

# Village of Lemont

418 Main Street • Lemont, Illinois 60439

*Village of Faith*

Mayor  
Brian K. Reaves

Village Clerk  
Charlene M. Smollen

Trustees  
Debby Blatzer  
Paul Chialdikas  
Clifford Miklos  
Rick Sniagowski  
Ronald Stapleton  
Jeanette Virgilio

Administrator  
Benjamin P. Wehmeier

Administration  
phone (630) 257-1590  
fax (630) 243-0958

Building Department  
phone (630) 257-1580  
fax (630) 257-1598

Planning & Economic  
Development  
phone (630) 257-1595  
fax (630) 257-1598

Engineering Department  
phone (630) 257-2532  
fax (630) 257-3068

Finance Department  
phone (630) 257-1550  
fax (630) 257-1598

Police Department  
14600 127th Street  
phone (630) 257-2229  
fax (630) 257-5087

Public Works  
16680 New Avenue  
phone (630) 257-2532  
fax (630) 257-3068

[www.lemont.il.us](http://www.lemont.il.us)

## VILLAGE BOARD COMMITTEE OF THE WHOLE MEETING

DECEMBER 20, 2010 - 7:00 P.M.

- I. CALL TO ORDER.
- II. ROLL CALL.
- III. DISCUSSION ITEMS
  - A. DISCUSSION OF LIQUOR LICENSE TEXT AMENDMENT FOR LITHUANIAN WORLD CENTER.  
(ADMINISTRATION)(REAVES)(WEHMEIER/SCHAFFER)
  - B. DISCUSSION OF FENCE VARIATION - GLENS OF CONNEMARA.  
(PLANNING & ED)(STAPLETON)(BROWN/JONES)
  - C. DISCUSSION OF MISCELLANEOUS ORDINANCES - HOUSEKEEPING VERBAL UPDATE  
(ADMINISTRATION)(REAVES)(WEHMEIER/SCHAFFER)
  - D. DISCUSSION OF BY-LAWS - SWAHM.  
(ADMINISTRATION)(REAVES)(WEHMEIER/SCHAFFER)
  - E. IPBC/SWAHM 101 (HEALTH INSURANCE) - WITH UPDATE.  
(ADMINISTRATION)(REAVES)(WEHMEIER/SCHAFFER)
  - F. IRMA - (RISK MANAGEMENT) - WITH UPDATE.  
(ADMINISTRATION)(REAVES)(WEHMEIER/SCHAFFER)
- IV. UNFINISHED BUSINESS.
  - A. DISCUSSION OF FACADE GRANT PROGRAM - 115 STEPHEN STREET  
(PLANNING & ED)(STAPLETON)(BROWN/JONES)
- V. NEW BUSINESS.
- VI. AUDIENCE PARTICIPATION.
- VII. ADJOURN.

**Village Board  
Agenda Memorandum**

Item #

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to: Mayor & Village Board

from: Ben Wehmeier, Village Administrator  
George Schafer, Assistant Village Administrator  
Dan Blondin, Village Attorney

Subject: Amending Class A-6 Liquor License

date: December 15, 2010

**BACKGROUND/HISTORY**

The Village was approached by the Lithuanian World Center to allow alcohol sales within a small café within the center, which meets all requirements from location of the school and religious operations of the complex. It was determined that under the existing license, this would not be allowed. Subsequently, it was determined by administration, law enforcement, and legal council that the best method was to amend this license to allow for this operation. The main goal was to ensure that the overall responsibility and liability rests with the overall center. Attached is an amendment to the current code to allow this.

**ATTACHMENTS (IF APPLICABLE)**

Ordinance Amending Class A-6 Liquor License

**VILLAGE OF LEMONT  
ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE AMENDING THE LEMONT MUNICIPAL CODE TO  
ESTABLISH CLASS A-6 LICENSES**

**(Liquor – Class A-6 License)**

**ADOPTED BY THE  
PRESIDENT AND THE BOARD OF TRUSTEES  
OF THE VILLAGE OF LEMONT  
THIS \_\_\_ DAY OF \_\_\_\_\_, 2010**

**Published in pamphlet form by  
Authority of the President and  
Board of Trustees of the Village of  
Lemont, Counties of Cook, Will and  
DuPage, Illinois, this \_\_\_ day of \_\_\_\_\_, 2010.**

**AN ORDINANCE AMENDING THE LEMONT MUNICIPAL CODE  
REGARDING SPECIAL EVENT LIQUOR LICENSES  
(Liquor – A-6 License)**

BE IT ORDAINED BY THE Mayor and Village Board of the Village of Lemont, Lake County, Illinois, as Follows:

**SECTION 1:** Section 5.04.080 of the LEMONT MUNICIPAL CODE is hereby amended to amend section 5 and to read as follows:

5. Class A-5.

a. Class A-5 licenses shall authorize the sale of intoxicating liquor for consumption on the premises, if the premises are not open to the general public and primarily serve meals prepared in the kitchen of the establishment, having seating capacity for the service of meals at tables and/or counters for not less than fifty patrons at the same time.

b. The annual fee for a Class A-5 license shall be five hundred dollars, payable in two installments of two hundred fifty dollars each, the first installment of which shall be deposited with the application for a license and the second installment of which shall be due and payable on the first day of May or the first day of November, whichever occurs first.

c. There shall be issued in the Class A-5 category not more than ~~three~~ two licenses at any one time.

**SECTION 2:** Section 5.04.080 of the LEMONT MUNICIPAL CODE is hereby amended to add a new section 6 and to renumber the remaining subsections of Section 5.04.080 accordingly as follows:

**5.04.080 License--Fees--Classes of operators.**

8. Class A-6.

a. Class A-6 licenses shall authorize the sale of intoxicating liquor for consumption on the premises. Except as provided herein a Class A-6 premises shall not be open to the general public and shall primarily serve meals prepared in the kitchen of the establishment, having seating capacity for the service of meals at tables and/or counters for not less than fifty patrons at the same time. Provided, the Class A-6 premises may conduct incidental sales of intoxicating liquor for consumption on the premises to the general public during such times as food

service is available and the premises are otherwise in use for athletic or cultural events consistent with the purpose of the licensee.

b. The annual fee for a Class A-6 license shall be five hundred dollars, payable in two installments of two hundred fifty dollars each, the first installment of which shall be deposited with the application for a license and the second installment of which shall be due and payable on the first day of May or the first day of November, whichever occurs first.

c. There shall be issued in the Class A-6 category not more than one license at any one time.

**SECTION 3:** That the Village Clerk of the Village of Lemont be and is directed hereby to publish this Ordinance in pamphlet form, pursuant to the Statutes of the State of Illinois, made and provided.

**SECTION 4:** Should any Section or provision of this Ordinance be declared by a Court of competent jurisdiction to be invalid, such decision shall not affect the validity of the Ordinance as a whole or any part thereof other than the part declared to be invalid.

**SECTION 5:** This ordinance shall be in full force and effect from and after its passage, approval and publication as provided by law.

(Remainder of this Page intentionally blank)

**PASSED AND APPROVED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF LEMONT, COUNTIES OF COOK, WILL, AND DUPAGE, LLINOIS, on this \_\_\_\_ day of \_\_\_\_\_, 2010.**

**PRESIDENT AND VILLAGE BOARD MEMBERS:**

	<b>AYES:</b>	<b>NAYS:</b>	<b>ABSENT:</b>	<b>ABSTAIN</b>
<b>Debby Blatzer</b>				
<b>Paul Chialdikas</b>	_____	_____	_____	_____
<b>Clifford Miklos</b>	_____	_____	_____	_____
<b>Ron Stapleton</b>	_____	_____	_____	_____
<b>Rick Sniegowski</b>	_____	_____	_____	_____
<b>Jeanette Virgilio</b>	_____	_____	_____	_____

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**BRIAN K. REAVES**  
**President**

ATTEST:

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**CHARLENE M. SMOLLEN**  
**Village Clerk**



Village of Lemont  
*Planning & Economic Development Department*

418 Main Street · Lemont, Illinois 60439  
phone 630-257-1595 · fax 630-257-1598

TO: Committee of the Whole #138-10

FROM: Charity Jones, Village Planner

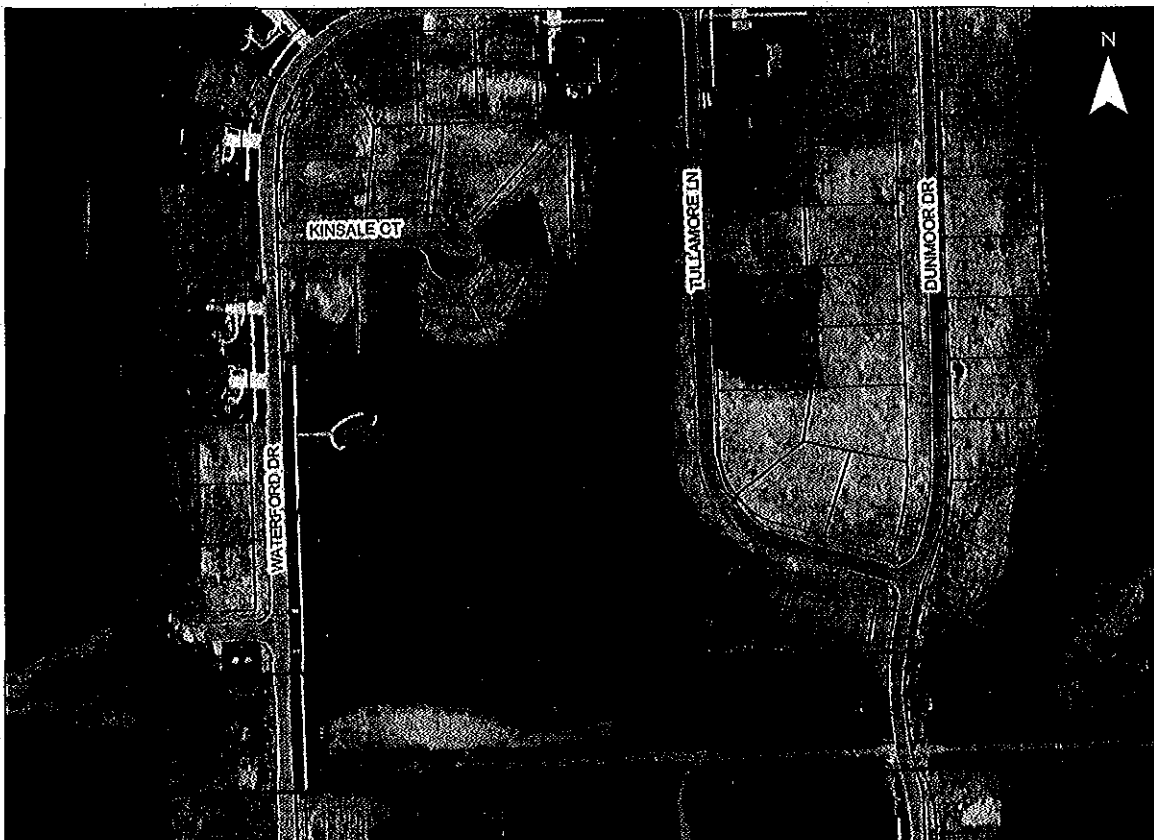
THRU James A. Brown, Planning & Economic Development Director

SUBJECT: Case 10-16 13154 Kinsale Court Variation

DATE: November 24, 2010

**SUMMARY**

Sonny Mondia, owner of the subject property, is requesting a variation to place a fence in the required corner side yard setback at 13154 Kinsale Court. The required corner side yard setback is 25 feet; the applicant is requesting no setback, an encroachment of 25 feet. Staff recommends approval; the Planning & Zoning Commission recommends approval, with conditions.



## CASE HISTORY

**PZC Public Hearing.** The Planning & Zoning Commission (PZC) reviewed the requested variation on November 17, 2010. The PZC agreed that the requested variation met the standards of the UDO, but a majority of the board felt that aspects of the applicant's proposed fence location were either unsafe, and/or an unnecessary visual intrusion in the neighborhood. Therefore, the PZC and voted 6-0 to recommend approval of the variation given the following conditions:

- The fence is located at least four feet off the west property line, instead of at the west property line as proposed by the applicant; and
- The fence is located five feet north of the southwest corner of the house (15 feet south of the driveway), instead of adjacent to the driveway as proposed by the applicant.

### PROPOSAL INFORMATION

Case No. 10.16  
Project Name 13154 Kinsale Court

General Information	
Applicant	Sonny Mondia
Status of Applicant	Owner of the subject property
Requested Actions:	Variation to allow placement of a fence along the subject site's west property line, a 25 foot encroachment into the required corner side yard setback.
Site Location	13154 Kinsale Court (PIN 22-35-203-001)
Existing Zoning	Lemont R-4, Single-Family Detached Residential
Size	12,783.27 sf; approx. .29 acres
Existing Land Use	Single-family residential (under construction)
Surrounding Land Use/Zoning	North: Vacant, Lemont R-4
	South: Recreation – public park, Lemont R-4
	East: Residential, Lemont R-4
	West: Residential, Lemont R-4
Comprehensive Plan 2002	The Comp Plan calls for this site to low density residential.
Zoning History	The site is currently under construction; a single-family home is being built.
Special Information	
Public Utilities	The site is serviced with Village water or sewer.
Transportation	Traffic impact study not required.
Physical Characteristics	Site has no unusual topography or plant materials.
Other	The covenants and restrictions for the Glens of Connemara only allows black wrought iron or aluminum fences, style "Jerith Classic Design #202". The maximum fence height allowed by the covenants is five feet.



## STANDARDS FOR VARIATIONS

UDO Section 17.04.150.D states that variation requests must be consistent with the following three standards to be approved:

1. The variation is in harmony with the general purpose and intent of the Unified Development Ordinance;

**Analysis.** The general purpose of the UDO is specified in UDO Section 17.01.050. Of the eight components listed, three are clearly not applicable to this variation request. The variation request is consistent with the remaining five components.

- *Promoting and protecting the general health, safety and welfare.* The proposed variation should have no impact on public safety, health or welfare. The proposed fence would be placed outside the vision triangle identified in UDO Figure 17-12-01 and therefore, would not create a hazard for pedestrians or motorists.
  - *Ensuring adequate natural light, air, privacy, and access to property.* The proposed variation would not negatively impact light or air to the property. The fence would improve privacy for the homeowners and limit access to the property by others who may walk on the site going to or from the adjacent park.
  - *Avoiding or mitigating the hazards to persons and property resulting from accumulation of runoff or flood waters.* The proposed fence variation will have no effect on runoff or flood waters.
  - *Protecting the character of established residential neighborhoods.* The neighborhood is still under construction is therefore not an established neighborhood.
  - *Conserving the value of land and buildings throughout the Village.* The proposed fence variation would have no impact on land or building values throughout the Village.
2. The plight of the owner is due to unique circumstances and thus strict enforcement of the Unified Development Ordinance would result in practical difficulties or impose exceptional hardships due to the special and unique conditions that are not generally found on other properties in the same zoning district;

**Analysis.** The applicant claims that the unique circumstance in this case is the fact that there are no homes immediately behind his lot. Instead, the space is occupied by a park; the applicant claims that unless the requested fence is installed people will be encouraged to walk across his property on their way to or from the park. He concludes that this creates a practical difficulty for him, one not present for other lots in the R-4 zoning district.

The circumstances of the applicant's lot are not typical. Usually, in evaluating corner side yard variation requests the Village is concerned with examining impacts to adjacent neighbors whose front yards are adjacent to a corner side yard variation. In this case there are no such neighbors.

Although this circumstance is unique, it is not without precedent. A corner side yard fence variation was approved for 12655 Thornberry Drive in 2006 which permitted a 22 ft encroachment into the required corner side yard setback (Case 26-23). 12655 Thornberry is situated on the corner of Thornberry Drive and Smith Road; to the rear of the site are a utility right of way and a detention pond. Across Smith Road is the Citgo refinery. Staff recommended approval of the variation based on the finding that that the property's location and its adjacent land uses created unique circumstances.

Consistent with past precedent, staff finds that there are unique circumstances related to this site that would not generally be applicable to other similarly zoned properties. However, these unique circumstances must also cause strict enforcement of the UDO to impose practical difficulties or exceptional hardships for the homeowner.

As mentioned previously, the subdivision is still being constructed and the subject site itself is currently under construction. It is difficult to predict whether people will actually cross the subject site on their way to and from the adjacent park, as the applicant claims. Staff does not find this to be a practical difficulty or a hardship.

Since the proposed fence will be an open design as required by the subdivision covenants, it has minimal visual impact for passerby, neighbors across the street, or users of the park. The corner side yard fence setback protects homeowners adjacent to the rear of a corner lot. In this case there are no neighbors to the rear of the site to be impacted by the fence placement. Therefore, to require compliance with the corner side yard fence setback does create an undue burden; it limits the applicant's use of his property while not providing any offsetting benefit to the rest of the community. Staff finds that strict enforcement of the UDO does create an exceptional hardship for the applicant due to these unique circumstances related to the subject site.

3. The variation will not alter the essential character of the locality and will not be a substantial detriment to adjacent property.

**Analysis.** The requested fence variation will not alter the essential character of Lemont. There are two properties immediately adjacent to the subject site; the park to the south and the single-family home site to the east. The home to the east would not be impacted by the fence variation. The fence variation would not create any interference with public use of the park to the south.

## **CONCLUSIONS & RECOMMENDATIONS**

Staff recommends approval of the requested variation.

## **ATTACHMENTS**

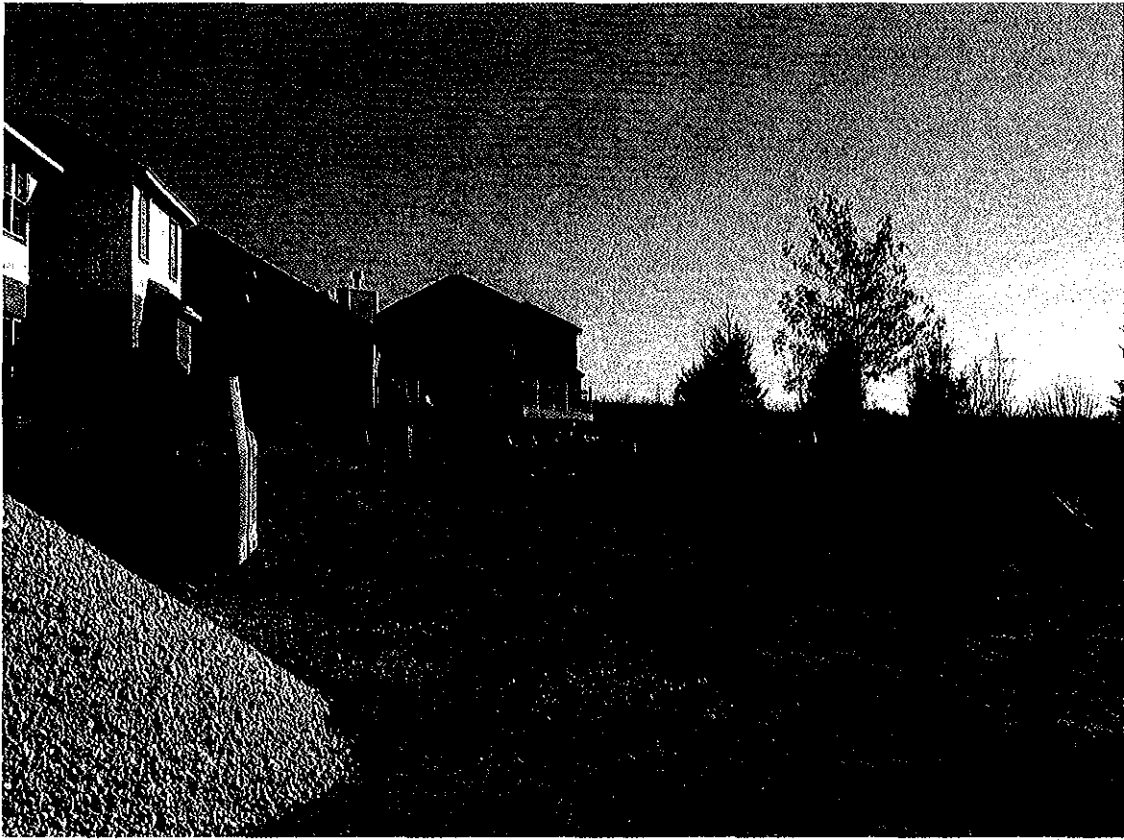
1. Site Photos
2. Applicant submittals
3. Draft PZC 11-17-10 meeting minutes



Subject Site – viewed from west



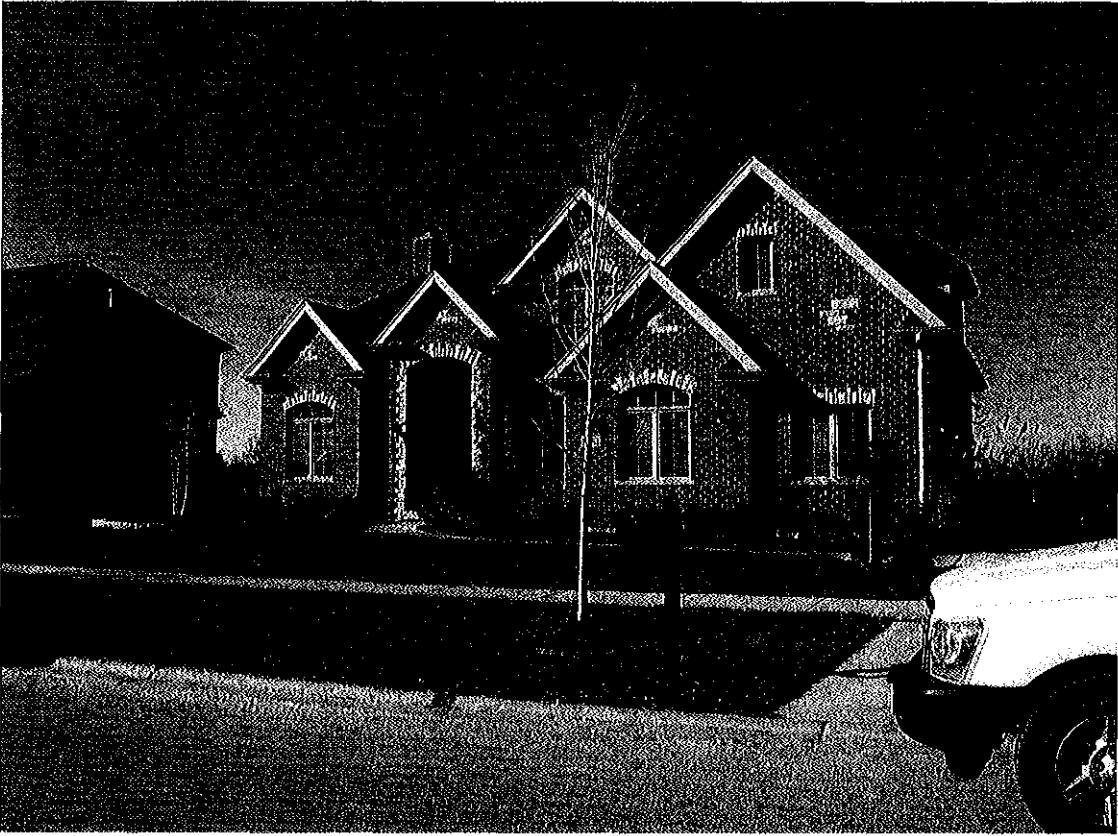
Subject Site – west side of lot



Subject site – south side of lot



South of subject site



West of subject site



North of Subject Site

# Variation Application Form

## APPLICANT INFORMATION

Applicant Name Sonny Mondia

Company/Organization

Applicant Address 13154 Kinsale Ct Lemont, IL 60439

Telephone & Fax 630-935-6483

E-mail MRDCK58@hotmail.com

### CHECK ONE OF THE FOLLOWING:

- Applicant is the owner of the subject property and is the signer of this application.
- Applicant is the contract purchaser of the subject property.
- Applicant is acting on behalf of the beneficiary of a trust.
- Applicant is acting on behalf of the owner.

## PROPERTY INFORMATION

Address of Subject Property/Properties 13154 Kinsale Ct Lemont, IL 60439

Parcel Identification Number of Subject Property/Properties

Size of Subject Property/Properties

## DESCRIPTION OF REQUEST

Brief description of the proposed variation Fence Variation

Add 25 feet as opposed to the 5 Foot requirement on a corner lot home.

## REQUIRED DOCUMENTS

See Form 500-A, Variation Application Checklist of Required Materials, for items that must accompany this application.

### FOR OFFICE USE ONLY

Application received on 10-25-10

By C. Jones

Application deemed complete on 10-26-10

By C. Jones

Current Zoning R-4 ROD

Fee Amount Enclosed: \$250

Escrow Amount Enclosed: \$500

# Variation Application Form

Village of Lemont

## APPLICATION FEE & ESCROW

**Application Fee = \$250 (per zoning lot)**


Fee is non-refundable. A zoning lot is defined as "a single tract of land located within a single block that (at the time of filing for a building permit) is designated by its owner or developer as a tract to be used, developed, or built upon, under single ownership or control" (Unified Development Ordinance Chapter 17.02).

**Required Escrow = \$500**

At the time of application, the applicant shall submit a check for the establishment of an escrow account. The escrow money shall be used to defray costs of public notice, consultants, or other direct costs incurred by the Village in association with the variation application. Additionally, should the applicant fail to remove the required public notice sign in a timely manner, the escrow account may be used to defray the costs of the sign's removal. After completion of the variation review process, any unused portion of the escrow account will be refunded upon request.

## AFFIRMATION

I hereby affirm that I have full legal capacity to authorize the filing of this application and that all information and exhibits herewith submitted are true and correct to the best of my knowledge. I permit Village representatives to make all reasonable inspections and investigations of the subject property during the period of processing of this application. I understand that as part of this application I am required to establish an escrow account to pay for direct costs associated with the approval of this application, such as the fulfillment of public notice requirements, removal of the public notice sign, taking of minutes at the public hearing and fees for consultants hired by the Village to evaluate this application. I understand that the submitted fee is non-refundable and that any escrow amount leftover upon project completion will be refunded upon request. I understand that I am responsible for the posting of a public hearing sign and for the mailing of legal notice to all surrounding property owners as required by Village ordinances and state law.

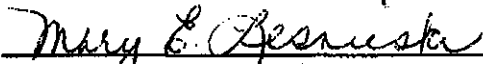
  
Signature of Applicant

10-18-10  
Date

IL  
State

COOK  
County

I, the undersigned, a Notary Public in and for the aforesaid County and State, do hereby certify that Sonny T. Mondia is personally known to me to be the same person whose name is subscribed to the foregoing instrument, and that said person signed, sealed and delivered the above petition as a free and voluntary act for the uses and purposes set forth.

  
Notary Signature

Given under my hand and notary seal this 22nd day of October A.D. 20 10.

My commission expires this 30th day of January A.D. 20 12.





# Variation Criteria Worksheet

Unified Development Ordinance (UDO) Section 17.04.150.D.1 establishes the criteria that all applications for variations must meet. In addition, Section 17.04.150.D.2 of the Unified Development Ordinance requires that the Planning & Zoning Commission or Zoning Hearing Officer take the following conditions into consideration when determining whether a request qualifies for a variation. You may want to consider the following in your variation request:

- The particular physical surroundings, shape, or topographical condition of the specific property involved results in a particular hardship upon the owner, as distinguished from a mere inconvenience, if the strict letter of the regulations of the Unified Development Ordinance were fulfilled;
- The conditions upon which the petition for variation is based would not be applicable, generally, to other property within the same zoning classification;
- The alleged difficulty or hardship has not been created by any person presently having an interest in the property;
- The granting of the variation will not be detrimental to the public welfare or injurious to other property or improvements in the neighborhood in which the subject property is located; and
- The variation will not impair an adequate supply of light and air to adjacent properties, or substantially increase the congestion in the public streets, or increase the danger of fire, or endanger the public safety, or substantially diminish or impair property values within the neighborhood.

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Please describe below how your variation request meets the criteria of UDO Section 17.04.150.D.1. Attach additional sheets if necessary.

## UDO Section 17.04.150.D.1.a

The variation is in harmony with the general purpose and intent of the Unified Development Ordinance;

Being that our fence would not back up to another home, the request is in harmony with the general purpose and intent of the UDO.

**UDO Section 17.04.150.D.1.b**

The plight of the owner is due to unique circumstances and thus strict enforcement of the Unified Development Ordinance would result in practical difficulties or impose exceptional hardships due to the special and unusual conditions that are not generally found on other properties in the same zoning district; and

Being that our fence backs up to a park and not another home, the request is in harmony of the UDO. The enforcement of the UDO would allow others to cut through our yard/grass to get to the park that sits behind our home. This would create practical difficulties that are not generally found on other properties in the same zoning district.

**UDO Section 17.04.150.D.1.c**

The variation will not alter the essential character of the locality and will not be a substantial detriment to adjacent property.

None whatsoever

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**Village of Lemont**  
**Planning and Zoning Commission**  
Regular Meeting of November 17, 2010

A meeting of the Planning and Zoning Commission of the Village of Lemont was held at 6:30 p.m. on Wednesday, November 17, 2010, in the second floor Board Room of the Village Hall, 418 Main Street, Lemont, Illinois.

**I. CALL TO ORDER**

**A. Pledge of Allegiance**

Chairman Schubert led the Pledge of Allegiance.

**B. Verify Quorum**

Upon roll call the following were:

Present: Armijo, Erber, Maher, Murphy, Spinelli, Schubert

Absent: O'Malley

Village Planner Charity Jones and Village Trustee Ron Stapleton were also present.

**C. Approve Minutes**

Commissioner Erber made a motion, seconded by Commissioner Maher to approve the minutes of the October 20, 2010 meeting with no changes. A voice vote was taken:

*Ayes: All*

*Nays: None*

*Motion passed*

**II. CHAIRMAN COMMENTS**

Chairman Schubert asked the audience to stand and raise his or her right hand. He then administered the oath.

**III. NEW BUSINESS**

**A. Case #10-16: 13154 Kinsale Court.**

Public hearing for a requested variation to place a fence within the required corner side yard setback at 13154 Kinsale Court.

Commissioner Murphy made a motion, seconded by Commissioner Spinelli to open public hearing for Case #10-16. A voice vote was taken:

*Ayes: All*

*Nays: None*

*Motion passed*

Mrs. Jones stated that Mr. Mondia was requesting a variation to place a fence within the required corner side yard setback. She stated that in the R-4 zoning district for corner lots there is a corner side yard setback of 25 feet. She stated that the petitioner is requesting to place the fence at the property line. Mrs. Jones said the property line would be the west property line along Waterford Drive. She said that there are standards for variations. The first standard is consistency with the purpose and intent of the UDO but most of these are not applicable with this being a fence variation. One standard that is applicable is that the variation will not alter the essential character of an established neighborhood. She stated that this neighborhood is not established, the majority of the lots have not been built on at this time. Mrs. Jones stated that as far as the plight of the owner is due to unique circumstances, the property does not back up to other homes. She stated that the property does back up to a park. Mrs. Jones stated that she spoke to Louise Egofske, Lemont Park District, and she did not have any comments either way in regards to this case. She stated that staff does find because it backs up to a park, it can be considered a unique circumstance. She said even though it is unique, it is not entirely one of a kind. In 2006, a fence variation was approved for 12655 Thornberry Drive. These cases are similar, with one difference being that there were no homes across the street on the west side in the 2006 case.

Commissioner Murphy stated that they did a fence variation on Singer.

Mrs. Jones stated that she did not find any record on Singer, but there was one on Castlewood. She said there was another one on Ridge Road that was denied. These were the only three for a corner side yard setback.

Commissioner Murphy asked if this house was already under construction and if there would be a house directly across the street.

Mrs. Jones stated that the homes across the street to the west are already up. She stated that the park behind the house creates a unique circumstance. She said that the fence would be an open design as required by the subdivision covenants. Mrs. Jones stated that because of the style it would not have any visual impact to passers-by, neighbors, or users of the park. She said to require compliance with the corner side yard setback does create an undue burden. It limits the use of the property while not providing any offsetting benefit to the rest of the community. She stated that staff finds that strict enforcement of the UDO does create an exceptional hardship for the applicant due to these unique circumstances related to the subject site. She said one thing she forgot to mention is that the fence is outside of the vision triangle.

Mrs. Jones stated that the last standard is that it will not alter the essential character of the locality and will not be a substantial detriment to adjacent property. She said she does not see one fence altering the essential character of the locality. Also, with the design of the fence required by the subdivision covenants it would not be a substantial detriment to adjacent property.

Commissioner Spinelli stated that the permit plat shows a 30-foot yard setback

Mrs. Jones stated that it was misstated and it would be 30 feet.

Commissioner Schubert stated that his concern is that they would be setting precedence. He said that there are about five or six other properties in the area that could possibly come in for the same variation.

Mrs. Jones stated that some of those have homes behind them, which would be a different circumstance. She said there is one west of Dunmoor that could potentially be a candidate because of the Com Ed right-of-way. The difference is that the homes pick back up again with the one on Dunmoor. This property there is a park, a detention area and the Com Ed right-of-way between it and any other homes.

Commissioner Erber stated that he is trying to look at this aesthetically.

Mrs. Jones stated that it is an open design fence so it shouldn't have an aesthetic impact. She said that the fence doesn't go all the way to the front of the house. It starts halfway back past the driveway.

Mr. Stapleton asked if the fence was supposed to start at the back of the house.

Mrs. Jones stated that the fence could start at the front corner of the house.

Commissioner Murphy stated that her concern is the look of having the fence go all the way up to the driveway.

Chairman Schubert asked if the applicant wanted to come up and speak.

Sonny Mondia, 13154 Kinsale Court, Lemont, stated that fence was ornamental steel. He said that his concerns are that he backs up to a park and that people would be cutting through his yard to get to the park.

Chairman Schubert stated that he agreed, but the park is a good distance behind him. He then asked what was the reason for going all the way to the driveway.

Mr. Mondia stated that he would like to utilize as much of his yard as he could. He stated that he has children and two dogs.

Commissioner Spinelli stated that he would recommend having the fence five feet off of the property line and 15 feet south of the driveway edge. He said if you have a car backing out of the driveway and kids on the sidewalk the fence can block the view. He stated that you also need a little room on the sidewalk so kids do not hit their handlebars on the fence.

Commissioner Murphy stated that she agreed.

Chairman Schubert said that he would not recommend having a gate that leads out to a sidewalk and a street. He would rather see a gate that leads out to the driveway.

Mr. Mondia stated that he did take that into consideration and plans to have that gate locked.

Commissioner Maher asked what was the spacing of the fence. He said that this isn't a solid structure and feels that 15 feet might be too excessive.

Commissioner Spinelli stated that the applicant could put landscaping up later on and then it could become a solid barrier.

Chairman Schubert asked the applicant if he had any issues with the possible recommendations.

Mr. Mondia stated that he did have a dog run going in off of the garage that leads to a service door. He said that he wanted to make sure that it looks okay with the dog run.

Discussion continued on the requirements of the UDO.

Commissioner Spinelli stated that he would agree with four feet off of the property line instead of five, but still would recommend 15 feet off the driveway.

Mr. Mondia asked where that would put it with the dog run.

Mrs. Jones stated that it would be five feet north of the southwest corner of the house. She said it would not be even with dog run, that there would be a five feet overlap.

Commissioner Maher said that he thinks that the 15 feet is still too high.

Chairman Schubert stated that they were trying to help the gentleman from getting his yard trampled on. He said he did not want to set precedent when there are still corner lots that are waiting to be built on in this subdivision.

Mrs. Jones stated that she spoke with a couple of the neighbors and they had no concerns or comments.

Edward Kowalewicz, 13108 Kinsale Court, Lemont stated that his reason for coming was that he had two children, and he was wondering if the fence was going up all the way to the sidewalk. He said he did not have a problem with any of the recommendations. He said he agreed that the 15 feet was a little excessive, but did not want to see the fence right up to the sidewalk.

Chairman Schubert asked if there were any other comments.

Commissioner Spinelli made a motion, seconded by Commissioner Murphy to close the public hearing for Case #10-16. A voice vote was taken:

*Ayes: All*

*Nays: None*

*Motion passed*

Commissioner Spinelli made a motion, seconded by Commissioner Maher to recommend approval of Case #10-16 with the following recommendations:

1. The fence is placed with a four-foot setback from the west property line adjacent to the sidewalk and five feet north off the southwest corner of the house, or 15 feet from driveway.

Chairman Schubert then read the Findings of Fact:

1. Since the fence is open in design and there are no adjacent homes to the rear of the subject site, the proposed variation will not be a substantial detriment to adjacent property.
2. The variation will not have a negative impact on the general health, safety or welfare because it will be placed outside the vision triangle identified in the UDO.
3. The rear of the subject site is not adjacent to any homes and the fence will be open in design. Compliance with the corner side yard fence setback requirement limits the applicant's use of his property while not providing any offsetting benefit to the rest of the community. Therefore, strict enforcement of the UDO creates an exceptional hardship for the applicant due to the unique circumstances related to the subject site.

*All Commissioners agreed.*

A roll call vote was taken:

*Ayes: Maher, Spinelli, Erber, Murphy, Armijo, Schubert*

*Nays: None*

*Motion passed*

#### **IV. GENERAL DISCUSSION**

Mr. Kowalewicz stated that he has spoken with the Village about having a street cleaner come clean the streets in the subdivision. He said that the Village stated that they don't usually come until the subdivision was 75% occupied.

Mrs. Jones stated that the roads still belong to the developer at this time.

Mr. Kowalewicz asked if anyone could speak to the developer because he has had three flat tires due to nails and construction debris.

Mrs. Jones said she would talk with the developer.

Commissioner Murphy stated that it was very dark out there and was concerned why there were no streetlights.

Commissioner Spinelli asked why in Mayfair Estates they put the surface on half of the roads.

Mrs. Jones stated that there was a reason, but she could not recall why. She stated that she could have Mr. Brown contact him.

Mr. Stapleton stated that there have been problems with letters of credit.

Discussion continued in regards with letters of credit.

Commissioner Erber asked if the southwest corner of 131<sup>st</sup> and Parker was zoned commercial. He said that there was a sign stating it was available for commercial.

Mrs. Jones stated that it was residential. She said that it was commercial on the southeast corner.

Chairman Schubert stated that the holiday party was on December 3<sup>rd</sup>. He wished everyone a Happy Thanksgiving.

## **V. ADJOURNMENT**

Commissioner Maher made a motion, seconded by Commissioner Murphy to adjourn the meeting. A voice vote was taken:

*Ayes: All*

*Nays: None*

*Motion passed*



**Village Board  
Agenda Memorandum**

Item #

to: Mayor & Village Board  
from: Ben Wehmeier, Village Administrator  
George Schafer, Assistant Village Administrator  
Subject: Discussion of SWAHM By-Laws  
date: December 14, 2010

**BACKGROUND/HISTORY**

The Village Board has granted the approved delegates of the Village the authority to approve changes to the by-laws of the Southwest Agency for Health Management (SWAHM) at the various health pool meetings over the years. The new attorney for the pool has recommended that each community approve the codified by-laws that are attached. Staff and Village counsel are recommending approval of the newly codified by-laws. It should be noted that there is nothing new in the bylaws nor do they extend the Village's participation with the pool. SWAHM's participation in IPBC is up for renewal in July 2011, but a separate resolution will be required at the time for renewal.

**PROS/CONS/ALTERNATIVES (IF APPLICABLE)**

Since there are no new changes to the by-laws, only a codification of existing ones, there are no drawbacks for approval of the amended by-laws.

**RECOMMENDATION**

**ATTACHMENTS (IF APPLICABLE)**

- 1) Amended and Restated Southwest Agency for Health Management (SWAHM) Combined Agreement and By-Laws

**SPECIFIC VILLAGE BOARD ACTION REQUIRED**

Discussion Only. If acceptable to the Board, the Mayor and Clerk can sign the updated by-laws

AMENDED AND RESTATED  
SOUTHWEST AGENCY FOR HEALTH MANAGEMENT  
COMBINED AGREEMENT AND BY-LAWS

THIS AGREEMENT made and entered into by and between the Village of Lemont, an Illinois Municipal Corporation, the Village of Mokena, an Illinois Municipal Corporation, the Village of New Lenox, an Illinois Municipal Corporation, the Village of Plainfield, an Illinois Municipal Corporation and the Village of Shorewood, an Illinois Municipal Corporation, City of Lockport, an Illinois Municipal Corporation, and Village of Glen Ellyn, an Illinois Municipal Corporation, Village of Homer Glen, an Illinois Municipal Corporation, and City of Crest Hill, an Illinois Municipal Corporation (hereinafter collectively referred to as "MEMBERS" or individually referred to as "MEMBER").

WITNESSETH:

WHEREAS, Section 10 of Article VII of the Illinois Constitution of 1970 authorizes units of local government to contract or otherwise associate among themselves in any manner not prohibited by law or by ordinance; and

WHEREAS, 5 ILCS 220/1 et. seq., as amended, entitled the "Intergovernmental Cooperation Act", authorizes units of local government to exercise any power or powers, privileges or authority which may be exercised and enjoyed jointly with any other local government or body in the State; and

WHEREAS, units of local government within Illinois have found it increasingly expensive to provide health and life insurance benefits to their officers and employees; and

WHEREAS, a large number of local governmental entities have undertaken a series of studies to determine the feasibility of entering into an Intergovernmental Personnel Benefits Cooperative for the purpose of administering some or all of the personnel benefits programs

offered by its member units of local government to their respective officers and employees and have concluded that the creation of such a cooperative is financially and administratively feasible; and

WHEREAS, the corporate authorities of a number of units of local government have organized the Intergovernmental Personnel Benefits Cooperative ("IPBC") and have adopted a combined Contract and By-Laws for such agency; and

WHEREAS, the Contract and By-Laws of IPBC ("IPBC BY-LAWS") as amended, allows combinations of units of local government, other governmental bodies, quasi-governmental bodies and non-profit public service entities to contract with each other to create an intergovernmental benefit pool with the rights and powers equivalent to that of a single member of IPBC; and

WHEREAS, the MEMBERS desire to create an Intergovernmental Benefit Pool hereby designated as Southwest Agency for Health Management, hereinafter referred to as "SWAHM"; and

WHEREAS, the MEMBERS, by this Agreement, are desirous of establishing their mutual rights and obligations with respect to their membership in SWAHM and with regard to the IPBC.

NOW, THEREFORE in consideration of the foregoing recitals and of the covenants and conditions hereinafter contained, the adequacy and sufficiency of which the parties hereto hereby stipulate, the parties agree as follows:

1. INCORPORATION OF RECITALS: The recitals set forth in the preamble hereinabove are hereby incorporated herein by reference and made a part of this Agreement

among the MEMBERS.

2. **PARTICIPATION:** The membership of SWAHM shall consist of those MEMBERS which are parties to this Agreement plus any other governmental entity admitted to membership as a MEMBER from time to time, less any MEMBER which withdraws or is expelled from SWAHM in accordance with the provisions of this Agreement. Members of SWAHM may also add listed entities as defined in the IPBC BY-LAWS. The MEMBER who lists other entities to its membership shall be the sole MEMBER of SWAHM and shall be responsible for all costs and duties of membership provided herein. The MEMBER may make such arrangement as is desired with the listed entities regarding the manner of payment, sharing of risks, and duration of such arrangement. Such arrangement is not a part of this Agreement. The admission of new MEMBERS and their listed entities and the listing of additional entities by any MEMBER shall take place only after a favorable two thirds (2/3) vote of the entire membership of the Board of Directors of SWAHM and subject to the payment of the sum of two thousand (\$2,000) dollars and under further such conditions as the Board shall in each case, or from time to time establish. Prior to the admission of any new member, SWAHM shall notify, in writing, the IPBC Board as to the name and business address of the proposed member at least thirty days in advance before the addition of any such new member to SWAHM. In the event that the Board of the IPBC objects to a prospective member of SWAHM or a listed entity of such prospective member, it may require SWAHM Board to deny admission to such prospective member or such listed entity.

3. **REPRESENTATION:** Each MEMBER shall by majority vote of its corporate authorities, appoint one (1) person as delegate to represent the MEMBER on the Board of

Directors of SWAHM for a term of one (1) year or until a successor is selected. An alternate delegate may also be appointed to serve when the primary delegate is unable to carry out his duties. Neither the delegate nor the alternate need be an elected official. The failure of a MEMBER to appoint a delegate or the failure of the delegate to participate shall not affect the responsibilities or duties of MEMBER under this Agreement. At its first organizational meeting, which shall take place within thirty (30) days of the commencement of SWAHM, and thereafter at its first meeting of each fiscal year, which is established as July 1 through June 30, the Board shall elect one (1) delegate to serve as Chairman of the Board and representative to the IPBC for the remainder of the fiscal year. A Treasurer who shall also act as the IPBC alternate representative shall be elected. The term of office for the Chairman and other officials shall be for a period of one (1) year except that the first term shall be from the commencement of SWAHM until the following June 1st. No person may serve as Chairman for more than two (2) consecutive full fiscal year terms. The Board may from time to time establish other officers and may select any Board representative to serve in any of such offices. The Board may fill any vacancy which may occur in such offices until the end of the term.

4. RESPONSIBILITY OF THE BOARD OF DIRECTORS: The Board of Directors shall determine the general policy of SWAHM with respect to SWAHM Membership in IPBC and for other matters effecting the relationship between SWAHM and its members. Policies established by the Board of Directors shall be followed by the delegate and/or alternate delegate to IPBC. In the absence of the establishment of a specific policy regarding a matter, the representative and/or alternate representative shall vote in the manner believed to best represent the interest of the majority of the MEMBERS.

No one serving on the Board of Directors of SWAHM shall receive any salary or other payment from SWAHM for providing such service thereto. Any reasonable expenses incurred by a delegate or alternate as a result of attending IPBC meetings shall be reimbursed to such MEMBER by the MEMBERS.

5. VOTING: Each MEMBER shall be entitled to one (1) vote on the Board of Directors. Such vote may be cast only by the designated delegate or alternate. Proxy or absentee voting shall not be permitted. Voting shall be conducted according to the following procedures:

A. A quorum shall consist of a majority of the delegates of the MEMBERS then in office. A simple majority of a quorum shall be sufficient to pass upon all matters, except as otherwise provided herein.

B. Voice voting shall be permitted unless one (1) or more MEMBERS requests a roll call vote or the vote requires greater than a majority vote for passage.

C. A two-thirds (2/3) affirmative vote of the entire membership of SWAHM shall be required to amend the plan of benefits available to the officers or employees of its MEMBERS, to withdraw as a MEMBER of IPBC in accordance with Paragraph 10 of this Agreement, to admit a new member or listed agency or expel a MEMBER or listed agency, to amend this Agreement, and such other matters as the Board shall establish as requiring a two-thirds (2/3) affirmative vote of the entire membership, provided that such rule can only be established by at least a two-thirds (2/3) affirmative vote of the entire membership.

D. Any amendments to this Agreement which involve the manner in which SWAHM shall function as a member of the IPBC or the financial obligations of SWAHM or its MEMBERS to the IPBC shall not become effective after passage by the Board of SWAHM

unless such amendment is also approved by a two-thirds (2/3) affirmative vote of the IPBC Board.

E. By a two-thirds affirmative vote of the entire Board of Directors of SWAHM, any deadline imposed by the Board of Directors for adopting resolutions or ordinances necessary for a MEMBER to continue its participation as a MEMBER of SWAHM may be waived by such delegates; provided that in no event shall such waiver be permitted if an ordinance or resolution is enacted by a MEMBER less than sixty (60) days prior to the expiration date of SWAHM's participation as a MEMBER of the Intergovernmental Personnel Benefit Cooperative.

6. MEETINGS: Regular meetings of the Board of Directors shall be held at least four (4) times a year. The dates of regular meetings of the Board shall be established at the beginning of each fiscal year. Special meetings may be held at the call of the Chairman or by any two (2) delegates. Any item of business may be conducted at a regular meeting. Business conducted at special meetings shall be limited to those items specified in the agenda. Ten (10) days written notice of regular or special meetings shall be given to the delegates of each MEMBER by the Chairman or the convening authority. The time, date and location of regular and special meetings of the Board of Directors shall be determined by the Chairman of the Board of Directors or by the convening authority.

To the extent not contrary to this Agreement, and except as modified by the Board of Directors, Robert's Rules of Order, Latest Edition, shall govern all meetings of the Board of Directors. Minutes of all regular and special meetings of the Board of Directors shall be sent to all delegates of the Board of Directors.

7. FINANCES:

A. SWAHM shall be considered a single member of IPBC (as defined in IPBC BY-LAWS), for purposes of determining its required contribution to the Administrative Fund and Benefit Pool of IPBC. Each separate MEMBER of SWAHM shall be responsible for its share in the cost of the Administrative Fund and Benefit Pool, which cost shall be in direct proportion to the number of employees and officers of the MEMBER whose benefit programs are to be administered by IPBC as compared to the total number of such person in SWAHM.

B. SWAHM shall see to the collection of funds due the IPBC and transmit such funds to the IPBC or at its direction. The Board of Directors may from time to time designate a municipality who shall be responsible for preparing and issuing statements to each member for the collection of funds due the IPBC from SWAHM's members. The Village of New Lenox is hereby designated as this entity and shall act as agent for SWAHM for these purposes and shall be compensated for its associated cost for performing the functions set forth herein by SWAHM.

Each separate MEMBER shall promptly pay to SWAHM in care of the Village of New Lenox such monthly, supplementary or other payments due the Administrative Fund and the Benefit Pool from each MEMBER as shall be due IPBC as a result of the administrative and payment of the benefit program of such MEMBER. The financial obligations of each MEMBER shall be those which would be properly chargeable if the MEMBER were an independent member of the IPBC., in accordance with the terms of the contract and bylaws of the IPBC, dated May 29, 1979, as amended, from time to time. In the event that a member of SWAHM should default in its financial obligations, both SWAHM and the IPBC shall have the right to take action to recover such funds as are owed, plus interest at the highest rate allowed by



statute, which may be paid by an Illinois non-home rule municipality.

8. PLAN OF BENEFITS:

A. Each MEMBER agrees to accept the Plan of Benefits determined by the Board, as may be revised from time to time, for its officers and employees who are included in its personnel benefit program. All MEMBERS of SWAHM shall have the same plan of benefits which may be amended as a whole if approved by the Board of SWAHM.

B. The Benefit Administrator of the IPBC and the IPBC Board shall rate the experience of all of the MEMBERS of SWAHM, as a whole, in determining the amount necessary to fund the IPBC Benefit Pool.

9. OBLIGATIONS OF MEMBERS: The obligations of each MEMBER to SWAHM and to IPBC shall be as follows:

A. To promptly pay all monthly and supplementary or other payments to the Administrative Fund and the Benefit Pool at such times and in such amounts as shall be established by IPBC within the scope of this Agreement and the IPBC BY-LAWS. Any delinquent payments shall accrue a penalty which, for the period of non-payment, shall be equivalent to the highest interest rate allowed by statute to be paid by an Illinois non-home rule municipality.

B. To appoint a delegate and an alternate on the Board of Directors of SWAHM.

C. To allow IPBC reasonable access to all facilities of the MEMBERS and all records, including but not limited to, financial records which relate to the purpose and powers of IPBC.

D. To furnish full cooperation to IPBC attorneys, claims adjusters, the Benefit

Administrator and any agent, employee, officer, or independent contractor, of IPBC relating to the purpose and powers of IPBC.

E. To report to IPBC as promptly as possible all claims made to it within its benefit program as administered by IPBC.

F. To pay all payments, as may be determined by the MEMBERS, for an Escrow Fund, if any.

10. WITHDRAWAL; TERMINATION:

A. All members of SWAHM shall be obligated to continue as Members until July 1, 2002. After July 1, 2002, Members shall be obligated to continue as Members during successive terms as established by the Board of Directors of IPBC. Any Member may withdraw from membership by giving written notice of such intention to withdraw to all Members at least 180 days prior to the commencement of one of the multi-year extension terms of the IPBC. Failure to give such notice shall obligate the Member to continue for the next multi-year term, except where SWAHM withdraws from IPBC, IPBC terminates, or the IPBC declines to permit SWAHM to remain within the Cooperative. Withdraw by SWAHM may only be made to take effect at the end of the then current three year cycle. The obligation of a Member during each term in which it is a Member shall include continuing participation with regard to all classes of officers and employees of the Member, not including its listed entities, established as being entitled to benefits at the commencement of each three year term. In addition, a Member shall only be required to provide continuing participation for those persons within said classes of officers and employees as are actually employed or working for the Member or whom may otherwise be entitled to coverage by the Member, as required by law. Any Member who

provides written notice of an intention to withdraw may revoke such notice by providing notice to all Members in the same manner as is set forth in its intention to withdraw and two-thirds (2/3) of the remaining Members agree to permit such revocation. A decision upon such revocation must be made no later than seventy (70) days prior to the end of the current three (3) year cycle.

B. If a Member shall withdraw from SWAHM, no benefit claims of the Members shall be processed or paid by IPBC after the close of the fiscal year in which withdrawal takes place. As provided for under ARTICLE XVII of the IPBC Contract and Bylaws, within one hundred and twenty (120) days after the approval of the audit of the Cooperative (IPBC) for the prior fiscal year, and SWAHM's internal audit of each Member's balances, a final accounting of funds owed or owing by the withdrawing Member from SWAHM plus any sums owed by the Member for its share of the IPBC terminal reserves upon final audit shall take place. Pending claims and other records pertaining to the withdrawing Member shall be turned over to the Member in a prompt manner. If the amount owed to or due from the withdrawing Member is \$25,000 or less, the party owing such funds shall make payment within ninety (90) days after the final accounting as provided for herein. If the amount owed or owing shall be over \$25,000, the party owing such funds shall pay to the recipient \$25,000 in no more than thirteen (13) equal monthly payments within interest thereon at the highest amount lawfully payable by a non-home rule Illinois Municipality on the date the final accounting is accomplished. The first payment shall be due on the first day of the next month following the end of the ninety (90) day period set forth herein, with each successive payment due on the first day of each month thereafter.

C. In order to secure the payment, if any, to SWAHM from the withdrawing

Member, such withdrawing Member agrees to execute a Promissory Note in the form of a copy similar to that which is attached hereto as Exhibit "A" to this combined agreement and Bylaws. The amount to be set forth in such Promissory Note shall be the last available balance owed by such withdrawing Member for the immediate preceding year based upon IPBC's final accounting and SWAHM's final accounting which has been completed in order to determine the present balance then due and owing by such withdrawing Member. Such amount shall be the latest amount calculated from the books and records of IPBC and SWAHM during the present three (3) year cycle. The balance then due shall be set forth in the Promissory Note as the estimated principal due from such Member. Such Promissory Note shall be executed by the withdrawing Member within ninety (90) days of the date such withdrawal becomes effective. Such Promissory Note shall then become effective within ninety (90) days after the date of the completion of the final accounting and acceptance thereof by IPBC and SWAHM as provided for in 10 B above. Upon the completion of the final accounting and acceptance as provided for herein, the Member agrees that the sum set forth in the Promissory Note shall then be adjusted to reflect the actual final balance as determined by such audit. No interest shall accrue on such Note until the beginning of the first day upon which the first payment is due as provided above. Once such Note becomes effective, the amount of interest on such Note shall be as provided for in paragraph 10 B above. Upon completion of the Member's payments as required in 10B above, the Chairman of SWAHM is hereby authorized and directed to mark such Promissory Note "PAID" and "CANCELLED". The Member's withdrawal from SWAHM shall not be deemed to be effective until such time as such Promissory Note is executed by the Chief Executive Officer of the withdrawing Member and delivered to the Chairman of SWAHM, or in

his absence, the Secretary of SWAHM.

D. If SWAHM shall withdraw from IPBC, no benefit claims shall be processed or paid by IPBC after the close of the fiscal year in which withdrawal takes place. If upon such withdrawal by SWAHM, a deficit position exists in the Benefit Fund, then the IPBC shall apply any SWAHM funds on deposit with the IPBC to liquidate the deficit. If a deficit still exists in the Benefit Fund, each MEMBER shall be required to pay an additional assessment into SWAHM escrow fund in proportion to the premiums paid over the previous twelve (12) months. The Board shall establish the amount of such payment or payments. Such additional payments shall be required even if the MEMBERS' individual Benefit Fund balance with the IPBC or SWAHM is not in a deficit position. The Escrow Fund shall then be used by SWAHM to liquidate any remaining deficit with the IPBC.

If after making the above adjustments, there is a surplus of funds in the Escrow Fund, this surplus shall be returned to the MEMBERS. Such distribution shall be made on a proportional basis by comparing each MEMBERS contribution to the Escrow Fund with a total of all MEMBERS' contribution to the Escrow Fund. Such distribution shall be made at a date determined by the Board of Directors of SWAHM and shall not be made until after all expenses of SWAHM have been paid or provided for.

E. In the event that a non-appealed or appealable order of a court in which IPBC is a party should decide that SWAHM may not be a member of the IPBC, then this Agreement shall terminate. Provided, however, that to the extent permitted by law, the termination shall take place in accordance with paragraph 10B hereof.

F. Reserve Funds.

(1) SWAHM shall establish accounts in the IPBC Terminal Reserve Fund, the Administration Fund, the HMO Fund and other established funds, (the "Reserve Funds") for the purpose of establishing a pool of funds to be used to pay deficits in annual contributions and setting aside funds in the event that one or more MEMBERS decides to withdraw from membership in SWAHM. The total amount of the Reserve Funds available, as determined by audit, which is normally approved by the IPBC Board no later than the end of January for the plan year closing on June 30, shall be equal to two (2) times the average monthly payment based on the current plan year rates, if a SWAHM Member should only provide HMO coverage, and three (3) times the amount for a MEMBER which provides at least one half (1/2) of its employees with an indemnity plan. A separate accounting shall be established to determine each individual MEMBER'S balance within the IPBC Funds. The exact amount of the Reserve Funds balance for each MEMBER will be determined after the audit is approved by the IPBC Board. If, after the audit process has been completed, a Reserve Fund balance below the amount specified above for one or more MEMBERS occurs, those MEMBERS with a Reserve Fund balance below the amount specified above, must pay, within one hundred and fifty (150) days after the audit has been approved, an amount directly to the delinquent Reserve Fund or Funds to cover the short fall.

(2) New MEMBERS of SWAHM shall, as a condition of membership, provide an amount equal to two (2) times the average monthly payment based on the current plan year rates for HMO coverage and three (3) times the average monthly payment for indemnity plan coverage. Payment shall be made to reach this reserve level by the end of the second full fiscal

year of membership.

(3) If one or more MEMBERS choose to withdraw from SWAHM, its fair share of the Reserve Funds shall be used to pay its "run-out claims" with any surplus funds paid to it after all sums due IPBC and SWAHM associated with its participation have been paid. If the amounts on deposit in the Reserve Funds of the withdrawing Member are not adequate to pay its run-out claims, then the Reserve Funds of the remaining MEMBERS may be drawn down in a proportional manner to cover any short fall prior to the withdrawing MEMBER fulfilling its contractual obligation to cover the short fall.

(4) In addition to the Escrow Fund provided for in Section 12 of this contract, and as further security for the financial obligations described above for "run-out" claims, each MEMBER shall place on deposit an amount of money equal to one times the anticipated monthly payment due IPBC for the operation of the funds described above in this Section F (Escrow Fund No. 2). Such funds shall be placed in an escrow account in a financial institution utilized by SWAHM. Accrued interest shall be credited to each individual Member on a prorated basis determined by the amount deposited as compared to the entire fund. The Chairman shall have the authority together with the SWAHM Treasurer, to withdraw from any account within Escrow Fund No. 2 the amount due after prescribed notice is given to the MEMBER setting forth the amount of such short fall. At the beginning of each fiscal year, the Treasurer shall recommend to the Board of Directors any adjustment required in Escrow Fund No. 2 as a result of an increase or decrease in the anticipated monthly payment to the funds described above. The Board of Directors may require a supplementary deposit to the escrow account if necessary. The Treasurer of SWAHM shall make an accounting of this fund on an

annual basis.

11. EXPULSION OF MEMBERS: By the vote of two-thirds (2/3) of the entire remaining membership of the Board of Directors, any MEMBER may be expelled. Such expulsion, which shall take effect in the manner set out below, may be carried out for one or more of the following reasons:

- A. Failure to make any payments due to SWAHM or the IPBC.
- B. Failure to furnish full cooperation with SWAHM's attorneys, the IPBC's attorneys, claims adjusters, Benefit Administrator and any agent, employee, officer or independent contractor of the IPBC or SWAHM relating to the purpose and powers of the IPBC or SWAHM.
- C. Failure to carry out any obligation of a MEMBER which impairs the ability of SWAHM to carry out its purposes and powers.
- D. Offering a second Indemnity Health Care Plan or other Plan to its employees that is not in place at the date of the execution of this Agreement and has not been approved by SWAHM; provided that nothing contained herein shall be deemed to be a restriction placed upon any member with respect to providing options of membership in qualified Health Maintenance Organizations as may be required by State or Federal statute.

No MEMBER may be expelled except after notice from SWAHM of the alleged failure along with a reasonable opportunity of not less than fifteen (15) days to cure the alleged failure. The MEMBER, within that fifteen (15) day period, may request a hearing before the Board before any decision is made as to whether the expulsion shall take place. The Board shall set the date for a hearing which shall not be less than fifteen (15) days after the expiration of the time to cure has passed. The Board may appoint a hearing officer to conduct such hearing and make a



recommendation to the Board based upon findings of fact. If the Board conducts the hearing itself, it may make a decision at the close of the hearing. A decision by the Board to expel a MEMBER after notice and hearing and a failure to cure the alleged defect shall be final unless the Board shall be found by a court to have committed a gross abuse of discretion. After expulsion, the former MEMBER shall continue to be fully obligated for any payment to the Administrative Fund, the Benefit Pool and the Escrow Fund, if any, which was created during the term of the administration of its claims along with any other unfulfilled obligation as if it was still a MEMBER of SWAHM.

The obligation of the IPBC to administer the claims filed under the benefit program of the expelled MEMBER shall cease thirty (30) days after the date of expulsion, provided that such obligation shall only exist where there is a credit balance in the Benefit Pool and Administrative Fund to the account of SWAHM or such a credit balance is created. The IPBC shall not be required to pay any benefits for the expelled MEMBER after the actual date of expulsion if a deficit in amounts owed the IPBC should exist at any time during the thirty (30) day period. Within sixty (60) days after the last claim of the MEMBER is paid by the IPBC, a final accounting of funds owed or owing shall take place. Pending claims and other records of the expelled MEMBER shall be turned over to that MEMBER in a prompt manner.

In the event that the Board of the IPBC should vote to expel SWAHM from membership, so long as a particular municipality or listed entity was a MEMBER of SWAHM, that MEMBER or listed entity shall be deemed to have been expelled from SWAHM in the same manner as if SWAHM Board had taken that action.

12. ESCROW FUND: As security for the financial obligation described herein,

each MEMBER shall place on deposit an amount of money equal to one (1) times the anticipated monthly payment due IPBC for the operation of the Administrative Fund and the Benefit Pool. Such funds shall be deposited in an escrow account in the financial institution used by IPBC. Accrued interest shall be credited to each individual MEMBER on a pro rata basis determined by the amount deposited as compared to the entire fund. In the event that a MEMBER fails to pay funds due the IPBC by the fifteenth (15th) day of any month, the IPBC Benefit Administrator shall notify the Chairman of the Board of IPBC who shall notify the delegate of the MEMBER, either verbally or in writing, that the funds shall be withdrawn from the escrow account unless payment is made within five (5) days. The IPBC Benefit Administrator shall have the authority together with the IPBC Treasurer, to withdraw from any account within the Escrow fund the amount due after prescribed notice is given. Employees or officers of the MEMBER shall be entitled to payments from the Benefit Pool during the month for which payment is made on behalf of the MEMBER from the escrow account. In the event monies are withdrawn in the manner prescribed above, the MEMBER shall take prompt action to restore the escrow account to the original amount.

At the beginning of each fiscal year, the Benefit Administrator shall recommend to the IPBC Board of Directors any adjustments required in the Escrow Fund as a result of increase or decrease in the anticipated monthly payment to IPBC, The IPBC may require a supplementary deposit to the escrow account, if necessary, to reduce an anticipated deficit in the escrow account.

Should SWAHM accumulate any balance in any fund of the IPBC which, as a matter of right, it can withdraw, the Board of Directors may authorize a transfer of those monies to the

Escrow Fund. This refund is to be accounted for in a manner which segregates each MEMBER'S share. Each MEMBER'S share will be calculated according to the same proportion as premiums paid during the year(s) the surplus was accumulated in relation to all premiums paid by SWAHM MEMBERS during that year(s). If the surplus can not be associated with a specific fiscal year(s), then the transfer of any portion of the surplus to the Escrow Fund will be allocated to the individual Member based upon the amount paid by each of the MEMBERS over the lesser of the last five years or since the inception of SWAHM.

Upon withdrawal or expulsion from SWAHM, any amount due after satisfying all outstanding claims, shall be returned to the former MEMBER.

13. ACCEPTANCE OF CONTRACT AND BY-LAWS OF THE INTERGOVERNMENTAL PERSONNEL BENEFIT COOPERATIVE: The MEMBERS hereby agree to accept the terms and conditions contained within the Contract and By-Laws of the IPBC, dated May 29, 1979, and as amended from time to time, except that the IPBC BY-LAWS may not be amended to require from SWAHM duties or responsibilities different from the other MEMBERS of the IPBC and not initially contained within this Agreement.

14. COMMENCEMENT OF SOUTHWEST AGENCY FOR HEALTH MANAGEMENT: This Agreement shall be in full force and effect and legally binding upon the signatory MEMBERS as of midnight the 30th day of June, 1992, if by that date the number of municipalities executing this Agreement equal five (5) or more and the combined total number of officers and employees covered by the benefit plan of the signatories is not less than one hundred and ninety (190). If by that date there are not five (5) or more municipalities with at least one hundred and ninety (190) covered individuals who have signed, then without further

acts of the parties, this Agreement shall terminate and be of no further force or effect. The commencement of SWAHM shall also require the admission of SWAHM into the IPBC by the vote of the Board of the IPBC.

15. CONTRACTUAL OBLIGATION: This Agreement shall constitute the contract among those units of local government which become members of SWAHM. The obligations and responsibilities of the MEMBERS set forth herein, including the obligation to take no action inconsistent with this Agreement as originally written or validly amended, shall remain a continuing obligation and responsibility of the MEMBER. The terms of this Agreement may be enforced in a court of law or equity either by SWAHM itself or by any of its MEMBERS. The consideration for the duties herewith imposed upon the MEMBERS to take certain actions and to refrain from certain other actions shall be based upon the mutual promises and agreements of the MEMBERS set forth herein and the advantage gained by the MEMBERS in anticipated reduction of administrative costs for the processing of personnel benefits. Except to the extent of the limited financial contributions to SWAHM agreed to herein, or such additional obligations as may come about through amendments to this Agreement, no MEMBER agrees or contracts herein to be held responsible for any claims of any kind against any other MEMBER. The contracting parties intent in the creation of SWAHM is to establish an organization for joint personnel benefit administration only within the scope herein set forth, and have not herein created as between MEMBER and MEMBER, any relationship of surety, insurer, guarantor, indemnitor, obligor, or otherwise have any responsibility for the debts or claims against any MEMBER.

16. ENTIRE UNDERSTANDINGS: This Agreement sets forth the entire

understanding of the parties and may only be amended as provided for herein.

17. ASSIGNMENT: This Agreement shall not be assigned by any party hereto.

18. COUNTERPARTS: This Agreement is executed in multiple counterparts, each of which shall be deemed to be an original.

19. GOVERNING LAW: This Agreement shall be governed in accordance with the laws of the State of Illinois.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective Village Presidents and duly attested by their respective Village Clerks in accordance with ordinances duly passed by their respective corporate authorities.

Village of Lemont, an Illinois  
Municipal Corporation

BY: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Village Clerk

Village of Mokena, an Illinois  
Municipal Corporation

BY: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Village Clerk

Village of New Lenox, an Illinois  
Municipal Corporation

BY: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Village Clerk

Village of Plainfield, an  
Illinois Municipal Corporation

BY: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Village Clerk

Village of Shorewood, an Illinois  
Municipal Corporation

BY: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Village Clerk

City of Lockport, an Illinois Municipal  
Corporation

BY: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
City Clerk

Village of Glen Ellyn, an Illinois  
Municipal Corporation

BY: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Village Clerk

**Village of Homer Glen, an Illinois  
Municipal Corporation**

BY: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Village Clerk

**City of Crest Hill, an Illinois Municipal  
Corporation**

BY: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
City Clerk

**Village Board  
Agenda Memorandum**

Item #

to: Mayor & Village Board  
from: Ben Wehmeier, Village Administrator  
George Schafer, Assistant Village Administrator  
Subject: IPBC/SWAHM 101 with Update  
date: December 13, 2010

**BACKGROUND/HISTORY**

Staff wanted to update the Board on the status of the Village's involvement in its health care pools, as well as give a brief overview of the pools. There will be further documents available at the meeting on Monday.

The Village is part of two pools, IPBC and SWAHM. IPBC is the large pool, while SWAHM is the Village's sub-pool within the larger pool.

**Intergovernmental Personnel Benefit Cooperative (IPBC)**

- Created in 1979, Village's participation began in 1992
- Currently 59 public sector entities including Lemont
- 31 Individual members , 5 benefit sub-pools (including SWAHM)
- Each individual member and pool has a representative on the Board of Delegates; SWAHM sub-pool has one delegate and one vote
- Fully funded pool offering PPO, HMO, Dental, Life, AD & D
- Gallagher Benefit Services is the 3<sup>rd</sup> party administrator of the plan
  - Develops funding sheets for members
  - Tracks premiums for members
  - Works with accountant to develop premiums, and pay all claims
  - Develops renewal costs for members
  - Works with Village on crafting of plan
- Terminal Reserves Available- Declared dividends from over payment of premiums to claims gets deposited in terminal reserve accounts, available for draw down by Village.

**Southwest Agency for Health Management (SWAHM)**

- Pool initiated in July 1992; Lemont was 1 of 5 original members, 9 members currently.
- Chairman of SWAHM serves as representative to IPBC Board.



- Committee meets quarterly to go over IPBC quarterly meetings and conduct other sub-pool business.
- SWAHM is considered a single entity with respect to IPBC. It is rated as a whole with respect to determining funding level.
- Each member of SWAHM pays its share of funding based on proportion number of employees covered.
- One entity is appointed treasurer for purposes of sending out statements and collecting funds, then sending payments to IPBC (currently New Lenox).
- Terminal Reserves Available- Declared dividends from over payment of premiums to claims gets deposited in terminal reserve accounts, available for draw down by Village.

**PROS/CONS/ALTERNATIVES (IF APPLICABLE)**

**RECOMMENDATION**

**ATTACHMENTS (IF APPLICABLE)**

More information will be available at the meeting

**SPECIFIC VILLAGE BOARD ACTION REQUIRED**

Discussion

Village Board  
Agenda Memorandum

Item #

to: Mayor & Village Board  
from: Ben Wehmeier, Village Administrator  
George Schafer, Assistant Village Administrator  
Subject: IRMA Background and Update  
date: December 14, 2010

**BACKGROUND/HISTORY**

Staff wanted to update the Board on the status of the Village's risk management insurance provider, IRMA. Staff has examined alternatives to IRMA in attempt to reduce costs. More information will be made available at the meeting to discuss these alternatives. The following gives a brief overview of IRMA.

Intergovernmental Risk Management Agency (IRMA)

- Founded in 1979, IRMA is an organization of 73 municipalities and special districts in northeastern Illinois. Each entity receives one vote on the board of directors.
- Pool provides for all members:
  - General Liability, Professional Liability, Auto Liability and Public Officials
  - Employment Practices Liability
  - Workers Compensation
  - Employers Liability coverage
  - Comprehensive Property
  - Crime and Fidelity, Faithful Performance and Computer Fraud, and statutorily required public officials bonds.
  - Optional Coverage for additional fee: Fiduciary Liability, Underground storage tank liability, volunteer accidents and disability, special event liquor liability
  - Claims administration
  - Safety, loss control and training services.
- Insurance premium based on a number of factors
  - Revenue Base in relation to rest of pool- 5 year average
  - Total Annual losses between \$2,500 and \$50,000 in relation to rest of pool- 5 year average (Experience Modifier)
  - Interest Income Credit (If approved by membership)
  - Optional Deductible Credit- If chosen by member

**PROS/CONS/ALTERNATIVES (IF APPLICABLE)**

**RECOMMENDATION**

**ATTACHMENTS (IF APPLICABLE)**

More information will be available at the meeting

**SPECIFIC VILLAGE BOARD ACTION REQUIRED**

Discussion