

**MINUTES OF A REGULAR MEETING OF THE ZION CITY COUNCIL HELD ON TUESDAY, SEPTEMBER 17, 2019, AT 7:04 P.M. IN THE CITY COUNCIL CHAMBERS, CITY HALL, 2828 SHERIDAN ROAD, ZION, ILLINOIS**

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Little Miss Zion Rachel Harvey rapped the gavel.

Junior Miss Zion Avery Shogren called the meeting to order.

Teen Miss Zion Danielle McDonald called the roll. On call of the roll the following answered present: Commissioners Holmes, McDowell, Fischer, Frierson, and Mayor McKinney. A quorum was present.

Miss Zion Jewel Woodard was not in attendance.

Also present: Police Chief Kirk Henderson, Fire Chief John Lewis, Public Works Director Ray Roberts, City Administrator David Knabel, Building & Zoning Director Richard Ianson and City Attorney James Vasselli.

The Zion Queens led in the Pledge of Allegiance to the Flag.

**AGENDA CHANGES**

It was moved by Commissioner Frierson, seconded by Commissioner McDowell to accept the agenda as presented.

The vote on roll call was: Commissioners Holmes, aye; McDowell, aye; Fischer, aye; Frierson, aye; and Mayor McKinney, aye. Motion carried.

**SPECIAL PRESENTATION/JUBILEE DAYS PARADE AWARDS**

Rich Walker, the Parade Chair, of the Jubilee Days Commission presented the 2019 Jubilee Days Parade Awards as follows:

Specialty Award - best effort and enthusiasm	My Father's Business
Theme Award – best presentation of the parade theme “Celebrating the Big Screen”	Lake County Community Pageant Queens
President's Choice – most original entry	Cub Scout Pack #663
Jubilee Director's Choice – best musical entry	North Point Church Band
Sweepstakes Award – best animation or humor	Cornerstone Realty Group
Grand Jubilee Trophy – most beautiful entry	2019 Zion Queens
Mayor's Trophy – best overall entry	Associated Wholesale Grocers

Mayor McKinney recognized Rich Walker for the 33 years of service he has given to Jubilee Days. He thanked him for the dedication and hard work that he has put into the event. He also recognized the large amount of work that goes on behind the scenes and the countless people that make sure the event goes smoothly.

**CITIZEN COMMENTS**

William Bremner, Zion, stated last week Administrator Knabel had a discussion regarding Zion's water mains. Part of the discussion included water loss within the City's water system. Mr. Bremner presented the Council with an article from the Chicago Tribune regarding Chicago's Mayor and her attempt to address the City of Chicago's water main leak problem by lining the mains. He suggested Mayor Lightfoot may have read Zion's meeting minutes and followed Zion's lead.

**CONSENT AGENDA**

It was moved by Commissioner McDowell seconded by Commissioner Fischer that the Minutes be approved as follows:

- (a) **APPROVAL OF MINUTES:** a Regular Meeting held on September 3, 2019 at 7:00 p.m.

The vote on roll call was: Commissioners Holmes, aye; McDowell, aye; Fischer, aye; Frierson, aye; and Mayor McKinney, aye. Motion carried.

It was moved by Commissioner Fischer seconded by Commissioner Frierson that the Bills be approved as follows:

- (a) **BILLS:** Vouchers 132921 through 133023 drawn on Huntington National Bank, N.A. Total: \$376,152.99.

The vote on roll call was: Commissioners Holmes, aye; McDowell, aye; Fischer, aye; Frierson, aye; and Mayor McKinney, aye. Motion carried.

It was moved by Commissioner McDowell seconded by Commissioner Fischer that the Proclamation be approved as follows:

- (c) **PROCLAMATION:** Buddy Poppies Days, September 27, 28, & 29 2019

The vote on roll call was: Commissioners Holmes, aye; McDowell, aye; Fischer, aye; Frierson, aye; and Mayor McKinney, aye. Motion carried.

**ORDINANCE/LEASE RENEWAL/1721 NORTH SHERIDAN ROAD**

Director Ianson stated that there is a lease between the City and Lucienne Ventures, Ltd. for property consisting of approximately 2,430 square feet situated on the 18<sup>th</sup> Street right-of-way, adjacent to 1721 North Sheridan Road, for access to tenant parking. The annual rent payment was set at \$250.00. Director Ianson stated that the current lease expires on October 3, 2019 and he requested that the Council renew the lease for one year.

It was moved by Commissioner Holmes, seconded by Commissioner McDowell, that an Ordinance (19-O-36) be passed authorizing the execution of a renewed lease between the City and Lucienne Ventures, Ltd. for property consisting of approximately 2,430 square feet situated on the 18<sup>th</sup> Street right-of-way, adjacent to 1721 North Sheridan Road, for access to tenant parking, with an annual rent payment of \$250.00. The vote on roll call was: Commissioners Holmes, aye; McDowell, aye; Fischer, aye; Frierson, aye; and Mayor McKinney, aye. Motion carried. Ordinance passed.

**ORDINANCE/THIRD AMENDMENT/WATER SUPPLY CONTRACT/LAKE COUNTY PUBLIC WATER DISTRICT**

Administrator Knabel stated Lake County Public Water District provides the water supply to the City. In the original contract with the City, all annual payments charged for the Repair and Maintenance account were spread out over a nine month period. For book keeping ease they are requesting the funds be spread out over a twelve month period and be approved annually.

It was moved by Commissioner Frierson, seconded by Commissioner Fischer, that an Ordinance (19-O-37) be passed authorizing a third amendment to the water supply contract with the Lake County Public Water District. The vote on roll call was: Commissioners Holmes, aye; McDowell, aye; Fischer, aye; Frierson, aye; and Mayor McKinney, aye. Motion carried. Ordinance passed.

**SPECIAL USE PERMIT/2701 DEBORAH AVENUE**

A memo (19-DOC-55) was received from Director Ianson requesting approval of a Special Use Permit to manufacture, assemble and store items containing Hemp. Director Ianson stated in 2018, the State of Illinois passed the Industrial Hemp Act, legalizing the use of Hemp products. Haal Inc. is seeking a Special Use Permit to manufacture Hemp cigarettes and assemble and store items containing Hemp at the property located at 2701 Deborah Avenue, Zoning Docket (19-Z-3). At the September 5, 2019 Planning and Zoning Commission meeting, they recommended approval of the Special Use Permit.

Commissioner McDowell wanted to clarify that Hemp products are not the same as cannabis products. Hemp contains only 3/10 of a percent of THC. Commissioner McDowell stated this will be similar to manufacturing cigarettes and is not considered addictive.

Commissioner Holmes stated in her research she found that Hemp is not considered a controlled substance.

It was moved by Commissioner Holmes, seconded by Commissioner Frierson that an Ordinance (19-O-38) be passed granting a Special Use Permit to manufacture Hemp cigarettes and assemble and store items containing Hemp at the property located at 2701 Deborah Avenue. The vote on roll call was: Commissioners Holmes, aye; McDowell, aye; Fischer, aye; Frierson, aye; and Mayor McKinney, aye. Motion carried. Ordinance passed.

### **FEASIBILITY STUDY/OLD TOWNSHIP BUILDING**

A memo (19-DOC-56) was received from Director Ianson regarding a feasibility study for the old Township Building. Director Ianson stated the building has been vacant and deteriorating for over 10 years. It is necessary to determine if the building can be of viable use for a future tenant or be demolished. Partners in Design Architects have proposed a feasibility study conducted by them and their engineering consultants, Hanson & Associates and Southport Engineering. Staff recommends accepting the proposal of Partners in Design Architects to conduct a feasibility study in the amount of \$4,890.00. This is a budget line item for public property, 10-06-102-151.

Commissioner McDowell asked if there was a plan a few years ago to do something with the building. Director Ianson confirmed there was discussion a few years ago about the possibility of rehabbing the building. Mayor McKinney stated the City has been approached by several entities that are interested in renting space in the building.

It was moved by Commissioner Holmes, seconded by Commissioner Fischer, to accept the proposal of Partners in Design Architects to conduct a feasibility study for the old Zion Township Building in the amount of \$4,890.00. The vote on roll call was: Commissioners Holmes, aye; McDowell, aye; Fischer, aye; Frierson, aye; and Mayor McKinney, aye. Motion carried.

### **MUNICIPAL FUNDING SOLUTIONS LLC/ CAPITAL LEASE/PURCHASE/VECTOR TRUCK**

A memo (19-DOC-57) was received from Administrator Knabel requesting approval of a contract for the financing for the purchase of a Vector truck in the Public Works Department. Administrator Knabel stated the proposal was approved at the August 6, 2019 Council meeting and purchase is included in the budget approved at the July 16, 2019 Council meeting. He recommends approval of the contract as presented.

It was moved by Commissioner McDowell and seconded by Commissioner Fischer to approve the contract for the financing for the purchase of a Vector truck in the Public Works Department as presented. The vote on the roll: Commissioners Holmes, aye; McDowell, aye; Fischer, aye; Frierson, aye; and Mayor McKinney, aye. Motion carried.

### **MUNICIPAL FUNDING SOLUTIONS LLC/ CAPITAL LEASE/PURCHASE/SQUAD CARS**

A memo (19-DOC-58) was received from Administrator Knabel requesting approval of a contract for the financing for the purchase and outfitting of five squad cars in the Police Department. Administrator Knabel stated the proposal was approved at the August 6, 2019 Council meeting and purchase is included in the budget approved at the July 16, 2019 Council meeting. He recommends approval of the contract as presented. The old squad cars will be declared surplus property and liquidated through Clinton Auto Auction which is the City's approved process

It was moved by Commissioner Frierson and seconded by Commissioner McDowell to approve the contract for the financing for the purchase and outfitting of five squad cars in the Police Department as presented. The vote on the roll: Commissioners Holmes, aye; McDowell, aye; Fischer, aye; Frierson, aye; and Mayor McKinney, aye. Motion carried.

### **DISCUSSION/WATER RATE ADJUSTMENT**

A memo (19-DOC-59) was received from Administrator Knabel regarding a water rate adjustment. He stated there have been recent discussions regarding water and infrastructure needs within the City. The City has 111 miles of water mains, 106 miles of sanitary lines and 95 miles of storm water resulting in about 300 miles of utilities buried

underground. Of that infrastructure, over 60% is 50 years or older, 20% is in the 100 year or older ranges. To replace a water main the cost is about \$300 a linear foot. To replace one mile of water main, the cost would be about \$1.5 million. There are 20 miles that are 100 years old and the City would have to spend \$1.5 million every year for the next 20 years just to replace the oldest main. The City has not been keeping up with current needs in an attempt to keep rates low. Unfortunately, it has gotten to the point where the City can no longer avoid an increase. The rate was kept flat for 10 years up until 2014. The rate was increased at that time just to catch up to the operational costs that had not been adjusted for in the rate. The rate was increased again in 2016 due to the debt issued by the Lake County Public Water District for the intake pipe for the Lake Michigan project. The City pays approximately \$900,000 annually in principal and interest for debt to the LCPWD as well as the bonds currently outstanding at the City for the water system. None of the rate increases factored in costs for replacing infrastructure. Over a 15 year period infrastructure continues to age, which has resulted in 57 main breaks over the past winter season. Additionally, there is 18% water loss in the system due to age, which equates to 8-10 million gallons of water per month. This loss is part of the current rate as the City has to pay for the water but have no end user to bill and thus recoup the expense. The IEPA has scrutinized the City for the high water loss. After reviewing rates of surrounding communities, it was determined the City of Zion is approximately 20% less than average. The goal would also be to leverage these funds as much as possible into grant and other programs through matching or low-interest loan funds. Administrator Knabel proposed an increase to the water fee by \$1.60/1,000 gallons, which will generate revenue sufficient to cover the debt service. He also proposed restricting the amount of revenue generated to go towards infrastructure projects.

Commissioner McDowell stated the debt service from Lake County Public Water District is driving the rate increase. The obligation of the debt service payment leaves Zion with less money to use for infrastructure. He stated increasing the rate will free up funds to use for infrastructure. He stated he normally would not be in favor of a rate increase but believes this increase is justified while still remaining within the rates of surrounding communities.

Commissioner Frierson asked how they can earmark funds to be used for infrastructure. Administrator Knabel stated it will be an accounting procedure. The income statement for the Water Fund will have a separate line that shows water revenue for infrastructure. This will show how much is coming in and the financial statements will show a restricted fund balance for infrastructure. The goal is to have the rate go into effect on January 1, 2019 which will reflect bills for October, November and December water.

Mayor McKinney asked what a normal percentage would be for water loss in the community and how it relates to dollars and cents. Director Roberts stated the IEPA is requiring a water loss of no more than 10% by the end of 2020. Administrator Knabel stated trying to chop the percent in half is a major task without addressing infrastructure. Director Roberts is putting together a plan for a leak detection proposal which they will go out to bid for. They are also replacing the older meters and doing the work in-house. Administrator Knabel stated the water loss is between 8-10 million gallons a month which equates to about \$900,000 of lost revenue a year. The loss factor will also be built into the rate. The average increase per resident will be about \$7.00 a month or \$20.00 a quarter. He stated the increase will be calculated per 1,000 gallons due to the commercial businesses and variances in community demographics within the City. Not everyone will be paying the same flat amount as it will be based on usage.

Commissioner Fischer stated regarding the leverage of the funds, it is a result of the Capital Bill there is a whole section on water projects dealing with the IEPA. Administrator Knabel stated they cannot rely on help from the State or the Federal Government so they must do address it themselves. If they can find a program with matching funds, they must have the funds available to match the funds. Commissioner Frierson asked if infrastructure grants would have the same engineering requirements as for the road projects. Director Roberts stated yes, they must go through IEPA approval and submitting a project could take up to a year to get approved.

#### **APPOINTMENTS/NOSTALGIA DAYS**

It was moved by Commissioner Frierson and seconded by Commissioner McDowell to approve the appointments of Bob Pataky and Charlie Black to the Nostalgia Days Commission. The vote on the roll: Commissioners Holmes, aye; McDowell, aye; Fischer, aye; Frierson, aye; and Mayor McKinney, aye. Motion carried.

#### **DEPARTMENTAL COMMENTARY**

Human Resources Director Karin Graves stated job opportunities continue to be posted on the City's website. Please check the website for more information or contact Ms. Graves directly.

Director Ianson stated they are half way through the demolitions. The second of four was just finished within the last couple of days. They will be starting on the third one towards the end of the week.

Director Roberts stated the Alley Project has been delayed a week and is now scheduled to begin on September 23rd. The delay is due to JULIE locates as they are about 2-3 weeks behind and recent rain. The street crew will be starting some major street patching around the City. They will be starting on the south end of the City going through every alley up to the north end. They are trying to get it done prior to winter. Residents can report pot holes in their area but must be patient as the crew may be called off pot holes to do other projects. There have been 6,000 square yards of contracted patching done and 60 tons of asphalt for pot holes and cut-outs done in-house. Mayor McKinney asked what the average cost is to do one alley. Director Roberts stated the cost would depend on the condition of the alley. If an alley is in fair condition, the cost can be about \$30,000 - \$40,000. If the project also requires drainage it could end up costing \$290,000.

The tentative date for leaf pick-up is the week of October 28<sup>th</sup>. It will run for 4 weeks; the last week in October and 3 weeks in November. There will also be 2 leaf pick-ups in the spring. Leaves should be piled in the parkway not in the street gutters. Per their contract, Advanced Disposal will not pick up the leaves if they are placed in the street gutters.

Administrator Knabel stated his monthly “Dollars & Sense” meeting takes place on the 2<sup>nd</sup> Tuesday of the month at It’s All Good. Topics will vary and invited citizens to come get informed and ask questions. He welcomes suggested topics.

The Township Assessor will have a presentation on October 1<sup>st</sup> at 5:30 at City Hall. The topics will be “Understanding your assessment” and “How to file a property tax appeal”. There will be representatives from different taxing bodies available for a question and answer session. Representative Joyce Mason will also be in attendance.

Chief Lewis stated last week a tornado touched down in Waukegan but the sirens did not go off because the tornado was here and gone so quickly. The City has four warning sirens located at:

- 1) 28<sup>th</sup> Street & Sheridan Road (City Hall)
- 2) 17<sup>th</sup> Street and Sheridan Road
- 3) 2000 Block of Joppa
- 4) Lorelei and Franklin Court (Jordan Park)

Sirens are tested on the first Tuesday of each month at 10:00 a.m. for 1 minute. The members of ESDA make sure the sirens are working. Sirens can be activated from the Gurnee Dispatch Center, Zion Fire Station 1 & 2. The sirens will be activated for:

- 1) A NWS tornado warning with a severe storm cell tracking towards the City of Zion
- 2) Visual sighting of a cloud rotation, funnels aloft, or a tornado on the ground by Zion Police or Fire Supervisory personnel, Lake County Sheriff, Illinois State Police, or trained ESDA weather spotters.
- 3) Severe Thunderstorm Warning issued by the National Weather Service or a report from a trained spotter that includes wind 70 mph or greater (whole trees blown down) and/or Golf ball sized hail or larger.
- 4) Non-weather emergencies (terrorism, nuclear emergency, etc.) that pose a threat to those outdoors and require action to protect life, should be alerted via the outdoor warning sirens by local officials based on local discretion depending on the emergency.

When activated for a threat, the tone sounds for 3 minutes, re-sounding for the duration of the threat (every 10-15 minutes is recommended). Upon hearing outdoor warning sirens, it is important that all persons immediately refer to local broadcast media (radio, television, etc.) for additional information. There will be no “All Clear” signal from outdoor warning sirens. Citizens are expected to be indoors and should monitor local media for additional information.

Chief Henderson recognized Officer Michael Gildea for his assistance in the recent storms and flooding. Officer Gildea removed his boots and socks to help clear a storm drain at the flooded intersection on Route 173.

Mayor McKinney stated there are 25,000 residents in Zion and 120 employees that work for the City. He challenged residents to give 30 minutes of their time a week to help out in their neighborhood with things like cleaning a drain or picking up trash.

The Community of Character walk went well with great weather and a great turnout of citizens for the event.

Mari Lou Hiltibran stated she has been with ESDA for 35 years and has seen many vehicles stranded during flooding, ignoring the barricaders and trying to drive through the water. She urged citizens not to drive or walk through standing water and find another way.

**ANNOUNCEMENTS**

October 1	7:00 p.m.	Zion City Council Meeting
October 15	6:15 p.m. 7:00 p.m.	Zion Township Board Meeting Zion City Council Meeting
October 27	2:00 p.m. - 5:00 p.m.	Zion Trick or Treat

**ADJOURN**

There being no further business to come before the Council at this time, it was moved by Commissioner Frierson, seconded by Commissioner Fischer, and unanimously approved the meeting be adjourned at 8:14 p.m. Motion carried.

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City Clerk