

MINUTES OF A REGULAR MEETING OF THE ZION CITY COUNCIL HELD ON TUESDAY, JANUARY 7, 2003, AT 7:00 P.M. IN THE CITY COUNCIL CHAMBERS, CITY HALL, ZION, ILLINOIS

Mayor Harrison called the meeting to order.

On call of the roll the following answered present: Commissioners Taylor, Winfrey, Bennett, DeTienne and Mayor Harrison.

Mayor Harrison led in the Pledge of Allegiance to the Flag.

AGENDA CHANGES

It was moved by Commissioner Bennett, seconded by Commissioner DeTienne to accept the Council agenda with amendments as follows:

- Adding discussion of personnel, sale and purchase of real estate, and potential litigation to Closed Session, item 11.
- Deleting to consider Façade Grant Program approval for Palu-ay Medical Building at 2606 Elisha Avenue, item 9.m.
- Amending item 9.n. to request purchase of 3 pickup trucks for Public Works, instead of 2 trucks
- Moving item 9.a. to after Closed Session, item 11.a.
- Noting that the consideration to pass amendments to the Liquor Control Ordinance, item 8.a. involves two amending ordinances requiring two separate votes

The vote on roll call was: Commissioners Taylor, aye; Winfrey, aye; Bennett, aye; DeTienne, aye; and Mayor Harrison, aye. Motion carried.

CONSENT AGENDA

It was moved by Commissioner Bennett, seconded by Commissioner Taylor that the Consent Agenda be approved, as amended, as follows:

- (a) **MINUTES** of a Regular Meeting and Closed Session held on December 17, 2002 at 7:43 P.M., with all members having previously received copies.

Commissioner Bennett noted the minutes of the December 17, 2002 regular meeting should be amended, page 10 regarding the tax levy for street and bridge, to reflect that Commissioner Bennett seconded the motion to reconsider the 2002 tax levy for street and bridge purposes.

- (b) **DEPARTMENTAL REPORTS:** City Clerk's Monthly Report, December, 2002; Minutes of a Regular Meeting of the Zion Downtown Organizational Committee held on December 11, 2002; Public Service Program Report, 2002
- (c) **BILLS:** Vouchers 81875 through 82024 drawn on National City Bank, \$1,134,582.63
- (d) **PAYMENTS:** Sutter Architects, services rendered on façade renovations and reconstruction for Star Lite Restaurant, \$500.00; Zion Auto Supply-NAPA, \$500.00; Total: \$1,000.00; Lake County Partners, annual membership, \$1,750.00; Citigate Communications, professional services rendered, \$22,835.98

The vote on roll call was: Commissioners Taylor, aye; Winfrey, aye; Bennett, aye; DeTienne, aye; and Mayor Harrison, aye. Motion carried.

IMRF PARTICIPATION

Clerk Mackey stated the Illinois Municipal Retirement Fund requires passage of a resolution relating to participation by elected officials. A resolution was passed in 1987 for the position of Mayor, and this resolution would qualify City Commissioners for membership in IMRF. Mayor Harrison noted that the officials could apply for a maximum of 50 months of retroactive service credit, and participation is voluntary on the part of the elected officials.

It was moved by Commissioner Bennett, seconded by Commissioner Taylor that a Resolution (03-R-1) be passed determining that the elected position of Zion City Commissioner qualifies for participation in the Illinois Municipal Retirement Fund. The vote on roll call was: Commissioners Taylor, aye; Winfrey, aye; Bennett, aye; DeTienne, aye; and Mayor Harrison, aye. Motion carried. Resolution passed.

JUBILEE DAYS FESTIVAL COMMISSION

It was moved by Commissioner Taylor, seconded by Commissioner Winfrey that a Resolution (03-R-2) be passed creating the Jubilee Days Festival as a Zion City Commission. The vote on roll call was: Commissioners Taylor, aye; Winfrey, aye; Bennett, aye; DeTienne, aye; and Mayor Harrison, aye. Motion carried. Resolution passed.

CABLE TELEVISION COMMISSION

Mayor Harrison stated the City of Zion and the Village of Winthrop Harbor have determined that the majority of the accumulated funds in the Cable Television Commission are surplus. Passage of a resolution allows for the distribution of these surplus funds, according to the requirements set forth in the cable franchise agreement. The two municipalities have agreed there is a surplus of \$600,000 in this account, whereby \$400,000 would be disbursed to Zion and \$200,000 would be disbursed to Winthrop Harbor. This disbursement would leave an approximate balance of \$70,000 in the fund. Mayor Harrison stated these funds would be utilized for the promotion of economic development projects and promotional media.

It was moved by Commissioner Bennett, seconded by Commissioner Taylor that a Resolution (03-R-3) be passed declaring a \$600,000 surplus of funds in the Cable Television Commission with direction for disbursement to the City of Zion and the Village of Winthrop Harbor, in accordance with the requirements set forth in the cable franchise agreement, and for these funds to be designated for economic development and related promotional media. The vote on roll call was: Commissioners Taylor, aye; Winfrey, aye; Bennett, aye; DeTienne, aye; and Mayor Harrison, aye. Motion carried. Resolution passed.

AMEND MUNICIPAL CODE/LIQUOR CONTROL ORDINANCE

It was moved by Commissioner Taylor, seconded by Commissioner DeTienne that an Ordinance (03-0-1) be passed amending the Municipal Code of the City of Zion, as amended, Chapter 56, Zion Liquor Control Ordinance, Sections 56-24(1), 56-31(1) and 56-31(2), pertaining to the Local Liquor Commissioner and Commission. The vote on roll call was: Commissioners Taylor, aye; Winfrey, aye; Bennett, aye; DeTienne, aye; and Mayor Harrison, aye. Motion carried. Ordinance passed.

It was moved by Commissioner DeTienne, seconded by Commissioner Bennett that an Ordinance (03-0-2) be passed amending the Municipal Code of the City of Zion, as amended, Chapter 56, Zion Liquor Control Ordinance, Sections 56-57(1), (2), (5) and (6), pertaining to liquor license terms and fees. The vote on roll call was: Commissioners Taylor, aye; Winfrey, aye; Bennett, aye; DeTienne, aye; and Mayor Harrison, aye. Motion carried. Ordinance passed.

2613 31st STREET/MINOR SUBDIVISION

A memo (03-DOC-1) was received from John Jones, regarding a minor subdivision of a parcel at 2613 31st Street. The owner has requested that a portion of this parcel be divided into a separate lot in order to construct one single family home. The lot does meet minimum standards for the R8 single-family zoning. Mr. Jones stated the proposed plat does indicate an encroaching driveway, and the proposed owner, Ivo Krizek, has agreed to remove this driveway from the subdivided portion at his expense.

It was moved by Commissioner Winfrey, seconded by Commissioner Taylor to approve the minor subdivision of 2613 31st Street, as requested. The vote on roll call was: Commissioners Taylor, aye; Winfrey, aye; Bennett, aye; DeTienne, aye; and Mayor Harrison, aye. Motion carried.

A SAFE PLACE/SPECIAL USE PERMIT

Phyllis DeMott, Executive Director of A Safe Place, stated she has conferred with the schools regarding the proposed transitional multi-unit housing development. The development would be located on property east of Willow Drive and Lewis Avenue, north of Route 173. Ms. DeMott estimated 29 children would reside there with 9 children in elementary school and 20 children of pre-school age. The elementary school children would attend Beulah Park School. Ms. DeMott stated, although Zion-Benton Township High School would not be impacted, the high school has expressed an interest in meeting with her liaison to discuss possible grants. Dr. Catherine Collins, Superintendent of Zion Grade School District 6, provided a letter of endorsement for this project.

It was moved by Commissioner Taylor, seconded by Commissioner Winfrey to approve a Special Use Permit for a transitional multi-unit housing development as petitioned by A Safe Place, and for an ordinance to be prepared accordingly. The vote on roll call was: Commissioners Taylor, aye; Winfrey, aye; Bennett, aye; DeTienne, aye; and Mayor Harrison, aye. Motion carried.

HEALTH & SAFETY INSPECTIONS/NEW BUSINESSES

A memo (03-DOC-2) was received from John Jones, regarding fire, water/sewer and building inspections for new businesses prior to occupancy. The predevelopment committee has been working on a safety inspection program for commercial and industrial businesses, which has been reviewed by the City Attorney. Mr. Jones stated, under this proposal, if a new business does not comply with the inspections, the occupancy permit could be held. Mayor Harrison stated business owners should be made aware of all requirements. Mayor Harrison questioned whether the buyer or seller of the commercial property would have to comply with these requirements. Attorney Puma stated this information would appear in the title, so the buyer would know the status prior to purchasing the business.

It was moved by Commissioner Winfrey, seconded by Commissioner Taylor to approve safety inspections for commercial and industrial businesses prior to occupancy, and for an ordinance to be prepared accordingly. The vote on roll call was: Commissioners Taylor, aye; Winfrey, aye; Bennett, aye; DeTienne, aye; and Mayor Harrison, aye. Motion carried.

FIRE/RESCUE DEPT. VACANCY

A memo (03-DOC-3) was received from Chief LaBelle, requesting permission to authorize the Fire and Police Commission to hire a firefighter/paramedic from the current eligibility list. This vacancy has been created by the retirement of Lt./Paramedic Alex Dimitrijevic.

It was moved by Commissioner DeTienne, seconded by Commissioner Bennett to grant permission to fill one firefighter/paramedic vacancy with the next eligible candidate from the Fire and Police Commission. The vote on roll call was: Commissioners Taylor, aye; Winfrey, aye; Bennett, aye; DeTienne, aye; and Mayor Harrison, aye. Motion carried.

POLICE SQUAD CARS

A memo (03-DOC-4) was received from Chief Malcolm, requesting permission to purchase five squad cars through a State of Illinois bid. Chief Malcolm recommended purchasing the vehicles through Landmark Automotive Group for a total cost of \$100,100, which does not include the trade-in of 3 squad cars. Commissioner Bennett stated this is adding two additional cars, which costs the City to insure and maintain. Chief Malcolm stated three years ago, the department reduced the number of cars by 20%, and now that the department is at full strength, the vehicles are needed. This is a budgeted item.

It was moved by Commissioner DeTienne, seconded by Commissioner Bennett to approve the purchase of five squad cars through a State of Illinois bid with Landmark Automotive Group for a total cost of \$100,100. The vote on roll call was: Commissioners Taylor, aye; Winfrey, aye; Bennett, aye; DeTienne, aye; and Mayor Harrison, aye. Motion carried.

TELECOMMUNICATOR/POLICE DEPT.

A memo (03-DOC-5) was received from Chief Malcolm, requesting approval of a Service Agreement with Backup Communications for the provision of one full-time Telecommunicator in the Police Department. The replacement Telecommunicator would fill a vacancy created by the resignation of Steve Bose. This outsourcing would save the City approximately \$8,500 per year.

It was moved by Commissioner DeTienne, seconded by Commissioner Winfrey to approve a Service Agreement with Backup Communications for the provision of one full-time Telecommunicator in the Police Department, subject to the City Attorney's review. The vote on roll call was: Commissioners Taylor, aye; Winfrey, aye; Bennett, aye; DeTienne, aye; and Mayor Harrison, aye. Motion carried.

RADIOS/POLICE DEPT.

A memo (03-DOC-6) was received from Chief Malcolm, requesting permission to purchase five Motorola radios for the Police Department. Chief Malcolm stated the current 25-year-old radios need to be replaced. Railcom has been the radio vendor for several years, and Chief Malcolm recommended purchasing the radios from Railcom for a total cost of \$2,050.00. This is a budgeted item.

It was moved by Commissioner DeTienne, seconded by Commissioner Taylor to grant permission to purchase five Motorola CT250 radios for the Police Department from Railcom for a total cost of \$2,050.00. The vote on roll call was: Commissioners Taylor, aye; Winfrey, aye; Bennett, aye; DeTienne, aye; and Mayor Harrison, aye. Motion carried.

TIF DISTRICT #1/ INTERGOVERNMENTAL AGREEMENT

A memo (03-DOC-7) was received from Delaine Rogers, regarding an intergovernmental agreement for the annual TIF District #1 sharing of tax revenue. The entities involved including the City of Zion, Zion Township, Zion-Benton Township High School District #126, Zion Elementary School District #6, Zion Park District and Zion-Benton Public Library District would agree to the following:

1. The City would agree to rebate a total of \$70,000 of TIF District #1 tax revenues each year for distribution to the other parties.
2. Payment of the rebate amount would be made by the City of Zion to the Lake County Assessor in April of each year, provided however, should the TIF District #1 tax revenues in 2004 or 2005 be insufficient to meet the debt service obligations, payment of all or any part of the rebate amount may be deferred until such time as revenues are sufficient to make payments. The Assessor would distribute the rebate amount to each party, pro rata, according to the tax rate then in effect for each taxing body.
3. This agreement would remain in effect for the length of TIF District #1. The City would have no obligation to pay the rebate in any year for which no taxes are levied for TIF District #1.
4. This agreement would resolve all issues regarding the validity or terms of TIF District #1 or the levy of taxes for payment of redevelopment project costs.

Ms. Rogers stated this agreement would be in effect during the length of the TIF District. Commissioner Bennett stated he didn't agree with the initial concept for disbursing funds, but is in favor of eliminating disagreements for future years. Commissioner DeTienne stated he didn't feel these funds should be disbursed. Mayor Harrison stated this situation initially was caused by a misunderstanding regarding the inclusion of Midwestern Regional Medical Center property in this TIF District. Commissioner Bennett stated the map should have been redone when the hospital expansion occurred.

It was moved by Commissioner Taylor, seconded by Commissioner Winfrey to approve entering into an Intergovernmental Agreement for Sharing of Tax Revenue pertaining to TIF District #1, as presented. The vote on roll call was: Commissioners Taylor, aye; Winfrey, aye; Bennett, nay; DeTienne, nay; and Mayor Harrison, aye. Motion carried.

FAÇADE GRANT PROGRAM/ZION AUTO SUPPLY (NAPA)

A memo (03-DOC-8) was received from Delaine Rogers, regarding a façade grant application from Zion Auto Supply (NAPA) at 2275 Sheridan Road. The Appearance Committee approved the request, recommending a grant in an amount not to exceed \$50,000. This business has met the requirements of this program, and plans have been approved by the Building Department.

It was moved by Commissioner DeTienne, seconded by Commissioner Bennett to approve the façade grant for Zion Auto Supply (NAPA) at 2275 Sheridan Road in an amount not to exceed \$50,000, with payment to be made upon completion of construction. The vote on roll call was: Commissioners Taylor, aye; Winfrey, aye; Bennett, aye; DeTienne, aye; and Mayor Harrison, aye. Motion carried.

FAÇADE GRANT PROGRAM/ZION BENTON NEWS

A memo (03-DOC-9) was received from Delaine Rogers, regarding a façade grant application from the owner of the Zion Benton News building at 2719 Elisha Avenue. The Appearance Committee approved the request, recommending a grant in an amount not to exceed \$85,375. The owner has brought a new medical billing business into Zion for the east side of the property, and plans to keep Zion Benton News as the tenant in the west portion of the property. This business has met the requirements of this program, and plans have been approved by the Building Department.

It was moved by Commissioner Taylor, seconded by Commissioner Winfrey to approve the façade grant for the Zion Benton News building at 2719 Elisha Avenue in an amount not to exceed \$85,375, with payment to be made upon completion of construction. The vote on roll call was: Commissioners Taylor, aye; Winfrey, aye; Bennett, aye; DeTienne, aye; and Mayor Harrison, aye. Motion carried.

FACADE GRANT PROGRAM/OUR SOCIETY RESALE SHOP

A memo (03-DOC-10) was received from Delaine Rogers, regarding a façade grant application from the owner of the buildings formerly known as Our Society Resale Shop at 2736 – 2744 Sheridan Road. The Appearance Committee approved the request, recommending a grant in an amount not to exceed \$93,750. This business has met the requirements of this program, and plans have been approved by the Building Department.

It was moved by Commissioner DeTienne, seconded by Commissioner Taylor to approve the façade grant for the buildings formerly known as Our Society Resale Shop at 2719 – 2744 Sheridan Road in an amount not to exceed \$93,750, with payment to be made upon completion of construction. The vote on roll call was: Commissioners Taylor, aye; Winfrey, aye; Bennett, aye; DeTienne, aye; and Mayor Harrison, aye. Motion carried.

PICKUP TRUCKS/PUBLIC WORKS

A memo (03-DOC-11) was received from Brian Usher, requesting permission to purchase three pickup trucks for Public Works. The original request for two trucks was amended to include a replacement for a truck, which was involved in an accident. These trucks would be purchased for a total cost of \$72,370 through a State of Illinois Joint Purchase program, from Bob Ridings, Inc. The City would be accepting \$6,800 from the insurance company for the totaled vehicle.

It was moved by Commissioner Taylor, seconded by Commissioner Winfrey to grant permission to purchase three pickup trucks for Public Works from Bob Ridings, Inc. through the State of Illinois Joint Purchase program for a total cost not to exceed \$72,370. The vote on roll call was: Commissioners Taylor, aye; Winfrey, aye; Bennett, aye; DeTienne, aye; and Mayor Harrison, aye. Motion carried.

ANNOUNCEMENTS

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| January 20 | City Hall closed for Martin Luther King Jr. Day |
| January 21 | Zion Township Board Meeting |
| January 21 | City Council Meeting |

CLOSED SESSION

It was moved by Commissioner DeTienne, seconded by Commissioner Taylor that the Council recess to Closed Session at 8:09 p.m. to discuss collective bargaining, personnel, sale and purchase of real estate, and potential litigation. The vote on roll call was: Commissioners Taylor, aye; Winfrey, aye; Bennett, aye; DeTienne, aye; and Mayor Harrison, aye. Motion carried.

It was moved by Commissioner DeTienne, seconded by Commissioner Bennett to reconvene the Regular Council meeting at 10:07 p.m. with all members present. The vote on roll call was: Commissioners Taylor, aye; Winfrey, aye; Bennett, aye; DeTienne, aye; and Mayor Harrison, aye. Motion carried.

HEALTH INSURANCE BENEFITS & PROCEDURES

Commissioner Bennett proposed amending health insurance benefits and procedures, which would replace Council action taken on December 17, 2002, as follows:

Retirees on the insurance plan – over age 65 on February 1, 2003:

- Coverage will remain the same as provided for regular full-time employees.
- Cost will be computed each year to approximate the actual cost for the City to insure the retiree or families, including medical coverage, prescriptions and life insurance.
- Retirees with life insurance only would be allowed to continue this insurance with new rates to be determined.

Retirees on the insurance plan – under age 65 on February 1, 2003:

- Coverage will remain the same as provided for regular full-time employees.
- Cost will be computed each year to approximate the actual cost for the City to insure the retiree or families, including medical coverage, prescriptions and life insurance.
- Insurance plan coverage will not be available after the Retiree becomes Medicare eligible.

New Retirees of all ages leaving full-time employment after February 1, 2003

- Health insurance with prescription benefits will be offered to all non-union employees until they reach the age of Medicare eligibility. Life and dental will not be available to these retirees. Cost will reflect the best approximation of actual City cost.
- Labor union employees will continue to have benefits according to the latest contracts.
- COBRA coverage is available for 18 months after retirement for health and prescription coverage only. Dental and life insurance will not be available. The cost would reflect the City's cost.

Commissioner Bennett also proposed an administrative policy with regulations for retiree insurance.

Commissioner Taylor stated he agreed with only a portion of this proposal, and recommended the following proposal for health insurance benefits and procedures:

Current Retirees on the insurance plan on May 1, 2003:

- Coverage will remain the same as provided for regular full-time employees.
- Cost will be computed each year to approximate the actual cost for the City to insure the retiree or families, including medical coverage, prescriptions and life insurance.
- Retirees with life insurance only would be allowed to continue this insurance with new rates to be determined.

Future Retirees of all ages leaving full-time employment after May 1, 2003

- Health insurance with prescription benefits will be offered to all non-union employees until they reach the age of Medicare eligibility. Life and dental will not be available to these retirees. Cost will reflect the best approximation of actual City cost.
- Labor union employees will continue to have benefits according to the latest contracts.

Commissioner Taylor stated COBRA coverage is required by law, and therefore, does not need to be part of this policy. In the proposed administrative policy, the Council agreed the statement pertaining to supplemental Medicare coverage needs to be clarified. Commissioner Bennett stated he could agree with using May 1, 2003 as the transition date.

It was moved by Commissioner Bennett to approve the proposal for amending health insurance benefits and procedures, as originally presented by Commissioner Bennett, but changing the transition date from February 1, 2003 to May 1, 2003, and having legal clarification of the statement pertaining to supplemental Medicare coverage. This motion died for lack of a second.

It was moved by Commissioner Taylor, seconded by Commissioner Winfrey to repeal Council action taken on December 17, 2002 pertaining to health insurance benefits and procedures, and approve amending health insurance benefits and procedures and the administrative policy as follows:

Current Retirees on the insurance plan on May 1, 2003:

- Coverage will remain the same as provided for regular full-time employees.
- Cost will be computed each year to approximate the actual cost for the City to insure the retiree or families, including medical coverage, prescriptions and life insurance.
- Retirees with life insurance only would be allowed to continue this insurance with new rates to be determined.

Future Retirees of all ages leaving full-time employment after May 1, 2003:

- Health insurance with prescription benefits will be offered to all non-union employees until they reach the age of Medicare eligibility. Life and dental will not be available to these retirees. Cost will reflect the best approximation of actual City cost.
- Labor union employees will continue to have benefits according to the latest contracts.

Administrative Policy For Retiree Insurance:

1. Retirees covered by insurance on May 1, 2003 will continue to be offered insurance until they either withdraw or fail to make timely payment of the premium. Coverage will terminate if the premium is not paid by the due date, and reinstatement would only be allowed if payment is made within 30 days of this due date.
2. Coverage will be offered to the spouse in the event of the death of the retiree.
3. New dependents will not be added after the date of retirement
4. Cost of insurance will be set by the City Council prior to May 1st of each year, reflecting the actual cost to the City. The method of determining the actual cost of life insurance for current retirees will be determined prior to May 1, 2003.
5. The City reserves the right to make changes in coverage, cost adjustments, administration or insurance carriers.
6. A retiree can't be admitted back into the plan after refusing or canceling coverage.
7. Extension of coverage can only be done by action of the City Council.
8. The City will continue to insure the retired Council member and a disabled employee under the same provision that applied to the current retirees.
9. Retirees would be notified of new costs no later than April 1 of each year.
10. Retiree health and prescription insurance is offered only to retiring full-time employees with a minimum of five years continuous active service prior to retirement. COBRA benefits are available for all retirees.
11. Upon legal clarification, an additional statement will be included in this policy pertaining to Medicare coverage being supplemental to City coverage.

The vote on roll call was: Commissioners Taylor, aye; Winfrey, aye; Bennett, nay; DeTienne, aye; and Mayor Harrison, aye. Motion carried.

ADJOURN

There being no further business to come before the Council at this time, it was moved by Commissioner Taylor, seconded by Commissioner DeTienne and unanimously approved the meeting be adjourned at 11:13 p.m. Motion carried.

City Clerk

Approved January 21, 2003