1. **Call to Order:** The meeting was called to order at 5:30 pm.

2. **Roll Call:** Chairman Alderman Curry, Alderman Schaefer, and Alderman Mihevc. Also in attendance Director of Finance Lynch, Director of Economic Development Martin, Human Resources Manager Campanella, Mayor Jett, and Daniel Petkanas, Zagster Sales Consultant.

3. **Public Comment:** None.

4. **Motion to approve the August 7, 2017 Finance and Personnel Committee meeting report.**

   Motion by Alderman Schaefer, second by Alderman Mihevc to approve the meeting report as presented.

   Voting Aye: Schaefer, Mihevc, Curry
   Motion carried.

5. **Motion to approve the November 6, 2017 Finance and Personnel Committee meeting report.**

   Motion by Alderman Schaefer, second by Alderman Mihevc to approve the meeting report as presented.

   Voting Aye: Schaefer, Mihevc, Curry
   Motion carried.

6. **Motion to approve the December 4, 2017 Finance and Personnel Committee meeting report.**

   Motion by Schaefer, second by Mihevc to approve the meeting report as presented.

   Voting Aye: Schaefer, Mihevc, Curry
   Motion carried.

Chairman Curry requested Agenda Item 8 be considered at this time.

8. **Fiscal Year 18/19 Meeting Schedule:**

   Chairman Curry recommended the Committee continue to meet on the first Monday of each month at 5:30 PM prior to the Council meeting as follows: March 5, April 2, May 7, June 4, July 9, August 6, September 10, October 1, November 12, and December 3.
Alderman Schaefer questioned if the Council meeting in November was on the 5th or 12th.

Director Lynch noted there is a Finance and Personnel Committee meeting scheduled on March 12 and March 26 to discuss the budget.

Chairman Curry summarized in March there is a Council meeting on the 5th, FPC on the 12th, Council meeting on the 19th, and FPC on the 26th. April’s meeting schedule is also full.

Pending confirmation of the November Council schedule, the Finance and Personnel Committee agreed to meet on March 12 & 26 (budget discussions), April 2, May 7, June 4, July 9, August 6, September 10, October 1, November 12, and December 3 at 5:30 PM.

7. Discussion on Fiscal Year 18/19 Priorities.

Chairman Curry distributed a list of potential topics for FY 18/19 stating the topics were pulled from his notes and the discussion that took place at the July 13, 2017, Finance and Personnel Committee meeting.

A discussion ensued on potential topics for review. Chairman Curry suggested the Committee assign topics to a specific meeting agenda noting the vehicle sticker discussion should take place soon as the end of the fiscal year is approaching.

Mayor Jett suggested the Committee review the possibility of discontinuing vehicle stickers. Chairman Curry suggested placing this topic on the February 19 special meeting agenda.

Director Lynch recommended a review of the Investment Policy that was adopted in 1999, review of the Purchasing Policy to include a process for Change Orders.

Human Resources Manager Campanella suggested prior to start of the next budget cycle, the Committee hold a Personnel Needs Review.

The Committee agreed to the following tentative schedule:

February 19: Vehicle Stickers & Classification & Compensation Study.

April 2: Open

May 7: Purchasing Policy & Change Orders

June: Open

July 9: Investment Policy Review

October 1: Personnel Needs Review
November 12: RFQ for Audit Services & Personnel Needs Review (cont.)
December 3: Personnel Needs Review (cont.)

9. Staff Reports.
None.

10. Any Other Business.

Zagster Bike Share. Director Martin introduced Daniel Petkanas from Zagster Bike Share. The Economic Development Department has been working for several months with Mr. Petkanas regarding a bike-sharing program in McHenry. Mr. Petkanas who lives in Boston, MA, was in town meeting with potential sponsors to implement the program.

Zagster is a full service bike-share operator, which means they design the program, provide the hardware for the bikes and racks, design the managing software and operate the program. Over the past few months, Mr. Petkanas has been working with the city to determine if bike-share makes senses in McHenry and what does the city want to accomplish. Program goals include 1) differentiate McHenry from other cities as a way to attract young talent, 2) build on the connectivity between the McHenry’s parks and trails and, 3) provide a way for tourists and residents to interact with McHenry other than in a vehicle.

Mr. Petkanas was in town meeting with various advocacy groups including the McHenry County Convention and Visitor’s Bureau, and large employers, to garner public/private partnerships to make bike-share a reality in McHenry.

Alderman Schaefer asked if Zagster had clients the same size as McHenry. Mr. Petkanas stated they operate 200 bike-share programs through the country. Zagster is used by towns with a population of a least 10,000 and the largest client is Albuquerque, NM. Each bike-share they design is unique and based on what they are trying to accomplish in a particular city.

Chairman Curry asked if they have any client municipalities in our area. Mr. Petkanas stated they have a small program in Aurora, IL. The closest comparison to McHenry is Port Huron, MI with a population of approximately 20,000.
Director Martin said the goal is to expand the program countywide and, Mr. Pekanas is meeting with the McHenry County Division of Transportation. This program meets one of the goals of Economic Development to retain and attract the next generation of people to our community. Five stations are proposed in McHenry. Part of the updated Comprehensive Land Use Plan is creating a McHenry loop incorporating this bike-share program.

Chairman Curry asked Mr. Pekanas to describe the bike station. Mr. Pekanas said they are planning to install a rack of bikes at Petersen Park, Metra Station, Veterans Memorial Park, Miller Point and the Recreation Center or the PACE station in the Corporate Center. A customer would go to the Zagster App or text to rent a bike, which takes less than 10 seconds and a code would be sent to release the bike from the rack. All the technology is located on the bike so that the docking station or rack is just a small piece of metal and no infrastructure or electric is required. The phone talks directly with the bike.

Mr. Pekanas reported the owners of Bike Haven and Epic Cycle support the program. Bike Haven and Epic Cycle would be contracted to maintain the Zagster bikes. Bikes are rented to people 18 and over. The bike fits anyone 4’11” and up. Zagster bikes are 20 lbs. lighter than the Divvy bikes.

Rental rates are still being worked-out. The cost would most likely be $2/hour for non-residents. City residents can purchase a pass for $25/year and the first hour of every ride is free. The program is not a revenue generator – the fee is to guarantee return of the bike. There is an annual cost for the entire program that is paid to Zagster from which the city would pay a small portion and the largest share paid through sponsorship of the stations. The bikes are a beach cruiser model modified for bike-share, white and blue with a front basket for advertising opportunities. Since the technology is on the bike itself, if the rack is full when the bike is returned, it could be locked next to the rack.

The Committee thanked Mr. Petkanas for his presentation.

**Vehicle Stickers.** A brief discussion ensued on the merits on the vehicle sticker requirement. Alderman Schaefer asked staff to determine an alternate revenue source should vehicle stickers be eliminated, such as an added fee to water/sewer bills.

**11. Motion to Adjourn:**

Alderman Mihevc made a motion, second by Alderman Schaefer, to adjourn the meeting.

Voting Aye: Mihevc, Schaefer, Curry

Motion carried.

The meeting adjourned at 6:30 pm.
Respectfully submitted,

Marci Geraghty, Executive Assistant/Deputy City Clerk

Reviewed and approved this 12th day of March 2018.

[Signature]
Alderman Scott Curry, Chairman