

MINUTES OF A REGULAR MEETING OF THE ZION CITY COUNCIL HELD ON TUESDAY, MARCH 21, 2017, AT 7:00 P.M. IN THE CITY COUNCIL CHAMBERS, CITY HALL, 2828 SHERIDAN ROAD, ZION, ILLINOIS

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Mayor Hill called the meeting to order.

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

Also present: Police Chief Steve Dumyahn, Fire/Rescue Chief John Lewis, Public Works Director Ron Colangelo, Accounts/Finance Director David Knabel, Building & Zoning Director Richard Ianson and City Attorney Paula Randall.

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

AGENDA CHANGES

It was moved by Commissioner Frierson, seconded by Commissioner McKinney to accept the City Council meeting agenda with the following change:

- Add pending litigation to Closed Session

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

SPECIAL PRESENTATION

Jacob Lenell and Jordan Boehm, CliftonLarsonAllen LLP, were present to present the 2016 Audit Results to the City Council. Mr. Lenell stated that the audit was unmodified or “clean” and was free of material misstatement. He reviewed the financial highlights. He stated that the General Fund generated over a \$1 million deficit with a year end fund balance of \$3 million. He stated that the City expected a reduction of the fund balance, and budgeted accordingly, but it was not sustainable. Mr. Lenell reviewed the deficit fund balances. He stated that the deficits have accumulated over the years and the City should work to reduce the deficits over the next five years. He stated that the City should plan to implement changes and adjust levy policy to continue to reduce the deficits. Mr. Lenell stated that the total unfunded liability of the IMRF, Police, and Fire pension funds totaled \$63,405,545 as of 2016. He stated that even though the amount is substantial, it is not uncommon for stand-alone single pension funds. Director Knabel stated that, in three years, the City will not be able to levy anything in the General Fund as pension levies increase by \$250,000 per year. Mr. Lenell reviewed the qualitative aspects of accounting practices. He stated that no account cleanup was necessary and that the City’s practices were consistent throughout the year. Mayor Hill stated that the audit is very late as completions after October are considered to be late. Mr. Lenell stated that they rely on the Police and Fire audits as provided by other audit firms and that they were late. Mayor Hill asked if those audits could be expedited in the future. Mr. Lenell stated that the Management Letter provides only best practice recommendations and that the letter revealed no significant deficiencies.

It was moved by Commissioner McDowell, seconded by Commissioner McKinney to receive and place on file the City of Zion Audit – Fiscal Year May 1, 2015 through April 30, 2016 as presented by CliftonLarsonAllen LLP. The vote on roll call was: Commissioners DeTienne, aye; McKinney, aye; McDowell, aye; Frierson, aye; and Mayor Hill, aye. Motion carried.

CITIZEN COMMENTS

W. C. Bremner, Zion, read from an article in the March 3, 2017 edition of the Great Lakes Bulletin regarding Navy Junior ROTC drill competitions. The article recognized Zion Benton Township High School student Luis Acosta. Mr. Bremner presented the article to Mayor Hill.

Janet Jones, Zion, stated that Midwestern Regional Medical Center took the brunt of the City taxes as the result of revenue from new construction. She asked what would happen if the hospital moved from being proprietary to being not-for-profit. She stated that taxing the hospital more and residents less doesn't solve the problem. She stated that the City was to meet with all the taxing bodies to address the school levies. Ms. Jones stated that she hears nothing of school district unification. She asked the City Council why they were shocked now by the amount of the pension unfunded liability. She stated that the City Council was not paying attention to levy amounts and how much Police and Fire personnel are paying into their own pensions. Director Knabel stated that Police and Fire personnel contribute between 9% and 10% to their own pensions. Mayor Hill stated that the City has paid back the pension funds that were levied but not deposited in 2011. He stated that he was not surprised by the unfunded liability totals but he is surprised by the increase from \$44 million to \$63 million. Mayor Hill stated that the City has met with other taxing bodies but it has no control over the school board. He encouraged residents to run for the school board in order to effect change. Director Knabel stated that, with regard to the hospital's new construction, the tax rate is universally applied and that no higher tax was imposed on the hospital. He stated that the new construction is coming on line because it was added to the tax rolls, but the hospital pays the same tax rate as everyone else. Ms. Jones stated that the hospital will only take so much.

Tracy Johnson, Zion, stated that more transparency is needed in the City's hiring process. He stated that he submitted an employment application for rental inspector in October of 2016 and was told that it was submitted after the deadline date. He stated that the City has an unfair hiring practice as applicants are not notified that their applications have been received or that the job has been filled. Mayor Hill stated that this matter had been previously reviewed, and that the "Received" stamp on the application was after the position had closed. Commissioner Frierson stated that a procedure could be put in place whereby an applicant would receive a receipt upon submittal of an employment application and either a denial or acceptance letter when the position is filled.

Clyde McLemore, Zion, stated that one of the Community of Character words is "respect". He stated that he doesn't like Mayor Hill and Mayor Hill doesn't like him, however, he respects the position of Mayor. He stated that Mayor Hill was totally disrespectful to a woman at the candidate forum. He stated that he understands that Mayor Hill does not want a woman to run for this position (Commissioner) on the City Council and that he talked down to a woman. Mr. McLemore stated that Mayor Hill is a bully and he knows this because he tried to bully him and he is a bully too. He stated "I love our queens -- black, white or whatever -- women smell good, they cook for us and . . .". He stated that it hurts him when a man hurts a woman. He stated that Mayor Hill totally disrespected a woman and is less than a man.

CONSENT AGENDA

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

- (a) **APPROVAL OF MINUTES:** a Budget Workshop held on March 7, 2017 at 6:00 p.m.; a Regular Meeting held on March 7, 2017 at 7:02 p.m.
- (a) **BILLS:** Vouchers 125952 through 126048 drawn on First Merit Bank, Total: \$466,599.14
- (b) **RECEIVE AND PLACE ON FILE** – Audit for Fiscal Year May 1, 2015 through April 30, 2016

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

RESOLUTION/LAKE COUNTY ADULT PROBATION SERVICES AGREEMENT

It was moved by Commissioner DeTienne, seconded by Commissioner McDowell that a Resolution (17-R-15) be passed authorizing the renewal of an agreement between the City of Zion and the Division of Adult Probation Services, Nineteenth Judicial Circuit, Lake County, Illinois, providing for the City's Public Service Program. The vote on roll call was: Commissioners DeTienne, aye; McKinney, aye; McDowell, aye; Frierson, aye; and Mayor Hill, aye. Motion carried. Resolution passed.

RESOLUTION/LAKESHORE CHAMBER OF COMMERCE SERVICES AGREEMENT

It was moved by Commissioner McDowell, seconded by Commissioner Frierson that a Resolution (17-R-16) be passed authorizing the execution of an agreement between the City of Zion and the Lakeshore Chamber of Commerce and Visitors Bureau for the purpose of presenting the Nostalgia Days and Jubilee Days festivals. The vote on roll call was: Commissioners DeTienne, aye; McKinney, aye; McDowell, aye; Frierson, aye; and Mayor Hill, aye. Motion carried. Resolution passed.

RESOLUTION/TEMPORARY ROAD CLOSURE/NOSTALGIA DAYS

It was moved by Commissioner McDowell, seconded by Commissioner McKinney that a Resolution (17-R-17) be passed requesting permission from the Illinois Department of Transportation for the temporary closure of Sheridan Road on June 17, 2017, as requested between 6:00 A.M. and 6:00 P.M., for Nostalgia Days. The vote on roll call was: Commissioners DeTienne, aye; McKinney, aye; McDowell, aye; Frierson, aye; and Mayor Hill, aye. Motion carried. Resolution passed.

RESOLUTION/FEDERAL SURPLUS PROPERTY PROGRAM

A memo (17-DOC-19) was received from Chief Lewis requesting that the City enter into an agreement with the Illinois Department of Natural Resources (IDNR), who has a Firefighter Property Cooperative Agreement, along with a Federal Excess Equipment Cooperative Agreement, that together could grant the City access to federal surplus equipment. He stated that if the agreement is approved, the Fire/Rescue Department would have access to surplus items listed on the IDNR website.

It was moved by Commissioner McDowell, seconded by Commissioner Frierson that a Resolution (17-R-18) be passed authorizing the City's participation in the State of Illinois Federal Surplus Property Program. The vote on roll call was: Commissioners DeTienne, aye; McKinney, aye; McDowell, aye; Frierson, aye; and Mayor Hill, aye. Motion carried. Resolution passed.

ORDINANCE/TAXABLE REFUNDING DEBT CERTIFICATES SERIES 2017

Director Knabel introduced an ordinance "Authorizing and providing for the issue of not to exceed \$3,700,000 Taxable Refunding Debt Certificates, Series 2017, evidencing the rights to payment under an Installment Purchase Agreement, for the purpose of refunding certain outstanding debt certificates of said City, and providing for the security for and means of payment under said Installment Purchase Agreement of said Certificates." He stated that these bonds were issued so the City could purchase the former ballfield property in order to relieve the City of the \$250,000 annual tax payments and to allow the City to be able to develop the property. He stated that the five-year agreement included a balloon payment in 2020. He stated that the City is pursuing refinancing to avoid the balloon payment. Director Knabel stated that no action was required on this item at this time.

ORDINANCE/SHERIDAN ROAD TIF DISTRICT

It was moved by Commissioner McDowell, seconded by Commissioner McKinney that an Ordinance (17-O-14) be passed proposing approval of a Redevelopment Plan and Project for and the Designation of the Sheridan Road/Route 173 Redevelopment Project Area and the Adoption of Tax Increment Financing, convening a Joint Review Board and scheduling a Public Hearing. The vote on roll call was: Commissioners DeTienne, aye; McKinney, aye; McDowell, aye; Frierson, aye; and Mayor Hill, aye. Motion carried. Ordinance passed.

ORDINANCE/COMMERCIAL SIGN AND FAÇADE IMPROVEMENT PROGRAM

Director Knabel stated that the City has established a Commercial Sign and Façade Improvement Program to provide financial assistance to trigger coordinated improvements to incrementally contribute to a substantially improved retail and business district environment. He stated that the program provides available grant funds to property and business owners to be matched by their equal or greater investment of private funds for the purpose of restoring or renovating commercial facades which can be viewed from the public right-of-way and replacing deteriorated, poor quality signs and awnings that conform to the City's current sign ordinance. Director Knabel stated that Lake County has approved the Commercial Sign and Façade Improvement Program and it meets the criteria. He stated that the program will be citywide but it has not been marketed yet pending program approval. He

stated that the program is designed for for-profit businesses only, and it does include tenants with landlord approval. He stated that the program requires a 50% match by the tenant or landlord. Commissioner Frierson asked how uniformity with signage will be assured. Director Ianson stated that signs are regulated by the City's sign ordinance and zoning. Mayor Hill stated that he was concerned about the complicated administration and strict requirements of the program. Director Knabel stated that Sonolito Bronson will be the City's program administrator.

It was moved by Commissioner McDowell, seconded by Commissioner Frierson that an Ordinance (17-O-15) be passed creating a Commercial Sign and Façade Improvement Program in the City of Zion. The vote on roll call was: Commissioners DeTienne, aye; McKinney, aye; McDowell, aye; Frierson, aye; and Mayor Hill, aye. Motion carried. Ordinance passed.

ORDINANCE/CONVEYANCE OF 2115 EZEKIEL, 2621 GILBOA, AND 3108 ELIZABETH

A memo (17-DOC-20) was received from Director Ianson stating that in 2009, the City purchased six homes through the HUD Dollar Home Sales to Local Government Program. He recommended donating 2115 Ezekiel, 2621 Gilboa and 3108 Elizabeth to Youth Conservation Corps (YCC) who intends to rehab the properties and then sell them to low/moderate income home buyers with a deed restriction that they remain owner-occupied for a period of ten to fifteen years. Director Ianson stated that YCC provides job training and educational opportunities for low income youth in need of a high school diploma. He stated that on the worksite, youth learn construction skills while rehabilitating affordable housing for low income or homeless families in their own neighborhoods. Commissioner Frierson asked if Zion youth participate in the program. Director Ianson stated that approximately one third of the youth are from Zion. Mayor Hill stated that he would prefer to see a definite time stated on the deed restriction rather than ten to fifteen years, perhaps twenty years. Commissioner McDowell asked if there was a completion date for the rehabilitations, and a YCC representative stated that there was not as plans have not been prepared to date. The representative stated that YCC completes a unit about every six months, with the more extensive projects taking up to eight months.

It was moved by Commissioner Frierson, seconded by Commissioner McKinney that an Ordinance (17-O-16) be passed conveying 2115 Ezekiel, 2621 Gilboa and 3108 Elizabeth to Youth Conservation Corps (YCC) with a deed restriction that the properties remain owner-occupied for a period of ten to fifteen years. The vote on roll call was: Commissioners DeTienne, aye; McKinney, aye; McDowell, aye; Frierson, aye; and Mayor Hill, aye. Motion carried. Ordinance passed.

ORDINANCE/AMENDING MUNICIPAL CODE/BRICK PAVERS AS PERMITTED USE

A memo (17-DOC-21) was received from Director Ianson requesting a text amendment to the Zion Municipal Code, Section 102-128(8)(b), Standards Governing Parking Spaces, to allow brick pavers as a permitted use and delete dustless material (Zoning Docket 17-Z-2). He stated that the Planning and Zoning Commission recommended approval of the text amendment.

It was moved by Commissioner DeTienne, seconded by Commissioner McKinney, that an Ordinance (17-O-17) be passed amending Zion Municipal Code Section 102-128(8)(b), Standards Governing Parking Spaces, to allow brick pavers as a permitted use and delete dustless material. The vote on roll call was: Commissioners DeTienne, aye; McKinney, aye; McDowell, aye; Frierson, aye; and Mayor Hill, aye. Motion carried. Ordinance passed.

ORDINANCE/AMENDING MUNICIPAL CODE/DRIVEWAY AND PARKING AREA PAVEMENT DESIGN

A memo (17-DOC-22) was received from Director Ianson requesting a text amendment to the Zion Municipal Code, Section 26-380 "Driveway and Parking Area Pavement Design". He stated that this amendment would allow brick pavers as a permitted use and add construction design requirements.

It was moved by Commissioner McKinney, seconded by Commissioner McDowell, that an Ordinance (17-O-18) be passed amending Zion Municipal Code Section 26-380 "Driveway and Parking Area Pavement Design" to allow brick pavers as a permitted use and add construction design requirements. The vote on roll call was: Commissioners DeTienne, aye; McKinney, aye; McDowell, aye; Frierson, aye; and Mayor Hill, aye. Motion carried. Ordinance passed.

ORDINANCE/SURPLUS VEHICLE/POLICE DEPARTMENT

A memo (17-DOC-23) was received from Chief Dumyahn requesting that a vehicle be declared surplus property and liquidated through Clinton Auto Auction which is the City's approved process.

It was moved by Commissioner McDowell, seconded by Commissioner McKinney that an Ordinance (17-O-19) be passed declaring a 2007 Ford Freestar van VIN 2FTZA54667BA17118 surplus property. The vote on roll call was: Commissioners DeTienne, aye; McKinney, aye; McDowell, aye; Frierson, aye; and Mayor Hill, aye. Motion carried. Ordinance passed.

ORDINANCE/SURPLUS VEHICLE/FIRE/RESCUE DEPARTMENT

A memo (17-DOC-24) was received from Chief Lewis stating that the City purchased a 2000 E450 Ford Diesel bus from Midwestern Regional Medical Center in 2009 for \$1.00. He stated that the vehicle was assigned to ESDA for use as needed during large incidents or events. He stated that in the past eight years, the bus has only been used once or twice a year. Chief Lewis stated that it is not cost effective for the City to maintain and insure the vehicle. He stated that due to its age, mileage (229,377) and the lack of need for such a vehicle in the City's fleet, it was suggested that the vehicle be declared surplus and donated to Wesley Free Methodist Church in Waukegan for use by the youth program.

It was moved by Commissioner McDowell, seconded by Commissioner Frierson that an Ordinance (17-O-20) be passed declaring a 2000 Ford E450 Diesel Bus, VIN 1FDWE45F8YHB65237 surplus property and donating it to Wesley Free Methodist Church in Waukegan for use by the youth program. The vote on roll call was: Commissioners DeTienne, aye; McKinney, aye; McDowell, aye; Frierson, aye; and Mayor Hill, aye. Motion carried. Ordinance passed.

ORDINANCE/ELECTRIC AGGREGATION PROGRAM CONSULTING SERVICES

A memo (17-DOC-25) was received from Clerk Burkemper stating that, in 2013, a referendum was passed granting the City the authority to arrange for the supply of electricity for its residents and small commercial retail customers. She stated that, at that time, the City Council determined that it was in the best interest of the City to engage a consultant to assist the City in implementing the program and the Northern Illinois Municipal Electric Collaborative (NIMEC) and the City entered into an agreement for electric aggregation consulting services. Clerk Burkemper stated that NIMEC successfully guided the City through the initial process and the program renewal in 2014. She stated that the agreement with NIMEC is now expired. She stated that the City's electric aggregation program is due for renewal in July of this year, and because the renewal process takes approximately 75 days, the City will need to receive a renewal bid in order to make a decision on an electric supplier before mid-April. She stated that NIMEC would prepare a Request for Proposal, send it to suppliers, and then present the bid results to the City Council. She stated that, if the bid is accepted, an ordinance authorizing renewal of the aggregation program for electrical load would be passed by the Council and the new electric supplier would begin serving the City. Clerk Burkemper stated that the supplier would pay NIMEC a fee, but if all the bids are rejected, then NIMEC is not paid. She stated that the City never pays any fees to NIMEC.

It was moved by Commissioner Frierson, seconded by Commissioner McDowell that an Ordinance (17-O-21) be passed authorizing renewal of the agreement for electric aggregation consulting services between the City of Zion and NIMEC. The vote on roll call was: Commissioners DeTienne, aye; McKinney, aye; McDowell, aye; Frierson, aye; and Mayor Hill, aye. Motion carried. Ordinance passed.

EMPLOYEE MEDICAL, DENTAL & LIFE INSURANCE RENEWAL

Director Knabel recommended accepting the proposal of Assurance Agency for the renewal of employee medical insurance with Blue Cross Blue Shield of Illinois (BCBS), dental insurance with Guardian Dental and life insurance with Standard Insurance Company, effective May 1, 2017. He stated that the City's insurance broker, Assurance Agency, went to market for the City's insurance. He stated that the renewal with BCBS for health insurance comes with a 5.07% increase over 2016. He stated that this 5.07% increase in premiums has been included in the proposed 2017/2018 budget. He stated that all coverage levels remain the same as 2016. Commissioner Frierson asked if any marketing had been done to encourage employees to move to the high deductible plan. There are no changes with the dental and life insurance renewals. Director Knabel stated that the Fire/Rescue Department investigated the

Department joining an insurance pool but the cost increase was significant compared to the self-insured option, and therefore, the City would not come out ahead.

It was moved by Commissioner Frierson, seconded by Commissioner McDowell, to accept the proposal of Assurance Agency for the renewal of employee medical insurance with Blue Cross Blue Shield of Illinois (BCBS), dental insurance with Guardian Dental, and life insurance with Standard Insurance Company, effective May 1, 2017. The vote on roll call was: Commissioners DeTienne, aye; McKinney, aye; McDowell, aye; Frierson, aye; and Mayor Hill, aye. Motion carried.

CONTRACT & AGREEMENTS AUDIT/AZAVAR AUDIT SOLUTIONS SERVICES

A memo (17-DOC-26) was received from Director Knabel recommending that the City contract with Azavar Audit Solutions to perform an audit of the City's contracts and agreements to ensure that the City's revenue streams are maximized. He stated that they use their expertise to gather public records and customer account data, compare it to what is being remitted to the City, and make sure that the City is receiving the appropriate revenue from the various revenue sources. Director Knabel stated that as their fee for services, the City will pay 45% of all revenues found or recovered as the result of their findings for a period of 24 months. He stated that, if no additional revenues are found, then there is no cost to the City. He stated that the audit is a six-month process and it would require staff time for document retrieval.

It was moved by Commissioner Frierson, seconded by Commissioner McDowell, to approve entering into a Contingent Fee Professional Services Agreement with Azavar Audit Solutions to perform an audit of the City's contracts and agreements. The vote on roll call was: Commissioners DeTienne, aye; McKinney, aye; McDowell, aye; Frierson, aye; and Mayor Hill, aye. Motion carried.

RESOLUTION/COMMERCIAL SIGN AND FACADE IMPROVEMENT PROGRAM

It was moved by Commissioner McDowell, seconded by Commissioner Frierson that a Resolution (17-R-19) be passed authorizing the execution of an agreement between the City of Zion and Lake County, Illinois, creating a Commercial Sign and Façade Improvement Program in the City of Zion. The vote on roll call was: Commissioners DeTienne, aye; McKinney, aye; McDowell, aye; Frierson, aye; and Mayor Hill, aye. Motion carried. Resolution passed.

PROPOSAL/ENVIRONMENTAL CONSULTING SERVICES

A memo (17-DOC-27) was received from Director Colangelo including a quote for engineering services from the City's environmental consultant, Deigan and Associates, for the City's closed landfills. He stated that semi-annual groundwater analysis, inspection and quarterly reporting to the I.E.P.A. are required as part of the City's post closure permit. He recommended approval of the quote in the amount of \$41,750. He stated that the contract would be for the upcoming fiscal year and would be budgeted in the Waste Fund.

It was moved by Commissioner Frierson, seconded by Commissioner McDowell to accept the quote of Deigan and Associates for engineering services related to Zion's closed landfills in the amount of \$41,750. The vote on roll call was: Commissioners DeTienne, aye; McKinney, aye; McDowell, aye; Frierson, aye; and Mayor Hill, aye. Motion carried.

DEPARTMENTAL COMMENTARY

Chief Dumyahn stated that Police Officer applications are available online at applytoserve.com. He stated that applicants can visit the City's website and the Police Department Facebook page for the link. He stated that applications must be submitted before April 10, 2017.

Director Colangelo stated that the spring curbside leaf pick up begins on April 3, 2017. He stated that Advanced Disposal will be making two rounds.

ANNOUNCEMENTS

March 20 – April 1	M-F – 9:00 a.m. to 5:00 p.m. Saturday- 9:00 a.m. to 2:00 p.m.	Early Voting at Zion City Hall
April 4	7:00 p.m.	Election Day Zion City Council Meeting
April 14		City Offices Closed for Holiday
April 18	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 McKinney that the Council recess to Closed Session at 8:51 p.m., pursuant to 5 ILCS 120/2 “Open Meetings”, for the discussion of personnel, collective bargaining, review of Closed Session Minutes for release, and pending litigation. The vote on roll call was: Commissioners DeTienne, aye; McKinney, aye; McDowell, aye; Frierson, aye; and Mayor Hill, aye. Motion carried.

It was moved by Commissioner McDowell, seconded by Commissioner Frierson to reconvene the Regular Council meeting at 9:30 p.m. with all members present. The vote on roll call was: Commissioners DeTienne, aye; McKinney, aye; McDowell, aye; Frierson, aye; and Mayor Hill, aye. Motion carried.

RESOLUTION/RELEASE OF CLOSED SESSION MINUTES

It was moved by Commissioner McDowell, seconded by Commissioner McKinney that a Resolution (17-R-20) be passed releasing Closed Session minutes. The vote on roll call was: Commissioners DeTienne, aye; McKinney, aye; McDowell, aye; Frierson, 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 Frierson, seconded by Commissioner McKinney and unanimously approved the meeting be adjourned at 9:31 p.m. Motion carried.

City Clerk

Approved April 4, 2017