

MINUTES OF A REGULAR MEETING OF THE ZION CITY COUNCIL HELD ON TUESDAY, JUNE 16, 2015, AT 7:00 P.M. IN THE CITY COUNCIL CHAMBERS, CITY HALL, 2828 SHERIDAN ROAD, ZION, ILLINOIS

Mayor Hill called the meeting to order.

On call of the roll the following answered present: Commissioners McKinney, Taylor, McDowell, DeTienne, and Mayor Hill. A quorum was present.

Also present: Chief of Police Steve Dumyahn, Fire/Rescue Deputy Chief Eric Montellano, Public Works Director Ron Colangelo, Building/Zoning Director Richard Ianson, ESDA Field Director Brandon Busch and City Attorney Paula Randall. Fire/Rescue Chief John Lewis was absent.

Mayor Hill led in the Pledge of Allegiance to the flag.

AGENDA CHANGES

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

- Item 8f – Authorizing Execution of Zion Power Station Agreement per Mayor Hill – For discussion only – no action to be taken

The vote on roll call was: Commissioners McKinney, aye; Taylor, aye; McDowell, aye; DeTienne, aye; and Mayor Hill, aye. Motion carried.

CITIZEN COMMENTS

John Jones, Zion, stated that he was bothered by an out of town, out of state company who was soliciting in downtown Zion for memberships to shop at their new Kenosha store. He stated that he reported it to the City and two calls went unanswered. He stated that no action was taken. Director Ianson stated that the company was in possession of a valid Zion-issued solicitor's permit and that staff made certain that they were not soliciting on City property.

Lisa Issac, Zion, stated that it is State law that motorists stop for pedestrians in the crosswalk. She stated that she is concerned about two crosswalks at Sheridan Road and 26th Street and two crosswalks at Sheridan Road and 28th Street. She stated that no one stops and eventually there will be an accident involving a pedestrian or a bicyclist. She recommended that signs be placed in the crosswalks. Director Colangelo stated that such signs have been placed in these crosswalks in the past and they were destroyed by traffic almost immediately. Mayor Hill asked Director Colangelo to investigate sign placement at roadside rather than in the street. Director Colangelo stated that authority to do so must be granted by IDOT and signs can only be placed in crosswalks that are hash-marked. He stated that new pavement markings would be required. Director Colangelo stated that approval comes from the State, but the City bears the cost. He stated that a traffic study on Sheridan Road in the downtown area has begun in an effort to reduce speed which would provide higher visibility for businesses and improve public safety.

CONSENT AGENDA

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

- (a) **APPROVAL OF MINUTES:** of a Regular Meeting held June 2, 2015 at 7:00 p.m., with corrections; and approval but not release of Closed Session Minutes of a meeting held on June 2, 2015 at 8:25 p.m. with corrections
- (b) **BILLS:** Vouchers 121020 through 121249 drawn on First Merit Bank, Total: \$959,517.85

Approved by omnibus vote as follows: The vote on roll call was: Commissioners McKinney, aye; Taylor, aye; McDowell, aye; DeTienne, aye; and Mayor Hill, aye. Motion carried.

RESOLUTION/GRAND APPLIANCE ECONOMIC INCENTIVE AGREEMENT

A memo (15-DOC-54) was received from Director Knabel stating that Grand Appliance was considering moving their business to a new location outside of Zion or expanding at their current location. He stated that an economic incentive agreement was developed to encourage Grand Appliance to remain in Zion. The agreement proposes rebating 100% of sales tax collected over \$50,000 based on a 5-year average of what the City receives to protect existing revenue while giving the business the benefit of any additional business created by them. He stated that the term of the agreement is ten (10) years with a cap of \$500,000 in sales tax rebates. Director Knabel stated that, as encouragement to expand quickly for mutual benefit, if the \$500,000 cap is reached in advance of the 10-year expiring term, any sales taxes collected beyond that would be split equally between the City and Grand Appliance. He stated that the agreement also proposes rebating 50% of the City's portion of the property taxes for the property for 10 years, but not to exceed a total of \$25,000. Commissioner McDowell asked if the \$50,000 was based on the City of Zion location or corporate. Director Knabel stated that it is based on corporate, but all sales in Illinois go through the Zion location. Commissioner McDowell asked if other taxing bodies were offering incentives which would allow the City to lower the rebate percentage. Director Knabel stated that the other taxing bodies have the ability to offer incentives, however, time was of the essence and there was no time to wait for joint consideration in order to retain Grand Appliance as a Zion business.

It was moved by Commissioner McKinney, seconded by Commissioner DeTienne that a Resolution (15-R-14) be passed approving and authorizing execution of an Economic Incentive Agreement between the City of Zion and 3300 16th Street, LLC. The vote on roll call was: Commissioners McKinney, aye; Taylor, aye; McDowell, aye; DeTienne, aye; and Mayor Hill, aye. Motion carried. Resolution passed.

RESOLUTION/MEMBERSHIP ACCOUNT AGREEMENT/GREAT LAKES CREDIT UNION

Director Knabel stated that, due to the closing of First Merit Bank in Zion, a new account must be opened for the deposit of funds acquired through drug seizures. These funds are used for drug traffic prevention purposes. He proposed that a Membership Account Agreement be entered into for this purpose with Great Lakes Credit Union.

It was moved by Commissioner Taylor, seconded by Commissioner McDowell that a Resolution (15-R-15) be passed approving and authorizing execution of a Membership Account Agreement with Great Lakes Credit Union. The vote on roll call was: Commissioners McKinney, aye; Taylor, aye; McDowell, aye; DeTienne, aye; and Mayor Hill, aye. Motion carried. Resolution passed.

PREVAILING RATE OF WAGES

It was moved by Commissioner DeTienne, seconded by Commissioner McDowell that an Ordinance (15-0-28) be passed ascertaining the Prevailing Rate of Wages as determined by the Department of Labor as of June 2015 for laborers, mechanics and other workers performing construction of public works in the City of Zion, Lake County, Illinois. The vote on roll call was: Commissioners McKinney, aye; Taylor, aye; McDowell, aye; DeTienne, aye; and Mayor Hill, aye. Motion carried. Ordinance passed.

ORDINANCE/DONATION OF SURPLUS VEHICLE TO ZION PARK DISTRICT

A memo (15-DOC-55) was received from Chief Dumyahn requesting that a vehicle, which was declared surplus by the Council on March 17, 2015, Ordinance 15-O-14, be donated to the Zion Park District.

It was moved by Commissioner McDowell, seconded by Commissioner Taylor that an Ordinance (15-0-29) be passed donating a surplus vehicle (2010 Ford Crown Victoria VIN 2FABP7BV1AX108495) to the Zion Park District. The vote on roll call was: Commissioners McKinney, aye; Taylor, aye; McDowell, aye; DeTienne, aye; and Mayor Hill, aye. Motion carried. Ordinance passed.

**ORDINANCE/ECONOMIC INCENTIVE AGREEMENT AMENDMENT/
IT'S ALL GOOD COFFEE & ESPRESSO/ 2780 SHERIDAN ROAD**

It was moved by Commissioner DeTienne, seconded by Commissioner McDowell that an Ordinance (15-0-30) be passed approving and authorizing execution of an Amendment to the Economic Incentive Agreement with It's All Good Coffee & Espresso, Inc., 2780 Sheridan Road. Director Knabel stated that at the May 19, 2015 Council meeting, the Council approved a TIF Grant for costs associated with removal of tanks and environmental remediation of their site. Mayor Hill stated that the major difference between the original agreement and the amendment is that the TIF incentive will be forgivable over a period of 10 years instead of the original 5 years. The vote on roll call was: Commissioners McKinney, aye; Taylor, aye; McDowell, aye; DeTienne, aye; and Mayor Hill, aye. Motion carried. Ordinance passed.

ORDINANCE/AMENDING MUNICIPAL CODE/BILLING DELINQUENCY CHARGES

A memo (15-DOC-56) was received from Director Knabel requesting an amendment to the Zion Municipal Code to ensure that the Code matches current practice with regard to water billing delinquency charges. He stated that there is a redundancy in the Code regarding late fee assessment. He stated that software does not allow for grace periods in the calculation of the penalty for late water bill payments. He recommended deleting the following statements, "Late fees will be assessed if the full utility bill is not paid by the due date. The customer will receive a two day grace period.", from Code Section 94-358.

It was moved by Commissioner McDowell, seconded by Commissioner Taylor that an Ordinance (15-0-31) be passed amending Zion Municipal Code Chapter 94, Article IV, Section 94-358 "Billing Delinquency Charges" by eliminating the late fee assessment redundancy and the two day grace period. The vote on roll call was: Commissioners McKinney, aye; Taylor, aye; McDowell, aye; DeTienne, aye; and Mayor Hill, aye. Motion carried. Ordinance passed.

ORDINANCE/AMENDING MUNICIPAL CODE/LIQUOR CONTROL ORDINANCE

Mayor Hill presented an ordinance amending Zion Municipal Code Chapter 56, "Liquor Control Ordinance". He stated that the proposed ordinance would:

- 1) Require that a copy of the current City of Zion business license issued to the business be included with the liquor license application
- 2) Deem a person to be ineligible to be licensed who is legally indebted to the City of Zion
- 3) Limit the number of licenses issued in Classes A, C, F, S, and W.
- 4) Change the hours of business for Class E (Shepherd's Crook Golf Course) and delete hours of operation for Class S (stadium) licenses

It was moved by Commissioner Taylor, seconded by Commissioner DeTienne that an Ordinance (15-0-32) be passed amending Zion Municipal Code Chapter 56, Liquor Control Ordinance, Section 56-52(c)(2) "Application gnerally", Section 56-53 "Persons ineligible to be licensed", Section 56-58 "Limitation on number of licenses issued", and Section 56-95 "Hours of business, generally" as presented. The vote on roll call was: Commissioners McKinney, aye; Taylor, aye; McDowell, aye; DeTienne, aye; and Mayor Hill, aye. Motion carried. Ordinance passed.

ZION POWER STATION PARCEL AGREEMENT

Mayor Hill stated that the proposed Zion Power Station Parcel Agreement is an effort to stabilize the EAV of the Exelon nuclear power station property. He stated that there have been yearly appeals as Zion taxing bodies feel the value should be high and Exelon feels the value should be low. He stated that this agreement is the result of attorneys for the City of Zion and Zion schools negotiating with Exelon regarding settling on the value. Mayor Hill stated that representatives from the taxing bodies, attorneys, and Assessor Wicketts will meet to determine how to proceed. He stated that, per the agreement, the EAV would decrease each year, from \$8,145,046 in 2014 to \$4,933,416 in 2019. He stated that annual tax payments would decrease each year, from \$1,589,099 in 2014 to \$962,510 in 2019. Assessor Wicketts stated that this agreement only pertains to one parcel totally 96 acres which includes a football field sized concrete pad

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and a 2,000 square foot security building which will depreciate at 20% per year. He stated that Exelon proposes a value of \$15,000,000 for a building with no value at all. Assessor Wicketts stated that the market value of lakefront property is \$30,000 per acre. He stated that it is wasteland, worthless property, with concrete in the ground upon which nuclear spent fuel rods are being stored. Commissioner McDowell stated that the property must have value as it is a repository for nuclear waste. Assessor Wicketts stated that the storage casks are considered personal property, not real property, and are not included. Commissioner McDowell stated that there are questions that need to be answered regarding the value of nuclear waste storage and that the issue should be litigated. Mayor Hill stated that the City should be aggressive with the federal government to persuade them to require that Exelon reimburse the City for the spent nuclear fuel rods storage on the lakefront. He stated that he is concerned that, if the City signs the agreement, it will be construed as the City having already agreed to compensation. Mayor Hill asked what the parcel is worth without the agreement. Assessor Wicketts stated that the property value would be between \$200,000 and \$300,000 at best. Christine Hansen, Zion resident, stated that the property should be considered for use as a recycling/bio-fuel facility.

ENGINEERING SERVICES/29TH STREET & EDINA BLVD. STREET IMPROVEMENTS

A memo (15-DOC-57) was received from Director Colangelo requesting that Phase I and Phase II engineering services for the 29th Street and Edina Blvd. street improvement project be awarded to Christopher Burke Engineering of Rosemont, Illinois in the amount of \$20,000. He stated that the City submitted an application for a Surface Transportation Grant for this project. He stated that the program distributes federal funding in the form of 70/30 grants for construction engineering and actual costs. He stated that the estimated grant amount is \$363,474.65 with the 30% share to come from the City's Motor Fuel Tax and Street and Bridge Funds. He stated that the project is scheduled in IDOT's Fiscal Year 2017.

It was moved by Commissioner Taylor, seconded by Commissioner McDowell to award Phase I and Phase II engineering services for the 29th Street and Edina Blvd. street improvement project to Christopher Burke Engineering of Rosemont, Illinois in the amount of \$20,000. The vote on roll call was: Commissioners McKinney, aye; Taylor, aye; McDowell, aye; DeTienne, aye; and Mayor Hill, aye. Motion carried.

ENGINEERING SERVICES/23RD STREET BETWEEN SHERIDAN ROAD & EDINA BLVD. STREET IMPROVEMENTS

A memo (15-DOC-58) was received from Director Colangelo requesting that Phase I and Phase II engineering services for the 23rd Street between Sheridan Road and Edina Blvd. street improvement project be awarded to Christopher Burke Engineering of Rosemont, Illinois in the amount of \$20,000. He stated that the City submitted an application for a Surface Transportation Grant for this project. He stated that the program distributes federal funding in the form of 70/30 grants for construction engineering and actual costs. He stated that the estimated grant amount is \$241,953.25 with the 30% share to come from the City's Motor Fuel Tax and Street and Bridge Funds. He stated that the project is scheduled in IDOT's Fiscal Year 2017.

It was moved by Commissioner Taylor, seconded by Commissioner DeTienne to award Phase I and Phase II engineering services for the 23rd Street between Sheridan Road and Edina Blvd. street improvement project to Christopher Burke Engineering of Rosemont, Illinois in the amount of \$20,000. The vote on roll call was: Commissioners McKinney, aye; Taylor, aye; McDowell, aye; DeTienne, aye; and Mayor Hill, aye. Motion carried.

REQUEST FOR WAIVER/RAFFLE MANAGER'S FIDELITY BOND

A memo (15-DOC-59) was received from Clerk Burkemper regarding a request for waiver of a raffle manager's fidelity bond on behalf of Waukegan Rotary Club. She stated that the Club submitted a raffle application requesting authorization to conduct a raffle for fundraising purposes. She stated that the Club has submitted a letter requesting that the manager's fidelity bond be waived and has indicated on the application that a unanimous vote of the organization's members approved the waiver request as is required in the Municipal Code.

It was moved by Commissioner McDowell, seconded by Commissioner DeTienne, to waive the raffle manager's fidelity bond on behalf of Waukegan Rotary Club. The vote on roll call was: Commissioners McKinney, aye; Taylor, aye; McDowell, aye; DeTienne, aye; and Mayor Hill, aye. Motion carried.

DEPARTMENTAL COMMENTARY

Director Colangelo stated that road construction will begin soon on Gabriel Avenue by Shiloh Park School. He stated that the street will be open and passable, however, he recommended that motorists use an alternate route if possible.

ANNOUNCEMENTS

June 20		Nostalgia Days
July 3		City Offices Closed for the Holiday
July 7	7:00 p.m.	Zion City Council Meeting
July 21	6:30 p.m. 7:00 p.m.	Zion Township Board Meeting Zion City Council Meeting

CLOSED SESSION

It was moved by Commissioner McDowell, seconded by Commissioner Taylor that the Council recess to Closed Session at 8:02 p.m. to discuss personnel and review of Closed Session minutes for release. The vote on roll call was: Commissioners McKinney, aye; Taylor, aye; McDowell, aye; DeTienne, aye; and Mayor Hill, aye. Motion carried.

It was moved by Commissioner McDowell, seconded by Commissioner Taylor to reconvene the Regular Council meeting at 8:40 p.m. with all members present. The vote on roll call was: Commissioners McKinney, aye; Taylor, aye; McDowell, aye; DeTienne, aye; and Mayor Hill, aye. Motion carried.

RESOLUTION/RELEASE OF CLOSED SESSION MINUTES

It was moved by Commissioner McDowell, seconded by Commissioner Taylor that a Resolution (15-R-16) be passed releasing Closed Session minutes. The vote on roll call was: Commissioners McKinney, aye; Taylor, aye; McDowell, aye; DeTienne, aye; and Mayor Hill, aye. Motion carried. Resolution passed.

ADJOURN

There being no further business to come before the Council at this time, it was moved by Commissioner McDowell, seconded by Commissioner Taylor and unanimously approved the meeting be adjourned at 8:44 p.m. Motion carried.

City Clerk