REPORTS

President's Report: President Badtke reported that the past month has been a very good month as far as working with the Village of Gurnee, Fred Friedl, and Linda Spring regarding the contract with the Village. He anticipates the negotiations to finish very smoothly and that both parties will be pleased.

Treasurer's Report: Treasurer DeRuntz supplied the Board with the Treasurer's Report dated March 16, 2005. The report reflected deposits in the amount of \$610.15 for Illinois Funds interest income; \$0.00 in property tax income; \$11,159.79 from Superior Collection and \$0.00

from PPRT. The account at Fifth Third Bank holds a balance of \$14,472.24, and total expenditures were \$6,454.71 in approved payments, giving an ending balance of \$357,128.83. Trustee DeRuntz listed proposed expenditures in the amount of \$519,529.86, which included the following: an invoice from the Village of Gurnee in the amount of \$512,339.98; an invoice from Linda Spring in the amount of \$6,964.88; payment to Angela Moreno for the regular February Meeting in the amount of \$150.00; and payment to Eder, Casella & Co. for auditing services in the amount of \$75.00.

Trustee DeRuntz recommended withholding payment to the Village of Gurnee until the District has sufficient funds available.

Trustee DeRuntz made a motion to pay the proposed expenditures with the exception of the Village of Gurnee. Trustee Klauber seconded the motion.

Discussion: President Badtke requested that Ms. Spring's billing reflect meetings separately. The current invoice combines office conferences that occurred on the same day. Ms. Spring stated that she would oblige.

AYES: Badtke, DeRuntz, Klauber NAYS: None. Motion carried.

Trustee DeRuntz stated that he received a letter from the Village of Gurnee Finance Director Tina Smigielski regarding a payment received from Cambridge Homes in the amount of \$11,400 for Fire District Impact Fees. Ms. Spring stated that this is the first time the Fire District received a payment of impact fees. She explained that an attorney from Cambridge Homes contacted her and explained that the development is in the District, but within the distance from the Village that they have to comply with the Village zoning requirements. The District cannot pass any type of fire impact fee, however Ms. Spring found that the Village collects it when the construction is within the District. Ms. Spring could not recall the District ever receiving this type of fee as long as she has represented it.

President Badtke requested that Trustee DeRuntz look into other developments within the District that could have paid impact fees to the Village and whether those fees were paid to the District. Trustee DeRuntz stated he would follow up on that.

Mr. Chamberlain recommended that the District consider an impact fee ordinance. Ms. Spring stated that there is legislation pending right now that would allow Lake County to collect impact fees on behalf of the various taxing districts within the county. Ms. Spring will continue to monitor this legislation.

Trustee DeRuntz supplied the Trustees with W-4 forms to complete in order to set up the stipend that is paid to each of them as a payroll item, as advised by Eder, Casella & Co.

Secretary's Report: None.

Fire Chief's Report: Chief Friedl supplied the Trustees with a handout detailing a fire that occurred at 17916 W. Pond Ridge Dr. on March 15th. He stated that the family was alerted to the fire by working smoke detectors. He will follow up with the Trustees via email when an After-Fire Meeting is scheduled.

Chief Friedl stated that the Fire Department received an \$88,875 grant from the Department of Homeland Security to implement SAFER (Smoke Alerting For Every Resident). He explained that this program will focus on high-risk fire neighborhoods and that firefighters will go out and distribute smoke detectors, batteries and a fire safety message. This program will primarily be aimed at neighborhoods that fall within the District's jurisdiction.

Chief Friedl commented on outstanding ambulance bills that have been submitted. In two instances, the individuals requested that the insurance payment be applied, and Chief Friedl reviewed those cases and recommended that the insurance assignment be accepted. These cases have not been resolved at this time. Both cases are from November 2004. Ms. Spring advised that there is an item later on the agenda regarding this issue, at which time the Board can take action in resolving these cases.

President Badtke referred to the 2004 User Fee Survey that Chief Friedl supplied the Trustees last month, and requested clarification on the data contained in the report. Chief Friedl stated the survey provides a look at the fee structure of other municipal agencies throughout the state in order to compare the Gurnee Fire Department's fees.

Attorney's Report: None.

Citizen's Advisory Group: President Badtke stated that the Citizen's Advisory Group did not meet this month, and they do not feel it necessary to meet any further.

Trustee Badtke made a motion to dissolve the Citizen's Advisory Group and remove them from further agendas, Trustee Klauber seconded.

AYES: Badtke, DeRuntz, Klauber

NAYS: None.

Motion carried.

Old Business

Village of Gurnee Contract: President Badtke reported that he and Ms. Spring met with Jim Hayner, Gurnee Village Administrator, Tina Smigielski, Gurnee Village Finance Director and Chief Friedl regarding contract negotiations with the Village. President Badtke and Ms. Spring shared the Board's financial information as well as a draft of the proposed contract. President Badtke supplied the Trustees with a confidential letter from Ms. Spring, which included a summary of that meeting as well as her thoughts about the meeting. President Badtke stated that the meeting went amiably.

In response to the meeting, Mr. Hayner sent a letter to President Badtke, which stated in summary that the Village is willing to work toward a fixed contract, but will require more time to review their budget. The Village will be in contact over the next 30 days.

DUI Ordinance: Ms. Spring emailed a draft DUI ordinance to the Trustees prior to the meeting. The ordinance defines “driving under the influence” and “emergency response” and outlines the terms of the ordinance which would include that if a person is convicted of driving under the influence within the district, they would be required to make restitution to the district for each emergency response, not to exceed \$1,000.00 for each emergency response. The ordinance requests that the fire department personnel who participated in the response make a log of the emergency response, which would be provided to the State’s Attorney setting forth the cost. It would also authorize the Fire Chief to formally request the State’s Attorney to assist the District in obtaining the restitution.

President Badtke questioned whether this should be reviewed with the Village of Gurnee prior to approval. He noted it would also require the assistance of the Lake County Sheriff’s Department.

Mr. Chamberlain commented that it could be difficult to collect these fees, and noted that this would also require coordination with the City of Park City. President Badtke added that a mutual aid call could require the assistance of other municipalities. Mr. Chamberlain suggested waiting to see how Countryside Fire Protection District’s DUI Ordinance (which was passed 2-3 months ago) is actually functioning before approving this.

President Badtke asked Chief Friedl to review the draft contract in order to determine how it relates to the Village of Gurnee. Chief Friedl agreed to review it and will report back to the Board next month.

Ms. Spring recommended discussing the proposed ordinance with the State’s Attorney’s Office to determine the smoothest way to handle having the charge placed in the accused person’s file prior to them coming up for sentencing. The initial follow-up to ensure that the charge is put into their file will require work on the part of the District, and then it will be a matter of waiting for payment. Ms. Spring will contact the State’s Attorney’s Office to discuss this.

Resident Newsletter: Tabled.

Bank Changes: Trustee DeRuntz stated that he met again with Northside Community Bank, and recommended establishing a relationship with this bank. The bank has asked for a formal resolution to form this relationship. He recommended having all of the Trustees have their signatures on the account because it’s likely that each of the Trustee’s roles will change in the future and this will ensure that they are all able to sign on the account.

Ms. Spring recommended that the account be set up so that checks require two signatures, and the Trustees agreed.

President Badtke stated that the Village of Gurnee has requested electronic payments. Discussion was had and the Trustees agreed not to set up electronic payments.

Trustee Klauber made a motion to move the District's account from Fifth Third Bank to Northside Community Bank. Trustee Badtke seconded the motion.

AYES: Badtke, DeRuntz, Klauber NAYS: None. Motion carried.

Trustee Klauber made a motion to require two signatures per check. Trustee Badtke seconded the motion.

AYES: Badtke, DeRuntz, Klauber NAYS: None. Motion carried.

Trustee Badtke made a motion to approve the resolution provided by Northside Community Bank pending Ms. Spring's approval. Trustee Klauber seconded the motion.

AYES: Badtke, DeRuntz, Klauber NAYS: None. Motion carried.

Website: Tim Spyridon provided a draft contract to Ms. Spring for review. Ms. Spring made a minor change to include a "work for hire" provision, which means that the work Mr. Spyridon does for the District belongs to the District if either party terminates the contract.

Trustee Klauber made a motion to approve the contract. Trustee Badtke seconded the motion.

AYES: Badtke, DeRuntz, Klauber NAYS: None. Motion carried.

Mr. Spyridon stated the next step is for him to provide Trustee Klauber and Ms. Spring with a list of the documents and other items that he will require to begin construction of the website. The Board agreed that Trustee Klauber would be Mr. Spyridon's contact person on the Board.

Ambulance Billing: Tabled.

New Business

Meeting Dates: Ms. Spring provided the Trustees with a proposed list of meeting dates for 2005-2006.

Trustee Klauber made a motion to accept the dates proposed by Ms. Spring. Trustee DeRuntz seconded the motion.

AYES: Badtke, DeRuntz, Klauber NAYS: None. Motion carried.

Contract Termination: President Badtke explained that in order to move forward with negotiations with the Village of Gurnee regarding the new contract, it is necessary to terminate

the 2006-2007 contract. This is a cooperative move with the Village of Gurnee. This contract automatically renews if it is not formally terminated.

Trustee DeRuntz made a motion to formally terminate the 2006-2007 contract with the Village of Gurnee. Trustee Klauber seconded the motion.

Trustee DeRuntz commented that he appreciates President Badtke and Ms. Spring's work on the new contract, as well as Mr. Hayner and Chief Friedl's cooperation in this process.

AYES: Badtke, DeRuntz, Klauber NAYS: None. Motion carried.

President Badtke requested that Ms. Spring formally present the Village of Gurnee with a termination in the form of a letter, which should also state that the termination is in conjunction with the Village of Gurnee's commitment towards finalizing a new draft contract. Ms. Spring will send a draft to President Badtke prior to sending it to the Village.

Ambulance Billing Complaints Guidelines: President Badtke explained that when a resident files a complaint, it goes to the Gurnee Fire Department for review. The complaint is then forwarded to the District, less personal information (to comply with HIPAA standards). President Badtke recently reviewed the resolution concerning ambulance billing complaints guidelines, and is now requesting input from the Trustees to consider with regard to this resolution. As an example, President Badtke suggested creating a standard response that would identify the current billing process, which could be used for inquiries.

Currently, if a resident calls the Fire Department with a complaint, the Fire Department staff will collect as much information as possible prior to passing it on to the Fire District for action. Chief Friedl stated that a standard response would be helpful in order to explain the process and would answer many questions.

The Trustees agreed to request that Ms. Spring draft a letter to the Fire Chief outlining the standard response that the District would like the Secretary to use when receiving resident ambulance complaints. President Badtke stated that in the case that the standard response does not satisfy the resident's need, or in the case that the action taken by District is not satisfactory, the Fire Department will inform the resident that they may attend a Fire District meeting in order to request more action.

Ambulance Billing Complaints: Chief Friedl supplied the Trustees with two ambulance billing complaints. Both complaints occurred prior to the District's new policy, which allows the Fire District to only collect the amount the insurance is going to pay.

Trustee Klauber made a motion to accept payment in the amount of only what the insurance company in each case is willing to pay. Trustee DeRuntz seconded the motion.

AYES: Badtke, DeRuntz, Klauber NAYS: None. Motion carried.

Annexations: The District did receive some annexations this month, located on River Road, south of Rt. 120. President Badtke asked Ms. Spring if there is any way to determine the effect that this would have on the EAV. Ms. Spring stated that the first thing to find out is whether that annexation would make the territory non-contiguous, which would give the District statutory grounds to object. In order to determine non-contiguity, a surveyor would need to be hired to determine if removing that piece would isolate any part of the District. If it would not affect the contiguity of the District, the next thing to examine is if it would affect the District's ability to respond to fire. This is an extremely high burden to prove because the court's position is that it results in less property to serve, so is therefore a wash. Ms. Spring's opinion is that it is not a wash because it does not reduce the amount of equipment needed.

Ms. Spring stated that one way to determine the impact would be to use the PIN number of the property and look at how much the taxes were over the past two years. However, this is undeveloped property, and when it is developed, it will generate a lot more tax money. It was stated that there might be a proposed development on this property.

Ms. Spring also stated that the notice is required to be sent to all three Trustees, and due to the fact that it was only sent to President Badtke, the District can object on the ground of a statutory error.

President Badtke requested that Ms. Spring further look into this matter in order to calculate the prospective impacts, and additionally, gather information regarding how much land has been annexed from the District over the last five years.

Current Gurnee Budget: President Badtke distributed copies of the Village's proposed budget. He noted that the fire department has six firefighters that are contracted, and that this budget proposes that they are not hired as full-time firefighters and that they continue to lease two ambulances rather than purchase them.

President Badtke pointed out that on Table A, the dollar figures of '04-'05 are over budget, which means that the adjustment to the District from the Village at the end of this fiscal year will likely be a charge instead of a credit as it has been in years past.

President Badtke noted that in Section 2, page 11, the Village has listed one of its objectives as being to sustain its relationship with the District. He reviewed several sections of the budget with the Trustees, and requested that they further review several sections.

Secretarial contract: President Badtke stated that he would like to compensate Mrs. Moreno for extra work that she does for the District, outside of the realm of her contract. Mrs. Moreno requested a compensation rate of \$30 per hour for additional work. As Mrs. Moreno is requested to do additional work, she will have the discretion to accept or decline projects based on her personal time constraints. President Badtke will make all requests of Mrs. Moreno, should the other Trustees have requests, they should go through him.

President Badtke made a motion to compensate Mrs. Moreno at a rate of \$30.00 per hour for additional work. Trustee Klauber seconded the motion.

AYES: Badtke, DeRuntz, Klauber

NAYS: None.

Motion carried.

Toll Highway Emergency Response Compensation: The Toll Highway Authority pays for rescue calls that are made on the tollway and it pays the various bodies that have responsibility for that part of the tollway. Last month President Badtke inquired about how these calls are handled, and how much of the tollway goes through the Village and how much goes through the District. President Badtke referenced a comment made at a previous meeting that non-resident ambulance fees collected for calls on the tollway went to the Village and that none went to the District. President Badtke referred to a map of the District, which illustrated that parts of I-94 run through the District.

Chief Friedl explained that the Tollway Authority contracts with specific jurisdictions for service on I-94, and has had a contract with the Village of Gurnee for several years. Even though sections of I-94 run through the District, the contract is directly with the Village. The Tollway Authority does not pay taxes, which means that it does not fall within the jurisdiction of the District or the Village.

Mr. Chamberlain stated that Ms. Smigielski at the Village would be able to better explain this. President Badtke and Ms. Spring will discuss this further at their next meeting with the Village.

Mutual Aid Calls: President Badtke inquired as to how mutual aid calls are compensated, for example if the Gurnee Fire Department sends an ambulance to Grayslake, and they pick up a non-resident of neither Gurnee or Grayslake, does the Village bill the non-resident for the call? Chief Friedl explained that if a call occurs within the District that requires assistance from another municipality, those additional units are viewed as Gurnee's units, and those non-residents would be billed. That is to say that if a Gurnee Fire Department unit goes to Grayslake to assist, it becomes Grayslake's unit, and if a Grayslake unit comes to the Village of Gurnee or the District, it becomes Gurnee's unit, and would follow the non-resident billing ordinance.

Additional Consultants: President Badtke stated that at last year's Trustee Training, he met with some representatives from Ottosen, Trevarthen, Britz, Kelly & Cooper, Ltd., who offered to review the proposed contract and to discuss the District's options. President Badtke requested that the Trustees allow him to use this firm to review the contract. He stated that the firm currently has 18 lawyers, and represents 80 fire districts in various capacities, and that they had interesting comments regarding the District's options and ways for the District to achieve what it is set out to achieve. He further stated that he has no intention to hire this firm on a permanent basis, but rather that he feels the District would benefit from their services. Their fee is \$175.00 per hour.

Trustee DeRuntz asked what their scope of services would be, and President Badtke stated that he would like them not only to review this proposed agenda, but also to review the District's

calculations of potential financial adjustments in order to determine if they are viable adjustments that the District should pursue.

President Badtke stated that he feels it is very important to have a second set of eyes examine the contract due to the very large sum of money involved. The firm has suggested a fee of \$2,025.00 to review the contract.

Trustee DeRuntz commented that the timing in doing this is completely appropriate, but prior to moving forward, the Board should clearly outline what the scope of services is going to be. He requested that communications between this firm be shared amongst all of the Trustees and Ms. Spring.

Ms. Spring stated that while she will work with anybody that the Board directs her to work with, she is concerned that the Board will be paying for the same work twice.

Trustee Klauber expressed concern over hiring additional lawyers when the District already has one, and stated he feels it is redundant. He asked the other Trustees if there have been problems with the District's current attorney. President Badtke stated that Ms. Spring was the attorney for the prior Board and that he wanted to see things change, and this Board has come a long way. He went on to state that while Ms. Spring has done a tremendous amount of work over the last couple of months, prior to that he was looking for a lot of changes and input that was not provided. President Badtke stated that with a \$2 million contract and financial adjustments that could amount to a large sum of money, it is important for the Board to be as frugally responsible as possible, and having this firm review the contract could help with that mission.

Trustee Klauber stated that he believes Ms. Spring has handled things extremely well, he is thankful for her hard work, and will not vote to hire this firm. Ms. Spring stated that as the District's attorney, she has worked at the direction of the Board, and she does not believe that there has been anything that this Board has asked her to do that she has not completed accurately and professionally. Furthermore, she has never been informed by any Trustee that there has been a problem with the work she has done.

Much discussion was had regarding this issue.

President Badtke made a motion that the District use the law firm of Ottosen, Trevarthen, Britz, Kelly & Cooper, Ltd., to review and recommend on the proposed contract with the Village of Gurnee not to exceed twenty hours, and all communication with this firm would be documented to all of the Trustees as well as the District's attorney. Trustee DeRuntz seconded the motion.

AYES: Badtke, DeRuntz

NAYS: Klauber

Motion carried.

Public Comment:

Mr. Chamberlain stated that he agreed with Trustee Klauber that hiring another firm is redundant, and if the Board isn't confident in their attorney, they should hire another attorney, otherwise let her do her job. Mr. Chamberlain further stated that he agrees with the Board's proposal for a fixed rate contract, however he does not believe that the potential adjustments are valid. He believes the Village and the District are moving in the right direction toward agreeing on a contract.

Mr. Kavanaugh asked why the Treasurer's Report is no longer available to the public. Trustee DeRuntz stated that it is available, he simply does not bring extra copies, but he will in the future.

Closed Session: None.

Next Meeting: The next meeting of the Warren-Waukegan Fire Protection District will be April 20, 2005 at 7:30 p.m. Ms. Spring reviewed the agenda items with the Trustees.

Adjournment:

Having no further business to come before the Board, Trustee Klauber made a motion to adjourn at 9:56 p.m. Trustee DeRuntz seconded the motion.

AYES: Badtke, DeRuntz, Klauber

NAYS: None.

Motion carried.

Secretary of WWFPD

Date Minutes approved.