

**MINUTES OF A REGULAR MEETING OF THE ZION CITY COUNCIL HELD ON TUESDAY, JUNE 19, 2018, AT 7:02 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 Fischer, McKinney, DeTienne, McDowell, and Mayor Hill. A quorum was present.

Also present: Police Chief Steve Dumyahn, Fire/Rescue Chief John Lewis, Public Works Director Ray Roberts, City Administrator 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 Fischer, seconded by Commissioner McKinney to accept the City Council meeting agenda with the following change:

- Delete approval of Closed Session Minutes of a meeting held on June 5, 2018 at 7:45 p.m.

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

**CITIZEN COMMENTS**

William Bremner, Zion, stated the City Council approved to continue electrical aggregation in the City. Residents have the option to opt-out. He received a letter from Eligo Energy stating he would be switched over to the program unless he sent returned the opt-out form provided with the letter. He stated he returned his form to Eligo Energy opting out of the program preferring to stay with ComEd. He recently received a letter from ComEd informing him that his supplier would Eligo Energy. He stated he was disturbed by this since he returned the required opt-out form and still was switched over without his permission. Mr. Bremner stated he wanted to bring this issue to the Council as the residents were given the option to opt out but were ignored. Mayor Hill stated the City Clerk will look into it.

Kay Vigardt, Zion, stated she has lived in Zion since 1969. She was raised to show respect to elders and authority. She stated she cannot stand the way law enforcement and rescue personnel are treated. While visiting her son in Southern Illinois she noticed signs in people's yards. The signs read "Back the Badge". She purchased some signs to bring back with her. She has been able to find a company in Antioch that would make the signs. She would like residents to put the signs in their yards. She spoke with Ace Hardware and they are willing to sell them. She stated she would like to see the signs in storefronts and throughout the community. She was impressed by the statement Chief Dumyahn has on the Police Department website. She has 96 signs on order and would like the approval of the Council to bring the signs to Zion. Commissioner McDowell commended Ms. Vigardt for her efforts and thanked her for her involvement.

Michelle Cox, Zion, stated in May she received a letter from the Building Department for non-compliance for her tall grass. She believes she received this letter in error. She measured her grass and it was less than 8 inches. She called the inspector that issued her the ticket, Warren Ferry and he was less than professional. She has also seen terrible behavior from Mr. Ferry at inspections. She wonders why Mr. Ferry is allowed to treat citizens so terrible. She called Building Director Ianson to discuss this and he did not have any answers for her. She also called the City Clerk and asked who she should speak to since she received no help from the inspector or Building Director. The City Clerk directed her speak with Administrator Knabel and if there is no response, then the Commissioner of the department, Billy McKinney. She stated she left messages for both Administrator Knabel and Commissioner McKinney. To date it has been 32 days and no one has called her back. She stated the City has a broken system and no accountability. Mayor Hill apologized to Ms. Cox and told her he would follow up with the staff.

Angela Ware, stated she was a vendor at the Nostalgia Days event and would like to voice her concerns. She spoke with Sonolito Bronson and Mike and was unsatisfied. She did not make any money and put out a lot of money to be a vendor. A week before the event she emailed Mike and asked a few questions. She asked where she was going to be placed. The day before the event she received a call from BG Motorsports in lieu of the Chamber of Commerce. She was a new vendor and did not know where she should go or what she should do, she was lost. The spot assigned

to her was between the Marathon gas station and Market Square hotel. She was so far back that she was not able to be seen. There was a big trailer and booth blocking her. She got her own tent and moved up so people could see her. They had to set up the night before with a car in their way. No one tried to accommodate her by putting her in a better area. She would like to return again next year but did not have a good first experience. People walked by without even seeing her. She requested extra electric service and but did not receive it. Sonolito told her she should have paid for the electric. She stated she emailed Mike and asked if he received her application and asked if she should get two 20 amp outlets. When she arrived at her spot she did not have the electric. She was not able to plug her freezer in. She had a lot of food and the hotel was nice enough to help her out. She feels she should be refunded her vendor fee. Mayor Hill stated Sonolito and Administrator Knabel brought this issue to his attention. He stated there will be a meeting with all parties and they will figure things out. He assured her something will be done.

Clyde McLemore, Zion, invited the Mayor and Commissioners to the Black Lives Matter banquet on Sunday, November 4, 2018 from 6 pm to 9 pm at Market Square. Tickets are \$45 and \$450 for a table. Mr. McLemore stated he will put Black Lives Matters signs in windows if "Back the Badge" signs are allowed. He stated Zion has a few good police officers. He believes Chief Dumyahh is a good Police Chief but feels they could make the community better. Mayor Hill stated it would be good to have Black Lives Matter and Back the Badge signs next to each other.

### CONSENT AGENDA

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

- (a) **APPROVAL OF MINUTES:** a Regular Meeting held June 5, 2018 at 7:00 p.m.
- (b) **BILLS:** Vouchers 129496 through 129604 drawn on Huntington National Bank, N.A., Total: \$527,054.64
- (c) **PROCLAMATION:** Poverty Awareness Day, June 26, 2018

Approved by omnibus vote as follows: Commissioners Fischer, aye; McKinney, aye; DeTienne, aye; McDowell, aye; and Mayor Hill, aye. Motion carried.

### RESOLUTION/AMENDED MUTUAL AID AGREEMENT/NORTHERN ILLINOIS POLICE ALARM SYSTEMS

A memo (18-DOC-50) was received from Chief Dumyahh regarding an update to the NIPAS agreement. He stated the City of Zion has been a member of the Northern Illinois Police Alarm System (NIPAS) since 2003. Participation in NIPAS provides essential mutual aid support to the City during times when a police emergency exceeds Zion Police capacity. During the NIPAS annual membership meeting on May 10, 2018, the NIPAS Board of Officers provided a report recommending the NIPAS Agreement and Bylaws be updated. The NIPAS Agreement is the foundation document adopted by action of the corporate authorities of each member agency. The Bylaws are adopted and modified from time to time by the NIPAS membership as its annual meeting. The NIPAS Board has asked each participating member to seek approval from its corporate authorities to update the NIPAS agreement.

It was moved by Commissioner McDowell, seconded by Commissioner McKinney that a Resolution (18-R-16) be passed amending the Mutual Aid Agreement for the Northern Illinois Police Alarm System (NIPAS). The vote on roll call was: Commissioners Fischer, aye; McKinney, aye; DeTienne, aye; McDowell, aye; and Mayor Hill, aye. Motion carried. Resolution passed.

### ORDINANCE/PREVAILING RATE OF WAGES

It was moved by Commissioner Fischer, seconded by Commissioner McKinney that an Ordinance (18-0-24) be passed ascertaining the Prevailing Rate of Wages for 2018, as determined by the Department of Labor, 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 Fischer, aye; Commissioner McKinney, aye; DeTienne, aye; McDowell, aye; and Mayor Hill, aye. Motion carried. Ordinance passed.

**ORDINANCE/LAND PURCHASE AGREEMENT/SHERIDAN ROAD & 34<sup>TH</sup> STREET**

Administrator Knabel stated the attached land purchase agreement is for the old Dunes/Touhy Lumber property at Sheridan Road and 33rd Street. The current price for the property is currently at \$1.00 but is contingent on entering into a developer agreement that includes but is not limited to a site layout, construction commencement, completion dates as well as reversion of any unused property back to the City. The project is for a Speedway Plaza similar to the one built in Beach Park. They have 240 days to do their due diligence for site layout and anything involved with market analysis. This will get the site into their cue for Corporate to decide where they want to pursue opening locations within the area. Commissioner McDowell asked if there were any other businesses looking at the property. Administrator Knabel stated they have been marketing the property for a while but this is the only current interest in the property. Mayor Hill stated the second to last paragraph on page 5 was something that was discussed in Executive Session. This is to be sure the City is covered if things are done that the City does not approve. They will have the ability to decide the things they want and don't want until the agreement becomes a binding document.

It was moved by Commissioner DeTienne, seconded by Commissioner Fischer that an Ordinance (18-0-25) be passed authorizing entering into a land purchase agreement for certain property located in the City of Zion commonly known as NWC of Sheridan Road & 34<sup>th</sup> Street. The vote on roll call was: Commissioners Fischer, aye; McKinney, aye; DeTienne, aye; and McDowell, aye; Mayor Hill, aye. Motion carried. Ordinance passed.

**FIRE RECOVERY BILLING**

A memo (18-DOC-51) was received from Chief Lewis requesting approval of an ordinance establishing and implementing a program to charge mitigation rates for the development of emergency and non-emergency services by the fire department for services provided/rendered for the City of Zion. He stated incidents requiring fire and other emergency services response activities are costly to the City. The compliance with rules and regulations set forth by the Environmental Protection Agency, the Department of Homeland Security and other governmental entities require additional equipment and training that create additional demands on all operating aspects of fire department services. Zion has investigated different methods of maintaining a high level of quality with respect to fire and other emergency services. When revenue sources are sought to further support fire responses, outside EMS billing, the City is forced to look at alternative means that do not place a burden on the property owners whose taxes are already utilized to assist in providing for such services. Many of the motor vehicle incidents and other emergency services provided by the fire department involve individuals not owning property or paying taxes within the City of Zion. To help alleviate the cost of services without imposing directly on the residents, the Zion Fire and Rescue Department is requesting to initiate an ordinance to allow for cost recovery billing of non-EMS incidents. He stated he has been working with a vendor, Fire Recovery USA, which will assist in the billing of insurance companies for various types of incidents:

- Motor Vehicle Accidents
- Car Fires
- Hazmat Responses
- Pipeline/Powerline Incidents
- Fire Investigation
- Fires
- Water Incidents
- Specialized Rescue

Cost recovery billing has been utilized by the fire services for many years as a way to gain revenue to meet the expanding cost of doing business. The fees charged are based on equipment and personnel using national figures for costs. Most insurance policies contain language specifying coverage for vehicle accident and emergency incident services. According to Illinois State statute, as a non-home rule municipality, the City may recover fees for authorized specific services and any firefighting services provided to non-residents. The attached document explains Fire Recovery USAs estimated revenue, the service contract, billing process and anticipated ordinance. Residents of Zion will never directly receive a bill for services. There is no cost to the City of Zion for participating in the program. If the ordinance is adopted, a request will be brought to the Council at a future meeting to enter into a service agreement. Commissioner McDowell stated they have been talking about this since 2012. State Statute limits the amount that can be collected because Zion is not home-rule. There is legislation being considered to change the home-rule population limits that would enable the City to collect more. He asked Chief Lewis to investigate and find some language for an ordinance. He believes it would be beneficial to the City to consider cost recovery and have an ordinance on the books so the City can start collecting where it is allowed by statute and if the statute changes the

City can collect more. Attorney Randall will review the draft ordinance and bring it to the next Council meeting. Mayor Hill confirmed it would apply to non-residents only. He also confirmed the types of incidents the insurance could be billed for. He asked if the City could recover costs outside of Zion if they assisted in another community. Chief Lewis stated they may be able to recover the man power and equipment costs but was not sure if more than one community can get recovery for the same incident, but he can check into it. Mayor Hill confirmed if the Fire Department puts out a fire in Zion they would not collect from the resident. Chief Lewis stated only if the building was owned by a non-resident. Mayor Hill asked if most of the costs would be submitted to the insurance company. Chief Lewis stated everything is billed through the insurance company a person would never be billed. Mayor Hill asked the percentage to Fire Recovery USA. Chief Lewis stated 20%. Mayor Hill stated he likes the idea of not billing residents and for the opportunity to increase revenue by \$84,000. Chief Lewis stated the revenue of \$84,000 would be the amount for billing both non-residents and residents. Mayor Hill asked what the intention would be if the home-rule statue changed. Chief Lewis stated he would move forward to charge both non-residents and residents. He stated the residents would never see a bill as all charges would be billed through resident's insurance companies. Mayor Hill stated he and Administrator Knabel have looked at the revenue the City has received from video gaming. It has been about \$200,000 a year. He compared that to \$30 million in new development that would be needed to bring in \$200,000. He stated he is a huge supporter for finding other ways of bringing in money other than through taxes.

### **HOTEL/MOTEL TAX GRANT APPLICATIONS**

A memo (18-DOC-52) was received from Administrator Knabel requesting the Council's consideration of hotel/motel tax grant applications. He stated that annually the City allocates a portion of its hotel/motel tax funds for a local event grant program to encourage organizations to host events in Zion that will bring in tourism and encourage overnight stays in local hotels. These funds are governed by State Statue and are required to be utilized for these purposes only. He stated five requests were received:

- **Potawatomi Trails Pow Wow**
- **Zion Historical Society**
- **Zion Cyclery, Inc.**
- **Edge of Escape**
- **Dungeon of Doom**

**Potawatomi Trails POW WOW** - Recommended approval not to exceed \$6,500 to be used for marketing only as presented in the application. It was moved by Commissioner McDowell, seconded by Commissioner Fischer to approve a hotel/motel tax grant for Potawatomi Trails POW WOW. The vote on roll call was: Commissioners Fischer, aye; McKinney, aye; DeTienne, aye; McDowell, aye; and Mayor Hill, aye. Motion carried.

**Zion Historical Society** - Recommended approval not to exceed \$5,000 for marketing and promotional materials as presented in the application. It was moved by Commissioner McKinney, seconded by Commissioner Fischer to approve a hotel/motel tax grant in the amount of \$5,000 for the Zion Historical Society. The vote on roll call was: Commissioners Fischer, aye; McKinney, aye; DeTienne, aye; McDowell, aye; and Mayor Hill, aye. Motion carried.

**Zion Cyclery** - Recommended approval not to exceed \$4,500 to be used for marketing only as presented in the application. It was moved by Commissioner McKinney, seconded by Commissioner DeTienne to approve a hotel/motel tax grant for Zion Cyclery. The vote on roll call was: Commissioners Fischer, aye; McKinney, aye; DeTienne, aye; McDowell, aye; and Mayor Hill, aye. Motion carried.

**Edge of Escape & Dungeon of Doom** are both applying for \$10,000 each. Both attractions are run by the same corporation. The City grant program only allows for a single grant per fiscal year not to exceed \$10,000. Administrator Knabel recommends approval of a grant not to exceed \$10,000 but allow the money to be used for advertising and marketing for both attractions as the business deems beneficial. Commissioner McDowell suggested denying one and approving the other. Administrator Knabel suggested giving them the flexibility to choose how to use the money. He stated this particular corporation puts in a significant amount of their own money into marketing. Mayor Hill was in agreement to give \$10,000 and allow them to choose how to use the money for each event. It was moved by Commissioner McKinney, seconded by Commissioner Fischer to approve a hotel/motel tax grant not to exceed \$10,000 for Edge of Escape and Dungeon of Doom. The vote on roll call was: Commissioners Fischer, aye; McKinney, aye; DeTienne, nay; McDowell, aye; and Mayor Hill, aye. Motion carried.

Mayor Hill asked Administrator Knabel if there are enough funds available in the Hotel/Motel fund. He asked if all hotels/motels are up to date on their tax payments. Administrator Knabel stated there are enough funds available but there is one hotel that is behind in tax payments. Market Square has not paid the second and fourth quarter of 2017 or the first quarter of 2018.

### **HEALTH INSURANCE OPTIONS**

Administrator Knabel stated at a prior budget workshop there was discussion on how to address the budget deficit. It came down to looking at adjustments in salary and benefits. The discussion was how to provide comparable insurance benefits to what the City currently has but to restructure them in a way to save money. The City was self-insured in the past but due process has changed the City being fully insured. The City sought a quote from Blue Cross Blue Shield for a higher deductible plan to reduce monthly premiums and implementing an HRA (Health Reimbursement Account). The quotes are for a \$6,000 and \$12,000 deductible. The exposure to the City was also calculated. The City would reimburse the employee for everything over \$1,500 (single coverage) or \$3,000 (family coverage). Under this model, there could be a potential savings of \$648,000 annually. Once an employee would hit \$1,500, the City could potentially be responsible for everything up to \$6,000 or the deductible. He stated typically most employees do not hit their deductibles, on average only about 34% will. If every employee maxed out their deductible it would cost the City \$748,000, which is unlikely. This would be a savings of \$648,000 in premiums but a cost of \$748,000 on the HRA, but the typical exposure of 34% is about \$250,000. With the \$648,000 in premiums savings and the \$250,000 cost for the HRA, it would still result in a net savings of almost \$400,000 a year. He stated the out of pocket amount to employees will go up but since most employee contributions are a percentage of the premiums and with the premiums going down, they will actually be seeing less come out of their paychecks monthly. He stated the plan would be something that would have to be negotiated with unions and laid out in their contracts. He stated the higher deductible plan was discussed to see if there would be a savings. He stated with a potential savings of \$400,000, he feels they need to move forward and present the proposal to the unions. Blue Cross Blue Shield would maintain the quotes and allow open enrollment at any time up to May 1, 2019. He hopes to have the negotiations with the unions done by September 1<sup>st</sup>. Mayor Hill asked about the HMO plan. Administrator Knabel stated the HMO plan was not a significant difference. He stated there was a slight savings but not enough to justify the plan. Mayor Hill asked Administrator Knabel if he has had any discussions with employees regarding the insurance. Administrator Knabel stated he has discussed it with the Department Heads. It is a lot of information for them to understand but they understand the position the City is in budget wise. Commissioner McDowell asked about scheduling another budget workshop. He suggested inviting City employees to attend to discuss the insurance and possibly get ideas from the employees. Administrator Knabel stated even if the City got the savings with a new insurance plan, there would still be a deficit of \$385,000. Mayor Hill asked to schedule a workshop to look at any potential savings.

A budget meeting was scheduled for Thursday, June 28, 2019 at 6:00 p.m. and direction to Administrator Knabel to extend the invitation for all employees to attend.

### **DEPARTMENTAL COMMENTARY**

Mayor Hill stated he is disheartened by the number of shootings in the community. Commissioner McKinney sent him an article about what other communities are doing to deal with similar situations. In one community anyone arrested on a gun charge is tried in Federal court instead of State court. He would like the police and the community to sit down and come up with solutions. He stated the police do not get any cooperation from the community or the victims. The police cannot do it by themselves and there needs to be discussions.

Commissioner McKinney stated Saturday, June 29<sup>th</sup> is the first of four clean up days planned. They are looking for volunteers to help to try and make the community appealing. The CUBZ precinct captains will be getting flyers out for the event.

### **ANNOUNCEMENTS**

June 23

9:00 a.m.-5:00 p.m.

“Trash to Treasure” Lawn Sale at Shiloh Blvd & Elisha Ave. to benefit the Zion Historical Society

June 23	9:00 a.m.	City of Zion Bike Auction 28 <sup>th</sup> & Sheridan (Old Fire Station)
June 30		City Wide Clean Up Day for Precincts 409 & 413
July 3	7:00 p.m.	Zion City Council Meeting
July 4		City Offices Closed for the Holiday

**CLOSED SESSION**

It was moved by Commissioner Fischer, seconded by Commissioner McDowell that the Council recess to Closed Session at 8:10 p.m., pursuant to 5 ILCS 120/2 "Open Meetings", for the discussion of pending litigation. The vote on roll call was: Commissioners Fischer, aye; McKinney, aye; DeTienne, aye; McDowell, aye; and Mayor Hill, aye. Motion carried.

It was moved by Commissioner Fischer, seconded by Commissioner McDowell to reconvene the Regular Council meeting at 8:27 p.m. with all members present. The vote on roll call was: Commissioners Fischer, aye; McKinney, aye; DeTienne, aye; a McDowell, aye; and Mayor Hill, aye. Motion carried.

**ADJOURN**

There being no further business to come before the Council at this time, it was moved by Commissioner Fischer, seconded by Commissioner DeTienne and unanimously approved the meeting be adjourned at 8:29 p.m. Motion carried.

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City Clerk

Approved July 3, 2018

