



**CITY OF PROSPECT HEIGHTS
CITY COUNCIL WORKSHOP AGENDA
December 8, 2014 6:30 PM
City Hall
8 North Elmhurst Road**

- I. CALL TO ORDER**
- II. ROLL CALL**
- III. PLEDGE OF ALLEGIANCE - Led by Alderman Mendez**
- IV. SPECIAL PRESENTATION – Proclamation declaring December, 2014 as National Drunk and Drugged Driving Prevention Month**
- V. CLOSED SESSION**
- VI. STAFF AND ELECTED OFFICIALS REPORTS**
 - a. City Administrator
 - b. Department Directors
 - c. Aldermen
 - d. Treasurer's Report
 - e. Mayor
- VII. ADOPTION OF THE CONSENT AGENDA**
 - A. Approval of the meeting minutes from November 24, 2014**
 - B. Ordinance No. 0-14-28 An Ordinance for the levy and assessment of 2014 taxes for the fiscal year beginning May 1, 2015 and ending April 30, 2016 in and for the City of Prospect Heights Police Pension Fund**
 - C. Ordinance No. 0-14-29 An Ordinance for the levy and assessment of 2014 taxes for the fiscal year beginning May 1, 2015 and ending April 30, 2016 in and for the City of Prospect Heights Special Service Area Number One.**
 - D. Ordinance No 0-14-30 An Ordinance for the levy and assessment of 2014**

taxes for the fiscal year beginning May 1, 2015 and ending April 30, 2016 in and for the City of Prospect Heights Special Service Area Number Two

E. Ordinance No. 0-14-31 An Ordinance for the levy and assessment of 2014 taxes for the fiscal year beginning May 1, 2015 and ending April 30, 2016 in and for the City of Prospect Heights Special Service Area Number Three

F. Ordinance No. 0-14-32 An Ordinance for the levy ad assessment of 2014 taxes for the fiscal year beginning May 1, 2015 and ending April 30, 2016 in and for the City of Prospect Heights Special Service Area Number Four.

G. Ordinance No. 0-14-33 An Ordinance for the levy and assessment of 2014 taxes for the fiscal year beginning May 1, 2015 and ending April 30, 2016 in and for the City of Prospect Heights Special Service Area Five.

H. Ordinance No. 0-14-34 An Ordinance for the levy and assessment of 2014 taxes for the fiscal year beginning May 1, 2015 and ending April 30, 2016 in and for the City of Prospect Heights Special Service Area Number Eight.

VIII. APPROVAL OF EXPENITURES

I. Approval of Warrants

General Fund	\$304,583.98
MFT Fund	\$6,895.24
Palatine/Milwaukee TIF	\$506.00
Tourism District	\$3,938.48
Development Fund	\$148.00
DEA Fund	\$1,051.14
Solid Waste Fund	\$31,393.73
SS Area #1	\$0.00
SS Area #2	\$0.00
SS Area #3	\$0.00
SS Area #4	\$0.00
SS Area #5	\$0.00
SS Area #8 – Levee Wall #37	\$0.00

SS Area-Constr #6 (Water Main)	\$0.00
SS Area- Debt #6	\$0.00
Road Construction	\$41,139.27
Road Construction Debt	\$0.00
Water Fund	\$5,202.49
Parking Fund	\$1,803.51
Road/Building Bond Escrow	\$0.00
TOTAL Expenditures	\$396,661.84
WIRE PAYMENTS	
11/28/14 PAYROLL	\$123,421.29
NOVEMBER 2014 IMRF	\$18,981.57
Principal and Interest Due	\$2,372,323.85
TOTAL	\$2,911,388.55

IX. UNFINISHED BUSINESS

X. OLD BUSINESS

XI. NEW BUSINESS

J. Consider the letter of engagement for 2015, 2016 professional engineering services for the City to be provided by GHA (Gewalt Hamilton Associates).

K. Authorization to acquire a lot in the City of Prospect Heights.

XII. RESIDENT COMMENTS (non-agenda items)

XIII. WORKSHOP DISCUSSION ITEMS

L. Lake Michigan water procurement strategy outline

M. Development proposal discussion and direction pursuant to the Rand Road Corridor Ordinance 1414 North Rand Road Annual rental inspection proposal. (Self Storage Facility)

N. 2015 recruitment program for the City Administrator. Review and discuss the position profile, recruitment calendar, employment agreement elements, and recommended compensation range.

O. Discussion of the appropriate zoning for medical cannabis facilities within the City and direct a Public Hearing providing for same in the B-3 zoning district.

P. Discussion and direction on e-cigarette regulations for the City.

XIV. ADJOURN – Next Meeting January 12, 2015.

POSTED: December 5, 2014; 4:30 PM by Karen Schultheis, Deputy Clerk

**This meeting will be televised on the following Prospect Heights Cable Channels:
Comcast and WOW Channel 17 and AT&T U-verse Channel 99**

PROCLAMATION
NATIONAL DRUNK AND DRUGGED DRIVING
PREVENTION MONTH - DECEMBER 2014

WHEREAS, motor vehicle crashes killed 991 people in Illinois in 2013; and,

WHEREAS, hundreds of these deaths involved a driver impaired by alcohol and/or drugs; and,

WHEREAS, the December holiday season is traditionally one of the most deadly times of the year for impaired driving; and,

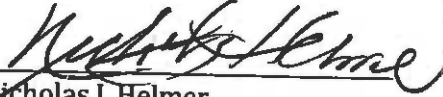
WHEREAS, for hundreds of families across the state and the nation, holidays are a time to remember loved ones lost; and,

WHEREAS, organizations across the state and the nation are joined with the Drive Sober or Get Pulled Over and other campaigns that foster public awareness of the dangers of impaired driving and anti-impaired driving enforcement efforts; and,

WHEREAS, the City of Prospect Heights is proud to partner with the Illinois Department of Transportation's Division of Traffic Safety and other traffic safety groups in that effort to make our roads and streets safer.

NOW, THEREFORE, I, Nicholas J. Helmer, mayor of the City of Prospect Heights, do hereby proclaim December, 2014 as Drunk and Drugged Driving (3D) Prevention Month in the City of Prospect Heights and do hereby call upon the citizens, government agencies, business leaders, hospitals and health care providers, schools, and public and private institutions to promote awareness of the impaired driving problem, to support programs and policies to reduce the incidence of impaired driving, and to promote safer and healthier behaviors regarding the use of alcohol and other drugs this December holiday season and throughout the year.

DATED, this 8th of December, 2014.


Nicholas J. Helmer
Mayor, City of Prospect Heights

ATTEST:

Stacey Adamson
City Clerk





B, C, D, E, F, G, H

November 10, 2014

TO: Mayor and City Council

FROM: Stephanie Hannon
Finance Director

SUBJECT: **Truth in Taxation Act**
Proposed 2014 Property Tax Levies

The Truth in Taxation act requires that at least twenty (20) days prior to the passage of the tax levy ordinance, the City must estimate the amount of the tax levy. If the proposed aggregate amount of the levy is more than 105% of the amount of property taxes extended, or estimated to be extended, for the previous year, then the City must provide notice and hold a public hearing on their intention to adopt the tax levy. The hearing must take place prior to adoption of the tax levy. If a public hearing is required, notice must be provided no less than 7 days or no more than 14 days prior to the hearing. A certificate of compliance with the Truth in Taxation act must accompany the City's tax levy ordinance. **No public hearing is required.**

The City is subject to both the Property Tax Extension Limitation Law (PTELL), more commonly referred to as the "tax cap" law, and the Prior Year Equalized Assessed Valuation (EAV) Limitation Law. PTELL limits the increase in the City's tax extension from one year to the next to the lesser of 5% or the percent increase in the Consumer Price Index (CPI), with a provision that allows taxing districts to capture additional taxes from other factors affecting the tax base, such as new property. The Prior Year EAV Limitation Law (PYELL) states that the maximum amount of the levy extended cannot exceed the statutory rate applied against the total of the prior year's EAV plus the current year's new construction.

The attached table compares the 2014 proposed levies with the respective 2013 tax levy extensions. In addition, the table provides a column that calculates the tax rates generated under the PYELL to confirm that none of the proposed tax levies exceed this limit. All of the City's proposed tax levies, subject to the PYELL restriction, are in compliance.

The 2014 proposed tax levies include: an increase in the police pension tax levy of 4.98% or \$14,119, in the tax levy for the third road bond, in the tax levy for Special Service Area #6 bond, and an increase in the tax levy for Special Service Areas #1 of \$762, Special Service Area #2 of \$1,221, Special Service Area #3 of \$1,336, Special Service Area #4 of \$1,870 and Special

Service Area #5 of \$244. The remaining tax levy for Special Service Area #8 remains the same as last year.

The increase in the Special Service Area #6 tax levy and the road construction reflects the amount for the referendum debt service tax levy set forth in the bond ordinances.

The Police Pension tax does not have a statutory rate limit and therefore it is not subject to the Prior Year EAV Limitation Law; however, it is subject to limitation under PTELL. In an effort to capture all available tax revenues, staff is recommending that the Police Pension tax levy be increased by 4.98% over the 2013 tax extension. This would allow the City to capture not only the growth from the CPI but also all growth from new property being added to the tax rolls. In addition, the City could realize additional growth from the 3% loss and cost added on by the County, provided it does not exceed the limiting rate under the tax cap formula.

The Special Service Area levies are to cover the projected sanitary sewer maintenance and administrative expenses. The tax levy for Special Service Area #8 is to support the Levee 37 was and to cover a loan repayment at 2.25% over 4 years for a \$300,000 loan from the General Fund.

Approval of the proposed levies is scheduled for the December 8th, 2014 City Council meeting.

City of Prospect Heights
Tax Levy 2014

	Police Pension	Road Bond	Special Service Area #1	Special Service Area #2	Special Service Area #3	Special Service Area #4	Special Service Area #5	Special Service Area #6	Special Service Area #8
Equity as of 4/30/14			(78,343)	22,107	428,067	25,956	325,669	82,045	(208,158)
Tax Extension Revenue									
Budget Amendment Expenses		1,367,946	27,538	42,979	20,664	38,130	5,756	246,517	206,034
Net Income/(Loss)		1,305,506	38,790	41,950	51,100	39,740	66,300	51,920	254,990
		\$ 62,440	\$ (11,252)	\$ 1,029	\$ (30,436)	\$ (1,610)	\$ (60,544)	\$ 194,597	\$ (48,956)
Total Due Other Funds 4/30/15		\$ (62,440)	\$ 78,776						\$ 300,000
Excess Revenue			(23,136)		(397,631)	(24,345)	(265,125)	(276,642)	-
Estimated Expenses FY2014-15		551,860	38,790	41,950	51,100	39,740	66,300	51,920	254,990
Total Required		\$ 489,420	\$ 117,566	\$ 18,814	\$ (346,531)	\$ 15,395	\$ (198,825)	\$ (224,722)	\$ 554,990
Last Years Levy Extension	283,281	1,367,946	27,538	42,979	20,664	38,130	5,756	246,517	206,034
Proposed Levy	\$ 297,400	\$ 1,303,336	\$ 28,300	\$ 44,200	\$ 22,000	\$ 40,000	\$ 6,000	\$ 239,753	\$ 206,000
Assessed Value	\$ 331,710,999	\$ 331,710,999	\$ 7,867,881	\$ 4,621,398	\$ 21,085,243	\$ 4,588,395	\$ 31,976,803	\$ 17,190,844	\$ 19,094,930
Amount for a \$100,000 home	\$ 30	\$ 131	\$ 120	\$ 319	\$ 35	\$ 291	\$ 6	\$ 465	\$ 360
Last Years Taxes	28	137	117	310	33	277	6	478	360
Increase/(Decrease) Prior Year	\$ 1	\$ (6)	\$ 3	\$ 9	\$ 2	\$ 14	\$ 0	\$ (13)	\$ (0)
Net Fund Balance FY2014		(89,266)	25,386	368,531	24,605	204,825	464,475	(348,990)	
Levy History									
Levy 2006	220,796.38		24,669.07	35,873.06	88,365.47	17,416.15	94,948.42		
Levy 2007	231,992.42		18,623.34	13,917.51	53,550.34	13,821.08	101,555.04		
Levy 2008	246,774.21		19,663.79	15,191.92	57,636.41	15,949.79	111,715.87		
Levy 2009	250,305.56		20,272.63	15,799.00	60,319.68	15,704.02	75,486.20	241,872.14	
Levy 2010	258,962.37		20,995.90	16,666.81	62,288.56	17,150.38	78,753.35	244,633.19	
Levy 2011	264,464.97		20,454.35	16,230.24	51,025.35	17,053.80	25,993.38	246,931.91	
Levy 2012	274,588.21		33,954.86	51,053.55	20,481.14	35,857.06	5,241.81	243,660.91	81,796.44
Levy 2013 Extension	283,281.00		27,538.00	42,979.00	20,663.54	38,129.56	5,755.82	244,630.70	204,240.00
Levy 2014	297,400.00	1,303,336.00	28,300.00	44,200.00	22,000.00	40,000.00	6,000.00	239,753.00	206,000.00
Maximum Levy	\$ 297,445.05	No Limit	\$ 28,363.71	\$ 44,266.37	\$ 106,417.22	\$ 43,007.03	\$ 59,284.99	No Limit	\$ 277,315.67

City of Prospect Heights
New Property History

Tax Year	Police Pension	Special Service Area #1	Special Service Area #2	Special Service Area #3	Special Service Area #4	Special Service Area #5	Special Service Area #6	Special Service Area #8
2003								
2004	3,967,793							
2005	2,070,391							
2006	3,745,200							
2007	3,985,704	22,296	6,894	55,163	-	-	-	
2008	2,908,134	-	-	149	-	-	176,699	
2009	1,710,041	7,485	-	7	-	14,913	137,264	
2010	965,328	23,341	11,708	52,912	-	-	35,864	
2011	817,494	-	-	-	-	(83,691)	-	
2012	720,833	-	-	-	-	-	-	-
2013	1,067,296	41,366	2,015	62,365	-	-	7,919	-

CITY OF PROSPECT HEIGHTS

History of Equalization Factors and Equalized Assessed Valuation

Tax Year	Equalization Factor	EQUALIZED ASSESSED VALUATION								
		Police Pension/Road Bond	% Increase over Prior Year	Special Service Area #1	Special Service Area #2	Special Service Area #3	Special Service Area #4	Special Service Area #5	Special Service Area #6	Special Service Area #8
2003	2.4598	\$ 357,410,406								
2004	2.5757	416,852,808	16.63%						-	-
2005	2.7320	443,398,275	6.37%						-	-
2006	2.7076	447,526,177	0.93%	8,412,930	5,377,069	22,605,023	9,653,443	58,975,386	-	-
2007	2.8439	529,056,846	18.22%	9,905,181	6,301,770	27,519,016	8,444,393	65,266,827	-	-
2008	2.9786	561,012,029	6.04%	10,830,036	6,883,129	30,199,844	8,243,303	67,433,219	25,733,860	-
2009	3.3701	557,571,070	-0.61%	11,870,933	7,110,040	32,578,508	9,285,463	69,091,739	27,216,392	-
2010	3.3000	488,794,261	-12.34%	10,770,025	6,408,143	29,661,034	7,663,241	58,416,234	25,277,289	48,075,159
2011	2.9706	440,623,173	-20.97%	10,366,904	6,149,814	28,729,436	6,852,923	53,553,739	22,990,770	29,636,023
2012	2.8056	397,333,039	-18.71%	9,793,330	5,758,478	26,461,411	5,429,793	44,164,720	20,955,136	24,331,795
2013	2.6621	331,710,999	-24.72%	7,867,881	4,621,398	21,085,243	4,588,395	31,976,803	17,190,844	19,094,930

**TRUTH IN TAXATION
CERTIFICATE OF COMPLIANCE**

I, Nicholas J. Helmer, hereby certify that I am the presiding officer of the City of Prospect Heights, Illinois, and as such presiding officer I certify that the levy ordinances, copies of which are attached, were adopted pursuant to, and in all respects in compliance with the provisions of the Illinois Property Tax Code – Truth in Taxation Law, 35 ILCS 200/18-60 through 18-85 (2002).

This certificate applies to the 2014 tax levy.

Nicholas J. Helmer, Mayor

Date

ORDINANCE NO. O-14 - 28

AN ORDINANCE FOR THE LEVY AND ASSESSMENT OF 2014 TAXES FOR THE FISCAL YEAR BEGINNING MAY 1, 2015 AND ENDING APRIL 30, 2016 IN AND FOR THE CITY OF PROSPECT HEIGHTS POLICE PENSION FUND

BE IT ORDAINED by the City Council of the City of Prospect Heights, Cook County, Illinois as follows:

Section 1. Findings.

The City of Prospect Heights Police Pension Fund has been created by Ordinance No. 0-90-34 entitled:

**“AN ORDINANCE RELATING TO THE POLICE PENSION FUND
FOR THE CITY OF PROSPECT HEIGHTS, ILLINOIS”**

adopted August 20, 1990. Said Ordinance provides that the City Council shall annually levy a tax upon all the taxable property of the City at the rate on the dollar of all such taxable property which will produce an amount which, when added to the deductions from the salaries of wages of police officers, and revenues available from all other sources as hereinafter referred to, will equal a sufficient sum to meet the annual requirements of the Police Pension Fund. The annual requirements to be provided by such tax levy are equal to (1) the normal cost of the pension fund for the year involved, plus (2) the amount necessary to amortize the fund unfunded accrued liabilities pursuant to State statute.

Section 2. Levy.

A tax for the sum of Two Hundred Ninety Seven Thousand and Four Hundred Dollars (\$297,400) be and the same is hereby levied for the purposes specified in Ordinance No. 0-90-34 against all taxable property in the City of Prospect Heights for the fiscal year commencing on the 1st day of May, 2014 and ending on the 30th day of April, 2015.

Section 3. Authority.

This tax is levied pursuant to Chapter 108-1/2, Illinois Compiled Statutes, Sec. 3-125 and pursuant to Ordinance 0-90-34, “An Ordinance Relating to the Police Pension Fund for the City of Prospect Heights, Illinois.”

Section 4. Filing.

There is hereby certified to the County Clerk of Cook County, Illinois the sum aforesaid, constituting the total amount the said City of Prospect Heights Police Pension Fund requires to be raised for the current fiscal year, and the City Clerk is hereby directed to file with the County Clerk of Cook County on or before the time required by law, a certified copy of this ordinance.

Section 5. This Ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form as required by law.

PASSED and APPROVED this 8th, December 2014.

ATTEST:

CITY CLERK

MAYOR

AYES:

NAYS:

ABSENT:

Ordinance No.

Published in pamphlet form:

Effective date: December 8, 2014

REIMER & KARLSON LLC

A PUBLIC SAFETY LAW FIRM

RICHARD J. REIMER
KEITH A. KARLSON*
CHRIS W. POTTHOFF, JR.
CHRISTOPHER M. MELNYCZENKO*
BRIAN J. LABARDI
*LICENSED IN ILLINOIS AND INDIANA

15 SPINNING WHEEL ROAD, SUITE 310, HINSDALE, ILLINOIS 60521
(630) 654-9547 • (630) 654-9676 FAX
WWW.RKLABORLAW.COM

Dist To:
SA/KP
12/3
OF COUNSEL
ROBERT W. TREVARTHEN

December 1, 2014

Honorable Nicholas Helmer, Mayor
City of Prospect Heights
8 N. Elmhurst Road
Prospect Heights, Illinois 60070

By Certified Return Receipt Mail

Re: Prospect Heights Police Pension Fund-Annual Tax Levy Requirements

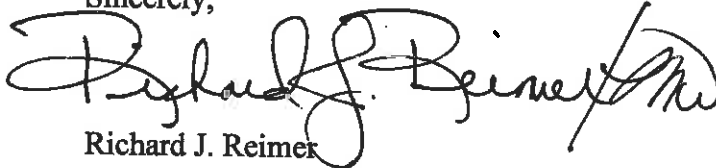
Mayor Helmer:

This is to advise you that the undersigned is legal counsel for the Prospect Heights Police Pension Fund. As you are aware, the Pension Board either relies on an actuarial valuation performed by the Illinois Department of Insurance, or an independent actuary employed by the City. In this case, the Pension Board has relied upon the independent actuarial valuation performed by the City's actuary, Timothy Sharpe. According to this valuation, the recommended amount necessary in order to satisfy the annual requirements of §5/3-125 of the Illinois Pension Code, for the upcoming tax year is \$670,000. This is a preliminary amount and the Pension Board has not yet received Mr. Sharpe's full report.

Accordingly, pursuant to §5/3-125 of the Illinois Pension Code, the Prospect Heights Police Pension Board is requesting that the City levy the above amount for the up-coming tax year in order to satisfy the annual requirements of the Prospect Heights Police Pension Fund. In the event that the City will not be levying this amount, please advise me.

Thank you for your anticipated cooperation and assistance in this matter. Please do not hesitate to contact the undersigned should you have any questions concerning this matter.

Sincerely,



Richard J. Reimer

RJR:mw

cc: Sgt. Jerry Coglianese, President
Prospect Heights Police Pension Board

C

ORDINANCE NO. O-14 - 29

**AN ORDINANCE FOR THE LEVY AND ASSESSMENT OF 2014 TAXES FOR
THE FISCAL YEAR BEGINNING MAY 1, 2015 AND ENDING APRIL 30, 2016
IN AND FOR THE CITY OF PROSPECT HEIGHTS
SPECIAL SERVICE AREA NUMBER ONE**

WHEREAS, City of Prospect Heights Special Service Area Number One has been created by Ordinance 0-79-30 entitled, "AN ORDINANCE ESTABLISHING CITY OF PROSPECT HEIGHTS SPECIAL SERVICE AREA NUMBER ONE FOR THE PURPOSE OF PROVIDING FOR THE COLLECTION AND DISPOSAL OF SEWAGE IN THE AREA OF THE CITY FORMERLY SERVED BY THE PROSPECT HEIGHTS SANITARY DISTRICT", as amended; and

WHEREAS, Ordinance No. 0-79-30, as amended, authorizes an annual rate of the annual tax levy of thirty-five one-hundredths of one percent (.35%) of the assessed value, as equalized, of the property in said special service area; and

WHEREAS, said Special Service Area Number One consists of the territory described in the ordinances aforesaid; and

WHEREAS, the City of Prospect Heights is authorized to levy taxes for special services in said Special Service Area.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Prospect Heights, Cook County, Illinois, as follows:

Section 1. The facts and statements contained in the preamble to this Ordinance are hereby found to be true and correct and are hereby incorporated as part of this Ordinance.

Section 2. The total amount of appropriations for all purposes to be collected from the tax levy of the current fiscal year in Special Service Area Number One is ascertained to be the sum of Twenty-Eight Thousand Three Hundred Dollars (\$28,300.00).

Section 3. The sum of Twenty-Eight Thousand Three Hundred Dollars (\$28,300.00) be and the same hereby is levied upon the taxable property (as defined in the Revenue act of 1939) in City of Prospect Heights Special Service Area Number One, said tax to be levied for the fiscal year beginning May 1, 2014 and ending April 30, 2015 for the purpose of providing additional revenues for maintaining and installing necessary and required improvements to the sewer system.

Section 4. This tax is levied pursuant to Article VII, Section 7 of the Constitution of the State of Illinois and Section 1301, et.seq. of Chapter 120 of the Illinois Compiled Statutes, as amended, and pursuant to An Ordinance Establishing City of Prospect Heights Special Service Area Number One, as amended.

Section 5. There is hereby certified to the County Clerk of Cook County, Illinois, the sum aforesaid, constituting said total amount of Twenty-Eight Thousand Three Hundred Dollars (\$28,300.00), which said total amount the said City of Prospect Heights Special Service Area Number One requires to be raised by taxation for the current fiscal year of said City, and the City Clerk of said City is hereby ordered and directed to file with the County Clerk of said County on or before the time required by law a certified copy of this Ordinance.

Section 6. This Ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form as provided by law.

PASSED and APPROVED this 8th, December 2014.

ATTEST:

CITY CLERK

MAYOR

AYES:

NAYS:

ABSENT:

Ordinance No.

Published in pamphlet form:

Effective date: December 8, 2014

D

ORDINANCE NO. 0-14-30

**AN ORDINANCE FOR THE LEVY AND ASSESSMENT OF 2014 TAXES FOR
THE FISCAL YEAR BEGINNING MAY 1, 2015 AND ENDING APRIL 30, 2016
IN AND FOR THE CITY OF PROSPECT HEIGHTS
SPECIAL SERVICE AREA NUMBER TWO**

WHEREAS, City of Prospect Heights Special Service Area Number Two has been created by Ordinance 0-79-32 entitled, "AN ORDINANCE ESTABLISHING CITY OF PROSPECT HEIGHTS SPECIAL SERVICE AREA NUMBER TWO FOR THE PURPOSE OF PROVIDING FOR THE COLLECTION AND DISPOSAL OF SEWAGE IN THE AREA OF THE CITY FORMERLY SERVED BY THE WOLF MANDEL SANITARY DISTRICT", as amended; and

WHEREAS, Ordinance No. 0-79-32, as amended, authorizes an annual rate of the annual tax levy ninety-three one-hundredths of one percent (.93%) of the assessed value, as equalized, of the property in said special service area; and

WHEREAS, said Special Service Area Number Two consists of the territory described in the ordinances aforesaid; and

WHEREAS, the City of Prospect Heights is authorized to levy taxes for special services in said Special Service Area.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Prospect Heights, Cook County, Illinois, as follows:

Section 1. The facts and statements contained in the preamble to this Ordinance are hereby found to be true and correct and are hereby incorporated as part of this Ordinance.

Section 2. The total amount of appropriations for all purposes to be collected from the tax levy of the current fiscal year in Special Service Area Number Two is ascertained to be the sum of Forty-Four Thousand Two Hundred Dollars (\$44,200).

Section 3. The sum of Forty-Four Thousand Two Hundred Dollars (\$44,200) be and the same hereby is levied upon the taxable property (as defined in the Revenue act of 1939) in City of Prospect Heights Special Service Area Number Two, said tax to be levied for the fiscal year beginning May 1, 2014 and ending April 30, 2015 for the purpose of providing additional revenues for maintaining and installing necessary and required improvements to the sewer system.

Section 4. This tax is levied pursuant to Article VII, Section 7 of the Constitution of the State of Illinois and Section 1301, et. seq. of Chapter 120 of the Illinois Compiled Statutes, as amended, and pursuant to An Ordinance Establishing City of Prospect Heights Special Service Area Number Two, as amended.

Section 5. There is hereby certified to the County Clerk of Cook County, Illinois, the sum aforesaid, constituting said total amount of Forty-Four Thousand Two Hundred Dollars (\$44,200), which said total amount the said City of Prospect Heights Special Service Area Number Two requires to be raised by taxation for the current fiscal year of said City, and the City Clerk of said City is hereby ordered and directed to file with the County Clerk of said County on or before the time required by law a certified copy of this Ordinance.

Section 6. This Ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form as provided by law.

PASSED and APPROVED this 8th, December 2014.

ATTEST:

CITY CLERK

MAYOR

AYES:

NAYS:

ABSENT:

Ordinance No.

Published in pamphlet form:

Effective date: December 8, 2014

ORDINANCE NO. 0-14-31**AN ORDINANCE FOR THE LEVY AND ASSESSMENT OF 2014 TAXES FOR
THE FISCAL YEAR BEGINNING MAY 1, 2015 AND ENDING APRIL 30, 2016
IN AND FOR THE CITY OF PROSPECT HEIGHTS
SPECIAL SERVICE AREA NUMBER THREE**

WHEREAS, City of Prospect Heights Special Service Area Number Three has been created by Ordinance 0-79-34 entitled, "AN ORDINANCE ESTABLISHING CITY OF PROSPECT HEIGHTS SPECIAL SERVICE AREA NUMBER THREE FOR THE PURPOSE OF PROVIDING FOR THE COLLECTION AND DISPOSAL OF SEWAGE IN THE AREA OF THE CITY FORMERLY SERVED BY THE COUNTRY GARDENS SANITARY DISTRICT", as amended; and

WHEREAS, Ordinance No. 0-79-34, as amended, authorizes an annual rate of the annual tax levy of forty-nine one-hundredths of one percent (.49%) of the assessed value, as equalized, of the property in said special service area; and

WHEREAS, said Special Service Area Number Three consists of the territory described in the ordinances aforesaid; and

WHEREAS, the City of Prospect Heights is authorized to levy taxes for special services in said Special Service Area.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Prospect Heights, Cook County, Illinois, as follows:

Section 1. The facts and statements contained in the preamble to this Ordinance are hereby found to be true and correct and are hereby incorporated as part of this Ordinance.

Section 2. The total amount of appropriations for all purposes to be collected from the tax levy of the current fiscal year in Special Service Area Number Three is ascertained to be the sum of Twenty Two Thousand Dollars (\$22,000.00).

Section 3. The sum of Twenty Two Thousand Dollars (\$22,000.00) be and the same hereby is levied upon the taxable property (as defined in the Revenue act of 1939) in City of Prospect Heights Special Service Area Number Three, said tax to be levied for the fiscal year beginning May 1, 2014 and ending April 30, 2015 for the purpose of providing additional revenues for maintaining and installing necessary and required improvements to the sewer system.

Section 4. This tax is levied pursuant to Article VII, Section 7 of the Constitution of the State of Illinois and Section 1301, et.seq. of Chapter 120 of the Illinois Compiled Statutes, as amended, and pursuant to An Ordinance Establishing City of Prospect Heights Special Service Area Number Three, as amended.

Section 5. There is hereby certified to the County Clerk of Cook County, Illinois, the sum aforesaid, constituting said total amount of Twenty Two Thousand Dollars (\$22,000.00), which said total amount the said City of Prospect Heights Special Service Area Number Three requires to be raised by taxation for the current fiscal year of said City, and the City Clerk of said City is hereby ordered and directed to file with the County Clerk of said County on or before the time required by law a certified copy of this Ordinance.

Section 6. This Ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form as provided by law.

PASSED and APPROVED this 8th, December 2014.

ATTEST:

CITY CLERK

MAYOR

AYES:

NAYS:

ABSENT:

Ordinance No.

Published in pamphlet form:

Effective date: December 8, 2014

ORDINANCE NO. O-14-32**AN ORDINANCE FOR THE LEVY AND ASSESSMENT OF 2014 TAXES FOR
THE FISCAL YEAR BEGINNING MAY 1, 2015 AND ENDING APRIL 30, 2016
IN AND FOR THE CITY OF PROSPECT HEIGHTS
SPECIAL SERVICE AREA NUMBER FOUR**

WHEREAS, City of Prospect Heights Special Service Area Number Four has been created by Ordinance 0-82-27 entitled, "AN ORDINANCE ESTABLISHING CITY OF PROSPECT HEIGHTS SPECIAL SERVICE AREA NUMBER FOUR FOR THE PURPOSE OF PROVIDING FOR THE COLLECTION AND DISPOSAL OF SEWAGE IN THE AREA OF THE CITY FORMERLY SERVED BY THE COUNTRY GARDENS SANITARY DISTRICT", as amended; and

WHEREAS, Ordinance No. 0-82-27, as amended, authorizes an annual rate of the annual tax levy of ninety-one one-hundredths of one percent (.91%) of the assessed value, as equalized, of the property in said special service area; and

WHEREAS, said Special Service Area Number Four consists of the territory described in the ordinances aforesaid; and

WHEREAS, the City of Prospect Heights is authorized to levy taxes for special services in said Special Service Area.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Prospect Heights, Cook County, Illinois, as follows:

Section 1. The facts and statements contained in the preamble to this Ordinance are hereby found to be true and correct and are hereby incorporated as part of this Ordinance.

Section 2. The total amount of appropriations for all purposes to be collected from the tax levy of the current fiscal year in Special Service Area Number Four is ascertained to be the sum of Forty Thousand Dollars (\$40,000.00).

Section 3. The sum of Forty Thousand Dollars (\$40,000.00) be and the same hereby is levied upon the taxable property (as defined in the Revenue act of 1939) in City of Prospect Heights Special Service Area Number Four, said tax to be levied for the fiscal year beginning May 1, 2014 and ending April 30, 2015 for the purpose of providing additional revenues for maintaining and installing necessary and required improvements to the sewer system.

Section 4. This tax is levied pursuant to Article VII, Section 7 of the Constitution of the State of Illinois and Section 1301, et.seq. of Chapter 120 of the Illinois Compiled Statutes, as amended, and pursuant to An Ordinance Establishing City of Prospect Heights Special Service Area Number Four, as amended.

Section 5. There is hereby certified to the County Clerk of Cook County, Illinois, the sum aforesaid, constituting said total amount of Forty Thousand Dollars (\$40,000.00), which said total amount the said City of Prospect Heights Special Service Area Number Four requires to be raised by taxation for the current fiscal year of said City, and the City Clerk of said City is hereby ordered and directed to file with the County Clerk of said County on or before the time required by law a certified copy of this Ordinance.

Section 6. This Ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form as provided by law.

PASSED and APPROVED this 8th, December 2014.

ATTEST:

CITY CLERK

MAYOR

AYES:

NAYS:

ABSENT:

Ordinance No.

Published in pamphlet form:

Effective date: December 8, 2014

ORDINANCE NO. O-14 - 33**AN ORDINANCE FOR THE LEVY AND ASSESSMENT OF 2014 TAXES FOR
THE FISCAL YEAR BEGINNING MAY 1, 2015 AND ENDING APRIL 30, 2016
IN AND FOR THE CITY OF PROSPECT HEIGHTS
SPECIAL SERVICE AREA NUMBER FIVE**

WHEREAS, City of Prospect Heights Special Service Area Number Five has been created by Ordinance 0-99-25 entitled, "AN ORDINANCE ESTABLISHING CITY OF PROSPECT HEIGHTS SPECIAL SERVICE AREA NUMBER FIVE FOR THE PURPOSE OF PROVIDING FOR THE COLLECTION AND DISPOSAL OF STORM WATER", as amended; and

WHEREAS, Ordinance No. 0-99-25, as amended, authorizes an annual rate of the annual tax levy of eighteen one hundredths of one percent (.18%) of the assessed value, as equalized, of the property in said special service area; and

WHEREAS, said Special Service Area Number Five consists of the territory described in the ordinances aforesaid; and

WHEREAS, the City of Prospect Heights is authorized to levy taxes for special services in said Special Service Area.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Prospect Heights, Cook County, Illinois, as follows:

Section 1. The facts and statements contained in the preamble to this Ordinance are hereby found to be true and correct and are hereby incorporated as part of this Ordinance.

Section 2. The total amount of appropriations for all purposes to be collected from the tax levy of the current fiscal year in Special Service Area Number Five is ascertained to be the sum of Six Thousand Dollars (\$6,000.00).

Section 3. The sum of Six Thousand Dollars (\$6,000.00) be and the same hereby is levied upon the taxable property (as defined in the Revenue act of 1939) in City of Prospect Heights Special Service Area Number Five, said tax to be levied for the fiscal year beginning May 1, 2014 and ending April 30, 2015 for the purpose of providing additional revenues for maintaining and installing necessary and required improvements to the storm sewer system.

Section 4. This tax is levied pursuant to Article VII, Section 7 of the Constitution of the State of Illinois and Section 1301, et.seq. of Chapter 120 of the Illinois Compiled Statutes, as amended, and pursuant to An Ordinance Establishing City of Prospect Heights Special Service Area Number Five, as amended.

Section 5. There is hereby certified to the County Clerk of Cook County, Illinois, the sum aforesaid, constituting said total amount of Six Thousand Dollars (\$6,000.00), which said total amount the said City of Prospect Heights Special Service Area Number Five requires to be raised by taxation for the current fiscal year of said City, and the City Clerk of said City is hereby ordered and directed to file with the County Clerk of said County on or before the time required by law a certified copy of this Ordinance.

Section 6. This Ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form as provided by law.

PASSED and APPROVED this 8th, December 2014.

ATTEST:

CITY CLERK

MAYOR

AYES:

NAYS:

ABSENT:

Ordinance No.

Published in pamphlet form:

Effective date: December 8, 2014

ORDINANCE NO. O-14 - 34

**AN ORDINANCE FOR THE LEVY AND ASSESSMENT OF 2014 TAXES FOR
THE FISCAL YEAR BEGINNING MAY 1, 2015 AND ENDING APRIL 30, 2016
IN AND FOR THE CITY OF PROSPECT HEIGHTS
SPECIAL SERVICE AREA NUMBER EIGHT**

WHEREAS, City of Prospect Heights Special Service Area Number Eight has been created by Ordinance 0-11-11 entitled, "AN ORDINANCE establishing Special Service Area Number 8 of the City of Prospect Heights, Cook County, Illinois, and the issuance of bonds in an amount not to exceed \$500,000 and the imposition of a tax at a maximum rate of 1.41% in any year to pay the cost of providing special services in and for such Area.", as amended; and

WHEREAS, Ordinance No. 0-11-11, as amended, authorizes an annual rate of the annual tax levy of one and forty-one one hundredths of one percent (1.41%) of the assessed value, as equalized, of the property in said special service area; and

WHEREAS, said Special Service Area Number Eight consists of the territory described in the ordinances aforesaid; and

WHEREAS, the City of Prospect Heights is authorized to levy taxes for special services in said Special Service Area.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Prospect Heights, Cook County, Illinois, as follows:

Section 1. The facts and statements contained in the preamble to this Ordinance are hereby found to be true and correct and are hereby incorporated as part of this Ordinance.

Section 2. The total amount of appropriations for all purposes to be collected from the tax levy of the current fiscal year in Special Service Area Number Eight is ascertained to be the sum of Two-Hundred and Six Thousand Dollars (\$206,000.00).

Section 3. The sum of Two-Hundred and Six Thousand Dollars (\$206,000.00) be and the same hereby is levied upon the taxable property (as defined in the Revenue act of 1939) in City of Prospect Heights Special Service Area Number Eight, said tax to be levied for the fiscal year beginning May 1, 2014 and ending April 30, 2015 for the purpose of providing additional revenues for the operation, maintenance and repair of Levee 37 and related storm water management services.

Section 4. This tax is levied pursuant to Article VII, Section 7 of the Constitution of the State of Illinois and Article 27 of the Illinois Property Tax Code, as amended, and pursuant to AN ORDINANCE establishing Special Service Area Number 8 of the City of Prospect Heights, Cook County, Illinois, and the issuance of bonds in an amount not to exceed \$500,000 and the imposition of a tax at a maximum rate of 1.41% in any year to pay the cost of providing special services in and for such Area, **as amended.**

Section 5. There is hereby certified to the County Clerk of Cook County, Illinois, the sum aforesaid, constituting said total amount of Two-Hundred and Six Thousand Dollars (\$206,000.00), which said total amount the said City of Prospect Heights Special Service Area Number Eight requires to be raised by taxation for the current fiscal year of said City, and the City Clerk of said City is hereby ordered and directed to file with the County Clerk of said County on or before the time required by law a certified copy of this Ordinance.

Section 6. This Ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form as provided by law.

PASSED and APPROVED this 8th, December 2014.

ATTEST:

CITY CLERK

MAYOR

AYES:

NAYS:

ABSENT:

Ordinance No.

Published in pamphlet form:

Effective date: December 8, 2014

APPROVAL OF WARRANTS

I

12/08/2014-COUNCIL MEETING		
Checks		
General Fund	\$	304,583.98
MFT Fund		6,895.24
Palatine/Milwaukee TIF		506.00
Tourism District		3,938.48
Development Fund		148.00
DEA Fund		1,051.14
Solid Waste Fund		31,393.73
S S Area #1		
S S Area #2		
S S Area #3		
S S Area #4		
S S Area #5		
S S Area #8 - Levee Wall #37		
S S Area-Constr#6(Water Main)		
S S Area-Debt#6		
Road Construction		41,139.27
Road Construction Debt		
Water Fund		5,202.49
Parking Fund		1,803.51
Road/Building Bond Escrow		
TOTAL	\$	396,661.84
Wire Payments		
11/28/14 PAYROLL		123,421.29
NOVEMBER 2014 IMRF		18,981.57
Principal & Interest Due		2,372,323.85
Total Warrant	\$	2,911,388.55



**GHA GEWALT HAMILTON
ASSOCIATES, INC.**
CONSULTING ENGINEERS

November 25, 2014

625 Forest Edge Drive, Vernon Hills, IL 60061

TEL 847.478.9700 ■ FAX 847.478.9701

www.gha-engineers.com

Mr. William Balling
City Administrator
City of Prospect Heights
8 N. Elmhurst Road
Prospect Heights, IL 60070

Re: Proposed Rate Adjustment for
Gewalt Hamilton Associates, Inc.
General Consulting Engineering Services

Dear Mr. Balling:

Per our discussion, Gewalt Hamilton Associates, Inc. is proposing to raise the hourly rates currently charged to the City of Prospect Heights as indicated in the chart below. This adjustment is based on increases in salaries, insurance, medical, benefits, and taxes. We propose the rate adjustment on the following page for City projects and any pass-through (development projects):

As you can see, the rates proposed for City projects, my office hours, residential plan reviews and similar projects continue to represent a substantial discount from our standard rates. The overall average increase to the City is approximately 7%. The increase may seem slightly higher than expected due to the timing of our initial contract with the City. Our initial contract was signed around November of 2013 and we committed to use our then current 2013 rates for all of 2014. The proposed 2015 rates match what we charge in other communities we represent on a contract basis. GHA has added three rate categories since our contract with the City was approved near the end of 2013.

We would like these rate increases to take effect as of January 1, 2015 and be reflected on the February invoice. We have genuinely enjoyed our relationship with the City for the past year and look forward to continuing to serve the City for many years. We have assumed that our primary contact will be the City Administrator.

We propose Steve's general office hours be:

- Tuesday's – 7:00am to 11:30am
- Thursday's – 7:00am to 11:30am
- Additional time as needed would be agreed to on a weekly basis

Some of the anticipated engineering services of the City Engineer will be:

- Transportation planning and engineering
- Utility infrastructure improvements
- Water supply, treatment, and storage analysis and design
- Stormwater management and water resources
- Sanitary sewer collection system analysis and design
- Acquisition of project permits and coordination with other jurisdictional agencies
- Construction observation
- Environmental and hazardous waste cleanup review (possibly a subconsultant to GHA)
- Street, sidewalk and bike path planning and design
- Permit compliance and regulatory review

- Capital project budgeting
- Engineering plan review
- Meeting attendance
- Structural engineering and architectural design (subconsultant to GHA)
- Funding/grant investigation and development
- Public involvement
- Surveying services
- Electrical / SCADA review and design

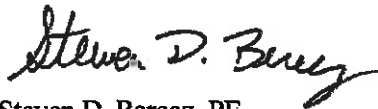
GHA 2015 & 2016 Direct Costs

Mileage	\$0.50/mi
Vehicles/equipment	no charge
CADD software/systems	no charge
Black and white printing - up to 11" x 17"	no charge
Large-format black and white printing	\$0.25/sf
Color prints up to 11" x 17"	\$0.50/page
Large-format color plots	\$3.00/sf

Sub-consultant costs have a 10% mark up and overnight postage and messenger services are invoiced without markup.

Please feel free to call with any questions or comments.

Sincerely,
Gewalt Hamilton Associates, Inc.



Steven D. Berecz, PE
Corporate Secretary

Gewalt Hamilton Associates, Inc. 2015 & 2016 Hourly Rates

Category	2013 to 2014 Discounted City Rates (per hour)	2015 Discounted City Rates (per hour)	2016 Discounted City Rates (per hour)	2015 Standard Rates for Private Developments (per hour)
Principal Engineer	\$150.00	\$156.00	\$162.00	\$194.00
* Senior Engineer (Steve Berecz)	\$124.00	\$132.00	\$138.00	\$164.00
Senior Environmental Consultant	n/a	\$132.00	\$138.00	\$164.00
Professional Engineer	\$104.00	\$114.00	\$118.00	\$136.00
Professional Land Surveyor	n/a	\$110.00	\$114.00	\$118.00
Staff Engineer	\$96.00	\$104.00	\$108.00	\$118.00
GIS Professional	\$104.00	\$108.00	\$112.00	\$114.00
Environmental Consultant	n/a	\$104.00	\$108.00	\$112.00
Senior Engineering Technician	\$98.00	\$104.00	\$108.00	\$110.00
Engineering Technician II	\$84.00	\$90.00	\$94.00	\$96.00
Engineering Technician I	\$60.00	\$66.00	\$68.00	\$70.00
Administrative	\$48.00	\$54.00	\$56.00	\$58.00

* Steven Berecz is in Senior Engineer rate category

Accepted By:

City of Prospect Heights

Title: _____

Date: _____

Rates indicated shall be effective January 1, 2015 and reflected on the February invoice.
Rates for 2016 shall be reflected on the February 2016 invoice.

Steven D. Berecz, P.E.

Corporate Secretary / Senior Engineer

Years of Experience: 21
Years with GHA: 21

Experience

Steven D. Berecz, a Partner and Member of the Board, is a Registered Professional Engineer practicing for the past 20 years as a Civil Engineer with emphasis on municipal engineering, site development, storm water management and construction engineering. Mr. Berecz has worked directly for numerous municipalities including the Villages of Lincolnwood, Skokie, Inverness, Wilmette, and Niles, and the Cities of Evanston, Des Plaines, and Chicago. He has also worked with many park districts, school districts, and residential and commercial developers, and on a variety of civil site design projects.

City of Evanston

Mr. Berecz has completed many utility design projects, roadway design projects and construction engineering for the City over the past few years. Work included the design of over 8 miles of water main improvements varying in sizes from 8" to 20", the design of over 2 miles of relief storm sewer improvements, and the design of roadway improvements for over 4 miles on arterial streets and many residential streets. Most projects also included providing full-time construction observation and management services. Total construction costs of the capital improvements were around \$25 million.

Village of Lincolnwood

Mr. Berecz was responsible for the planning, design and review of many municipal projects including roadways, public water mains, combined sewer replacements, storm water management programs and subdivision and commercial reviews. He served in the capacity of Village Engineer in Lincolnwood from 2000 through 2012. Additionally, Mr. Berecz was responsible for the overall design, project management, budgeting, permitting, and construction management of over \$40 Million of capital improvements in the Village of Lincolnwood from 1996 to 2012. This work included resurfacing or reconstruction of all 37 miles of Village roadways and approximately 9 miles of water main and sewer replacements. Other recent projects include a major streetscape improvement project on Touhy Avenue using ITEP, MFT and other state funding sources; an entirely new roadway through a TIF district, including a new at grade railroad crossing; an IEPA Low Interest Loan water main project consisting of 3 miles of main improvements; and many other projects.

Village of Skokie

Mr. Berecz has completed numerous design and construction phase service projects for the Village over the past five years, including Phase II and III for the Southeast Industrial District, which is located in a Tax Increments Financing District; redevelopment and streetscape projects; realignment and reconstruction of Gross Point Road; and widening along Oakton Street. These projects included geometric improvements, roadway design, utility design, street lighting, and storm water management. The projects were completed on time and within budget.

Touhy and Crawford Avenues Streetscape, Lincolnwood

GHA assisted the Village of Lincolnwood with design and construction of a landscape and scenic beautification improvement along a 0.3-mile stretch of Touhy Avenue. As Touhy Avenue is under IDOT's jurisdiction, all plans and procedures were reviewed, approved and permitted by IDOT. In addition, a \$725,000 ITEP grant, Illinois First monies and a reimbursement agreement with IDOT were secured for this project. GHA completed a Phase I PDR, Group II categorical exclusions, Phase II P&SE, and provided Phase III construction services for the project. Improvements

Education

Bachelor of Science in Civil Engineering, Washington University, St. Louis, 1992

Master of Science in Civil Engineering, University of Illinois Urbana-Champaign, 1993

Professional Registration

Illinois Licensed Professional Engineer #062-051661

Memberships

American Society of Civil Engineers

American Public Works Association (APWA)

National and Illinois Society of Professional Engineers

included the installation of three new concrete landscape medians on Touhy Avenue, curb and gutter, new street and pedestrian lighting, re-establishment of a 5' public sidewalk, reconstruction of the landscaped parkway, complete street resurfacing and associated work.

Northeast Parkway, Lincolnwood

After several years of planning and coordination, GHA assisted the Village of Lincolnwood with design and construction of a new, one-mile long roadway through a TIF industrial district in the Village. This was a very complex project, involving numerous land acquisitions, two traffic signals on IDOT routes and a new at-grade railroad crossing. The major goal of this project was to revitalize this industrial area and to redevelop the remaining underdeveloped tracts in the Village. GHA was involved with the project from inception and planning stages, to design and permit acquisition, to construction observation and close out. The construction for the entire roadway and both traffic signals was completed on time and within budget of \$3.6 million.

City of Des Plaines

Mr. Berecz has provided design and management services for several projects for the City of Des Plaines, including roadway widening, storm sewer, water main, traffic signal, and street lighting improvements along Lee Street and Perry Street, and installation of more than 120 light poles in Downtown Des Plaines.

L

TO: Mayor Helmer and City Council
FROM: William Balling
SUBJECT: Lake Michigan Water Service Strategy Outline
DATE: December 4, 2014

Mayor and Council,

For several years the City has studied the expansion of Lake Michigan water service in the community. Recently the Council has requested that I prepare an overall strategy outline for the expansion of Lake Michigan water to unserved areas of the City and to report progress to the City on a regular basis. This memorandum is an outline on key issues to consider for such an implementation plan. It is organized into two parts. The first part is an overall program for extending domestic service which includes fire protection and potable water supply service Implementation and financing could be structured around a Special Service Area, using SSA Number 6 Lake Claire area as an example for a full level of service.

The second part of the memorandum focuses on an alternative strategy which provides only fire protection through a water distribution backbone system with hydrants at pressures to support fire operations but not necessarily coupled to domestic water service. Though the City has directed me to outline this strategy, it poses a very challenging financial question since the City would be extending a water system to unserved areas without a customer base to generate revenues to support the development and operation of a new fire protection water distribution system. In this instance the key financing mechanism would continue to be a Special Service Area for fire protection services for areas presently unserved.

This memorandum is intended to serve as a strategy outline on how to approach a project of this sort and in the coming months will serve as a basis for further discussion. It also identifies key questions for the Council to consider in determining whether to expand the water system.

A. Full Domestic Water Service Strategy. As mentioned the City and citizen groups have focused on the areas known informally as SSA 9 east of Elmhurst Road to Wheeling Road and North of Camp Mc Donald Road to Palatine Road as the next logical extension of the Prospect Heights Municipal water system. Though there has not been definitive agreement on the exact boundaries of such an SSA. Under this option once the Council sets the proposed boundaries project costs previously identified will have to be updated. Then the residents of the SSA #9 service area need to be briefed on the proposal. From there the City would take steps to establish a Special Service Area which would sell bonds backed by property taxes within the District to construct the transmission and distribution system. Once connected to the system the operating costs of the system would be paid by the water consumption charges (water rate) used in other served areas of the City. Key questions which need to be addressed:

1. Set definite boundaries for the next SSA.
2. Retain a consulting engineer to update the water service demand for the serviced area and identify the current capital cost and user rate impact of the new system.

3. Confirm from the City water supplier, Illinois American Water that sufficient capacity existed to supply the new SSA #9 area. If deficiencies are identified create a supplemental capital supply infrastructure plan and project cost and integrate into the SSA #9 capital costs.
4. Confirm that the City water allocation of Lake Michigan Water is sufficient to serve the area. If not initiate proceedings to increase the City water allocation.
5. Retain a Financial Advisor to structure the financing and confirm the customer impact.
6. Working with the City Attorney, prepare the Special Service Area.
7. Once the SSA service area is established take steps to sell the SSA #9 bonds and prepares an implementation calendar and authorize a consulting engineer to design the system.
8. Final steps to bid, build, and address any final service questions will be addressed in a separate work task plan.

B. Fire Protection Service Strategy. This alternative is more complex and will require close coordination with the consulting engineer the Prospect Heights Fire Protection District and possibly the Insurance Services Office (ISO) of Illinois. A preliminary engineering study will be necessary to identify the backbone water transmission system which would satisfy water delivery requirements for the Fire Protection District at the location and pressures needed to provide adequate fire protection services. It should be anticipated that the Fire Protection system will be implemented in two stages with the first stage being the backbone water transmission system with hydrants and land acquisition for an elevated water reservoir, and stage two the design and construction of a water reservoir. As a point of reference the Fire District can utilize hydrants if located within 1,000 feet of a structure fire. All of the capital and operating costs of the Fire Protection water system would need to be borne by the Special Service Area with property tax supported SSA bonds being sold to pay for this system. It is anticipated that the costs of the new elevated reservoir would be borne by all customers of the Prospect Heights Municipal water system proportionate to the benefit received. Key questions which need to be addressed for this option include the following:

1. Identify what areas of the City will be included in the fire Protection Service area. This could be all of the unserved areas of the City.
2. Retain a consulting engineer to conduct a preliminary study for the design of the backbone transmission system with hydrants to insure that a system is designed to meet the needs of the City and the Fire Protection district. This design will also include a projection of annual operating costs needed to service the new system. This study will also address the water quality issues and challenges the City will face in operating this system without a retail water customer base. Significant consideration would have to be given to oversizing the system backbone to accommodate domestic tap-ons in the future. Once a water system is in place, residents will want to tap on and it will be very difficult to turn them down.
3. Confirm from the City Water Supplier, Illinois American Water, that supply exists to provide this level of service and identify the demand charges required for this service. If deficiencies are identified include a supplemental supply capital budget and include in the Fire Protection area SSA.
4. Confirm that the City allocation of Lake Michigan water provides for this level of service and if not make the necessary application to provide for this service.

5. Retain a financial advisor to structure the financing for the system including property tax impact.
6. Working with the City Attorney, prepare the Special Service Area.
7. Once the SSA is authorized take steps to sell bonds, prepare an implementation calendar and authorize final engineering design. The bond amount for at least 20 years should carry an operating system component cost from the proceeds of the SSA.
8. Final steps to build the system would be resolved in a separate work plan.
9. Conversion to full service would be created by additional authorization of new domestic supply water service SSA's which can be smaller than the Fire Protection SSA. If no customers are added to the system and the operating costs are exhausted, consideration of a special fire protection fee needs to be considered. This however will not be an issue for several years.

This outline is intended to be used as a working template for the implementation of one or both of these options. I look forward to Council direction on how to proceed.

M

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N

TO: Mayor Helmer and City Council
FROM: William Balling
SUBJECT: 2015 Recruitment of the City Administrator
DATE: December 3, 2015

Mayor and Council,

Part of my responsibility as your Interim City Administrator is to identify my replacement and do so in a way that will provide for longer term stability for the City Administrator's office. This process has already been launched with me contacting several colleagues about their potential interest in the position. While the majority of my contacts have indicated no interest for a variety of reasons there are some promising candidates for a 2015 appointment. We are now at the point that the formalized process will commence on the recruitment and selection process to identify additional candidates. This process as previously stated is aligned to the City election cycle which is important to the recruitment process. Quality Administrators must be comfortable with the political leadership makeup of Council and will be doing their own due diligence during the recruitment process.

There are several key questions which the Council should clarify at the December 8, workshop. I have attached two informational items which will assist you in providing direction. The first is the position profile which has been vetted through the Department Directors. The second is the ICMA draft Employment Agreement which carries many of the terms and conditions important to professional Managers and Administrators. I will be reviewing the key items of this Agreement to confirm your interest on offering to the lead candidate. While you will continue to reserve the right to negotiate the final terms and conditions of the Employment Agreement knowing if there are any topics that from the Council perspective is "off limits" will assist my recruitment efforts.

The issue of compensation also needs early confirmation. As you know from earlier discussions I am concerned that the City will need to elevate its base compensation from that previously offered to secure the best candidate. The reality is that the best candidate is one who may be currently employed so staying within "market" will be an important attraction tool for the City. While there are several approaches to establishing compensation, population size is a readily recognizable metric often used in establishing offered compensation. I am recommending that the recruitment compensation range is established at \$140,000 to \$150,000 depending on experience and qualifications. As a point of reference the most current salary survey prepared by the ILCMA is the 2013 survey and reveals the following information for metropolitan Manager and Administrator compensation:

Cities 15,000 to, 18,000 in population: \$145,300

Cities 13,000-15,000 in population: \$116,250

• Cities that are neighbors to Prospect Heights: \$188,000
Target candidate 2013 salaries: \$124,333

Recruitment calendar:

December 2014: Authorization of Council to launch recruitment process
Candidates for elected office identified

January 2015: Position postings in ICMA Newsletter and ILCMA Newsletter
Continuing direct contacting of potential candidates

February 2015: Solicitation closes four weeks following position posting
Screening of candidates to position requirements
Development of select candidate phone interviews
Initial reference backgrounds on target candidate pool

March 2015: Initial screening of candidates by Mayor from list of 10
Identification interview targets and identify to Council in closed session.
Direct interviews with small staff team

April 2015: Identification of finalist list 2-3 and second round interview with Directors
Background check coordinated by police
One to two direct one on one meetings with the Mayor
Offer of employment; negotiation of employment agreement; offer acceptance

May 2015 Execution of Employment Agreement/ start of work.

City of Prospect Heights, Illinois
Recruitment Profile for City Administrator
Appointment Target: May, 2015

The City of Prospect Heights is seeking an outstanding candidate to be its next City Administrator. The ideal candidate will possess solid contemporary academic credentials, experience in the service areas most important to Prospect Heights, and interpersonal qualities required to meet the highest expectations of the Mayor and City Council. The City also is seeking an individual who can make a five to seven year minimum service commitment to the City to address several long range planning strategies important to the residents and business interests in Prospect Heights.

Prospect Heights operates under the Aldermanic form of government as prescribed by Illinois Statutes and the City Code, and has an organized administrative structure with the City Administrator position authorized by Municipal Ordinance. Such a form has the Mayor serving as Chief Executive Officer (CEO,) and the City Administrator serving as Chief Operating Officer (COO). Each official has prescribed duties in the Municipal Code. The City is also a Non-Home Rule local government and as such requires a highly disciplined and knowledge based approach to the management of its revenue structure and the efficiency of its overall service levels and authority.

THE COMMUNITY

The City of Prospect Heights was incorporated in 1976, and many of the established subdivisions were constructed under the authority of Cook County regulations. Since 1976 the City has also grown and developed through its own planning and development programs and has developed important service infrastructure, including a municipal water utility serving Lake Michigan water to a portion of the City, an up to date City Hall and Police Headquarters buildings and a 2015 expansion to the Public Works building.

The City has a population of approximately 17,000 and covers 4.3 square miles with the borders being somewhat irregular in shape given its incorporation in 1976. The community is primarily residential but has a desire to expand its commercial base to make itself more attractive and to balance its tax base. Redevelopment strategies will be an important part in the City's future. The city has a 2014-2015 budget of \$18,600,000 and has experienced a three year upward trend in financial performance which has permitted a stable operation and completion of capital maintenance programs with the local street system. The City has total of 50 employees, 40 Full time employees and 10 part time employees which are managed through the following department Directors, Police Chief, Director of Public Works, Director of Building and Zoning, Finance Director, and Assistant to the City Administrator. Engineering and Legal services are provided through contracting. A more complete description of the City can be found on the City website www.prospect-heights.il.us

Five things you may not know about Prospect Heights:

1. The City co-owns the third most active airport in the State (behind O Hare and Midway airports), the Chicago Executive Airport.
2. The city has over 4,000 single family developed large lots with many newer and mid-century homes. Many have been updated and expanded and some have been torn down and reconstructed into beautiful residential structures. There are more large lots (half acre or larger) in Prospect Heights than our three adjoining communities combined.
3. The City is an active planner and adopted its updated Comprehensive Plan in 2014, is participating in an FAA master plan for Chicago Executive Airport, developed and maintained a Financial Strategic Plan and Capital Plan, and has followed that planning in their budgets since 2011.
4. The City benefits from the co-terminus services of the Prospect Heights Fire Protection District, two Park Districts, each operating a golf course, and two Library Districts with a library and satellite library located within the City limits. School districts serving the City have received national recognition. The City is also served five days a week by METRA commuter rail service.
5. The City celebrates its ethnic diversity and welcomes many first generation residents from Eastern Europe, Central America, and South Asia.

THE CITY ADMINSTRATOR POSITION

The position requires a Master's degree in Public Administration or closely related field, and a minimum of seven years managerial experience as a City Administrator/Manager, Assistant City Administrator, or Department Director. Identifiable performance outcomes in stable leadership, financial performance, development, and communications excellence will be weighted with importance. ICMA-CM is preferred but not required.

The City is looking for an ideal Administrator who is responsive, hardworking, honest, approachable, and highly self-confident and respectful of the importance of responsive local government and democratic principles. He or she should be able to develop strong relationships with citizens, community's partners, business interests, and the staff which the Administrator will lead. Prospect Heights maintains a very high expectation of the performance of its government and the Administrator must be able to promote a culture of responsiveness, and accountability and service to all stakeholders.

COMPENSATION AND BENEFITS:

Prospect Heights is prepared to offer a full benefits package and competitive salary for the highest rated candidate selected. A \$140,000 base salary is anticipated and a four year employment Agreement will be provided on May 1, 2015. An interim letter of employment will be offered if hiring occurs before May 1, 2015.

HOW TO APPLY:

Send an outcome based up to date Resume by email and or United States mail to William Balling, Interim City Administrator City of Prospect Heights, 8 North Elmhurst Road, Prospect Heights, Illinois

60070 or WBalling@prospect-heights.il.us by February 13, 2015. Candidates will be screened then interviewed by the Interim Administrator, the Department Directors, and the Mayor in separate sessions until the finalist is selected and presented to City Council for consideration and confirmation.

CHAPTER 6
CITY ADMINISTRATOR

SECTION:

- 1-6-1: Creation And Appointment
- 1-6-2: Tenure Of Office
- 1-6-3: Bond And Oath
- 1-6-4: Temporary Absence Or Disability
- 1-6-5: Vacancy In Office
- 1-6-6: Compensation
- 1-6-7: Powers And Duties

1-6-1: CREATION AND APPOINTMENT: The office of City Administrator is hereby created, which officer shall be appointed by the Mayor by and with the advice and consent of the City Council. He shall be chosen on the basis of his executive and administrative qualifications with special reference to his actual experience in, or his knowledge of, accepted practice in respect to the duties of his office hereinafter set forth. (Ord. 0-78-01, 1-3-1978)

1-6-2: TENURE OF OFFICE: The term of office of the City Administrator shall be not shorter than one year nor longer than the term of the Mayor appointing him. The City Administrator may resign from his office or may be removed therefrom by the Mayor, on any formal charge, whenever he is of the opinion that the interests of the City demand removal, but he shall report the reasons for the removal to the City Council at a meeting to be held not less than five (5) nor more than ten (10) days after the removal. If the Mayor fails or refuses to report to the City Council the reasons for the removal, or if the City Council by a two-thirds ($\frac{2}{3}$) vote of all its members authorized by law to be elected, disapproves of the removal, the City Administrator thereupon shall be restored to the office from which he was removed. (Ord. 0-78-01, 1-3-1978)

1-6-3: BOND AND OATH: Before entering upon the duties of his office, the City Administrator shall furnish a bond in such amount and with such surety as may be approved by the City Council, said bond to be conditioned upon the faithful performance of his duties and shall be conditioned to indemnify the City for any loss by reason of any neglect of duty or any act of the City Administrator. The cost of the bond shall be paid by the City.

Before entering upon the duties of his office, the City Administrator shall take and subscribe the oath prescribed by the statutes of the State in such case provided¹. (Ord. 0-78-01, 1-3-1978)

1-6-4: TEMPORARY ABSENCE OR DISABILITY: During the temporary absence or disability of the City Administrator, the Mayor, with the advice and consent of the City Council, may designate some properly qualified person to act as City Administrator Pro Tempore, with all the powers and duties of the office without furnishing any additional bond, if such appointee shall already be under bond to the City in any other capacity. If such appointment shall be of a person not already under bond to the City, such appointee shall furnish a bond in such amount and with such surety as may be approved by the City Council. The cost of the bond shall be paid by the City. (Ord. 0-78-01, 1-3-1978)

1-6-5: VACANCY IN OFFICE: In case of a vacancy in the office of City Administrator, the Mayor, with the advice and consent of the City Council, may appoint a City Administrator Pro Tempore who shall possess the powers and duties of the City Administrator until such time as a new City Administrator is appointed. Such City Administrator Pro Tempore shall meet the bond requirements of Section 1-6-3 of this Chapter. (Ord. 0-78-01, 1-3-1978)

1-6-6: COMPENSATION: The City Administrator shall receive compensation in such amount and manner as the City Council shall fix from time to time by ordinance or resolution. (Ord. 0-78-01, 1-3-1978)

1. 65 ILCS 5/3-14-3.

have the management and control of all matters and things pertaining to the operation and maintenance of the properties of the city and of all city departments. To that end, he shall have the power and shall be required to:

- A. Enforce all laws and ordinances within the city.
- B. Attend all meetings of the city council unless excused therefrom by the council. The city administrator shall have the right to take part in the discussion of all matters coming before the city council and shall make recommendations on all matters under his purview, but shall have no right to vote. The city administrator shall be entitled to notice of all special and regular meetings of the city council.
- C. Recommend to the city council adoption of such measures as he may deem necessary or expedient.
- D. Appoint, suspend or remove all employees of the city except when such appointive power is vested with the mayor and city council under the statutes of the state or this code, and the appointment is made in accordance with authorized positions set forth in the annual budget. Such appointments, suspensions or removals shall be based upon the merit and fitness of such employee, without regard to political belief or affiliation. The city administrator may authorize the head of a department or office to appoint, suspend or remove subordinates in such department or office.
- E. Exercise control of all departments and divisions thereof now in existence, or that may hereafter be created by the city council.
- F. Make recommendations to the city council concerning compensation for each appointive office and employee position in the city service.
- G. Create, consolidate or reorganize offices, positions, departments, or units of the administrative and executive departments of the city, consistent with this code.
- H. Investigate all complaints in relation to matters concerning the administration, operation and activities of the government of the city and services maintained by the public utilities in the city and see that all franchises, permits and privileges granted by the city are faithfully observed. (Ord. 0-88-53, 10-17-1988)
- I. Purchase all materials, supplies and equipment for which funds are provided in the budget, but he may not purchase any item which exceeds any budget appropriation until the city council has increased

the appropriation; provided, that for a purchase above the amount of five thousand dollars (\$5,000.00) shall be presented to the city council for approval or rejection. He may issue rules and regulations governing requisitions and the transaction of the business of purchasing between himself as purchasing agent and the heads of departments, officers and employees of the city. In case of circumstances creating an emergency, the city administrator may, without the prior consent of the city council, award contracts and make purchases for the purpose of meeting said emergency; but he shall properly file with the city council a report of such emergency and the necessity of such action, together with an itemized account of all such expenditures. (Ord. 0-03-21, 6-2-2003, eff. 6-12-2003)

- J. Facilitate the budget officer's preparation of the annual budget, or prepare or cause to be prepared, on or before March 15 of each year, the annual budget in the event the city administrator is also the budget officer; and prepare, or cause to be prepared, the annual tax levy. (Ord. 0-08-05, 2-19-2008)
- K. Submit to the city council, promptly following the end of the fiscal year, a complete report on the finances and administrative activities of the city for said fiscal year.
- L. Present to the city council each month a statement showing the **exact** financial condition of the city as of the end of the preceding month and showing amounts expended and unexpended balances for each department in accordance with the annual budget. (Ord. 0-88-53, 10-17-1988)
- M. Keep a current inventory of all real and personal property of the city and the location of such property. He shall be responsible for the **care** and custody of all city property which is not by statute or ordinance assigned to some other officer or body for care and control. The authority to dispose of such property, without explicit council approval is allowed for assets with a fair market value estimated at five hundred dollars (\$500.00) or less. This authority is limited to an aggregate amount of two thousand five hundred dollars (\$2,500.00) if several assets are to be disposed of at one time. (Ord. 0-95-04, 1-16-1995)
- N. Provide or cause to provide administrative support to all city boards and commissions and make recommendations to the city council and/or boards and commissions relating to matters of public health, safety or welfare, economic development or general public improvements. Said duties shall not supersede any authorities vested with

1-6-7

1-6-7

the city council, boards or commissions under the statutes of the state or this code.

- O. Devote his entire time to the discharge of his official duties.
- P. Perform such other lawful duties as may be required of him by resolution, ordinance or direction of the city council, or statutes of the state. (Ord. 0-88-53, 10-17-1988)

CITY/COUNTY MANAGERS AND ADMINISTRATORS
MODEL EMPLOYMENT AGREEMENT

This Agreement is made and entered into this ____ day of _____, 200__ by and between the City of _____, _____ County, Illinois, a Municipal Corporation, hereinafter referred to as "THE CITY", and (Manager), hereinafter referred to as "THE MANAGER."

WITNESSETH:

WHEREAS, the City is a council-manager form of government pursuant to statute, charter, referendum, Ordinance No. _____ which was approved on (date); and

WHEREAS, the City desires to employ the services of (name of manager) as city manager of the City of (name of city) under the terms and conditions provided for in (list the section of the Municipal Code of Ordinances that provides for the employment of the manager); and

WHEREAS, it is the desire of the governing City Council to provide certain benefits, establish certain conditions of employment and to set working conditions of employment for Manager; and

WHEREAS, it is the desire of the City Council to: (1) secure and retain the services of Manager and to provide inducement for him/her to remain in such employment, (2) to make possible full work productivity by assuring Manager's morale and peace of mind with respect to future security, (3) to act as a deterrent against malfeasance or dishonesty for personal gain on the part of Manager, and (4) to provide a just means for terminating Manager's services at such time as he/she may be unable fully to discharge his/her duties or when the City may otherwise desire to terminate his/her employ; and

WHEREAS, the Manager desires to accept employment as the City Manager of this City; and

WHEREAS, the parties acknowledge that Manager is member of the International City/County Management Association ("ICMA") and that manager is

subject to the ICMA Code of Ethics; and

WHEREAS, the parties hereto wish to reduce the employment relationship existing between them into written form;

NOW THEREFORE, in consideration of the mutual covenants and promises contained herein, the receipt and sufficiency of which the parties hereby acknowledged, the parties agree as follows.

SECTION 1. DUTIES

City hereby agrees to employ Manager as City Manager of City to perform the functions and duties specified in (cite the ordinance or source of the manager's duties, a copy of which is attached as Exhibit "A"), and to perform such other legally permissible and proper duties and functions as the Council shall from time to time assign.

SECTION 2. TERM

A. This Agreement is an agreement for an indefinite term of employment, subject; however to the limitations, notices, requirements, payments and matters hereinafter set forth in Sections 3 and 4.

B. Nothing in this agreement shall prevent, limit or otherwise interfere with the rights of the Council to terminate the services of Manager at any time, subject only to the provisions set forth in Sections 3 and 4, Paragraphs A and B of this Agreement.

C. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of Manager to resign at any time from his/her position with City, subject only to the provisions set forth in Section 4, Paragraph C, Section 11, Paragraph C of this Agreement.

SECTION 3. SUSPENSION AND TERMINATION

The City may suspend or terminate Manager with full pay and benefits at any time during the term of this Agreement, but only if:

A. A majority of the Council and Manager agree, or

B. After a public hearing, a majority of the Council votes to suspend or terminate Manager for just cause provided, however, that Manager shall have been given written notice setting forth any charges at least ten days prior to such hearing by the Council members bringing such charges. Just cause is defined as the conviction of any illegal act involving personal gain to the Manager.

SECTION 4. TERMINATION AND SEVERANCE PAY

A. In the event Manager is terminated by the Council during the six (6) months immediately following a municipal election and the seating and swearing-in of new council members, and during such time that Manager is willing and able to perform his duties under this Agreement, then, in that event, City agrees to pay Manager a lump sum cash payment equal to twelve (12) months' aggregate salary and continue all benefits at the City's expense for that same period of time; PROVIDED, HOWEVER, that in the event Manager is terminated because of his or her conviction of any illegal act involving personal gain to Manager, then, in that event, City shall have no obligation to pay the aggregate severance sum designated in this paragraph. In the event that the Council shall terminate Manager during the six (6) months period described in this paragraph for cause other than Manager's conviction of any illegal act involving personal gain to Manager, Council shall give Manager ninety (90) days written notice of such termination. In the event that Manager shall be terminated by Council during the six (6) months period described in this paragraph for conviction of any illegal act involving personal gain to Manager, Manager shall not be entitled to prior notice of such termination, which termination may be immediate.

B. In the event that Manager shall be terminated by the Council at any time other than the six (6) month period immediately following a municipal election, as described in Paragraph A above, then Council shall give Manager ninety (90) days written notice of such termination. At the end of such ninety

(90) days, the City agrees to pay Manager a lump sum cash payment equal to nine (9) months' aggregate salary and continue all benefits at the City's expense for that same period of time; PROVIDED AGAIN, HOWEVER, that in the event Manager is terminated because of his/her conviction of any illegal act involving personal gain to Manager, then, in that event, City shall have no obligation to pay the aggregate severance sum designated in this paragraph, nor to give prior notice of such termination.

C. In the event City, at any time during the term of this Agreement, reduces the salary or financial benefits of Manager in a greater percentage than an applicable across-the-board reduction for all employees of City, or in the event City refuses, following written notice, to comply with any other provision benefiting Manager herein, or that Manager resigns following a suggestion, whether formal or informal, by the Council that he/she resign, then, in that event, Manager may, at his/her option, be deemed to be "terminated" at the date of such reduction or such refusal to comply with the meaning and context of the herein severance pay provisions.

D. In the event Manager voluntarily resigns his/her position with City at any time during the term of this Agreement, then Manager shall give City thirty (30) days notice in advance, unless the parties otherwise agree. Failure of Manager to give the required thirty (30) days notice of resignation will result in a pro-rata reduction in benefits normally payable to resigning city employees, such as, but not limited to, accrued vacation payment, sick leave payment, and the like. Voluntary resignation by Manager will result in a loss of all severance pay to him/her by City.

SECTION 5. DISABILITY

If Manager is permanently disabled or is otherwise unable to perform his/her duties because of sickness, accident, injury, mental incapacity or health for a period of four (4) successive weeks beyond any accrued sick leave, or for twenty (20) working days over a thirty (30) working day period, City shall have the option to terminate this agreement, subject to the

severance pay requirements of Section 4, Paragraph A. However, Manager shall be compensated for any accrued sick leave, vacation, holidays, compensatory time and other accrued benefits.

SECTION 6. SALARY

City agrees to pay Manager for services rendered pursuant to this Agreement at an annual salary to be distributed through the normal payroll system, in an amount to be determined annually by the Council, but at no time shall salary be less than that provided Manager on (starting date), unless adjusted as provided for in Section 4, Paragraph C above.

In addition, City agrees to increase the base salary and/or other benefits of Manager in such amounts and to such extent as the Council may determine desirable or appropriate on the basis of the annual salary review of the Manager made at the same time as similar consideration is given other employees generally.

SECTION 7. PERFORMANCE EVALUATION

A. The Council shall review and evaluate the performance of the Manager at least once annually (or semi-annually) in advance of the adoption of the Annual Operating Budget. This review and evaluation shall be in accordance with specific criteria developed jointly by the Manager and the Council. The criteria may be added to or deleted from as the council may from time to time determine, in consultation with the Manager. Further the Mayor or Village President shall provide the Manager with a written statement summary of the findings of the Council and provide an adequate opportunity for the Manager to discuss his/her evaluation with the Council.

B. Annually, (or periodically) the Council and Manager shall define such goals and performance objective, which they determine necessary for the proper operation of the City and in the attainment of the Council's policy objectives, and shall further establish a relative priority among those

various goals and objectives, such goals and objectives to be reduced to writing. They shall generally be attainable within the time limitations as specified and the annual operating and capital budgets and appropriations provided.

C. In effecting the provisions of this Section, the Council and manager mutually agree to abide by the provisions of applicable law.

SECTION 8. HOURS OF WORK

It is recognized that the Manager must devote a great deal of time outside the normal office hours to business of the City; and to that end Manager will be allowed to take compensatory time off as he/she shall deem appropriate and in keeping with the City's personnel practices.

SECTION 9. OUTSIDE ACTIVITIES

The Manager shall not spend more than ten (10) non-City work hours per week in teaching, consulting or other non-City connected business without the prior approval of the Council.

SECTION 10. MOVING AND RELOCATION EXPENSES

A. The Manager shall be reimbursed, or City may pay directly, for the expenses of packing and moving Manager, his/her family, and his/her personal property from _____ to City. Expenses shall include unpacking; any storage costs necessary, and insurance costs. The actual expenses of moving, including those of packing, moving, unpacking, storage and insurance, shall not exceed the sum of \$_____ without the prior written approval of City.

B. City shall pay Manager a per diem of Fifty Dollars (\$50.00), commencing on (date) and terminating on (date). Such per diem is agreed to by City to assist Manager in meeting transition costs arising from the necessity of having housing costs in both (former city and present city). As such, Manager shall exert his/her best efforts to sell, or otherwise transfer and convey, his/her present residence in (former city) as soon as possible. The

per diem shall terminate upon the sale Manager's residence house in (former city) or other transfer or conveyance of same such that Manager is no longer responsible for the cost of said housing. The parties agree to review, and possibly extend, the per diem after (date), in the event that Manager's house in (former city) has not been sold, otherwise transferred or conveyed, PROVIDED, HOWEVER, that such extension shall be in the sole discretion of City.

C. City shall reimburse Manager for actual costs of any business-related trips to City, including lodging, food, and gasoline, between (date) and (date), PROVIDED, HOWEVER, that any trips made by Manager solely for the purpose of house hunting shall not be considered as business related trips.

D. Manager shall be solely responsible for the payment of any income tax liability, whether federal or state, in respect of moving and relocation expenses reimbursed to him by City.

SECTION 11. HOME SALE AND PURCHASE EXPENSES

A. Manager shall be reimbursed for the direct costs associated with the sale of his/her existing personal residence in (former city), such reimbursement being limited to real estate agents' fees, and other closing costs that are directly associated with the sale of the house. Such reimbursement shall not exceed the sum of \$_____.

B. Manager shall also be reimbursed for the costs incidental to buying a house within the City, including legal services, title insurance and other costs directly associated with the purchase of the house. Such reimbursement shall not exceed the sum of \$_____.

During the early 1980's the League of California Cities did a survey of its members on employment agreements. The results of the survey were included in the report of the ICMA Committee on Employment Agreements and Legal Counsel. The Report included the following material with regard to housing assistance.

HOUSING ASSISTANCE

Example 1. HOUSING ASSISTANCE.

It is recognized that Manager will incur increased costs associated with acquiring housing in the City. It is the intent of the City to provide reasonable assistance, which will allow the Manager to purchase housing in the City comparable to his/her residence in his/her prior city as part of his/her employment compensation. The essential objective of this assistance shall be an arrangement wherein Manager expends no greater a percentage of his/her base salary for housing in the City than the percentage he/she currently expends in his/her prior city. Manager and the City Council shall negotiate mutually acceptable terms and condition of such housing assistance on an equitable bases through, but not necessarily limited to a direct loan, a monthly differential mortgage payment, co-ownership arrangement or the like.

Example 2.

The City hereby agrees to pay up to \$4,500.00 in buyer's closing costs and moving expenses to assist the City Manager in establishing a residence in the City. The City further agrees to loan the City Manager up to \$32,000.00 ("the City loan") to be used for a down payment on a residence in the City and for improvements to said City residence and/or the City Manager's current residence at his/her former address.

Repayment of the City loan shall be secured by deed of trust against "the property," the lien of which deed of trust shall be subordinate to a deed of trust securing the obligation evidenced by a note to (the bank), which note has as unpaid principal balance of approximately \$54,500.00, a remaining term of approximately 26-1/2 years, and an interest rate of 9-3/4% per annum. The amount of the City loan shall not exceed an amount which, when added to the amount of principal unpaid on (the bank) note on the date the city loan is made, equals 80% of the fair market value of "the property" as determined by appraisal.

Until repaid, the City loan shall bear interest at a rate to be adjusted

on October 1 of each year to equal the City's average annual interest earnings rate for the preceding fiscal year, plus 1/4%. Principal, plus interest, as it accrues, shall be paid in monthly installments, fully amortized over a 15-year period, with the amount of monthly payments to be adjusted annually to reflect interest rate adjustments.

All unpaid principal and accrued but unpaid interest shall be due and payable at the earliest of 15 years from the date of the making of the City loan, the sale of the (former property), 90 days from the City Manager's termination of employment with the City. All or any part of the unpaid principal may be paid before maturity without penalty.¹

Example 3.

Housing assistance shall be provided to the Manager as follows:

1. Manager has represented to the City that he will acquire a single-family residence for the use of him and his family in the City.
2. The City feels it is important for the Manager to reside in the City due to the nature of the duties of his position.
3. The City shall furnish, on request of the Manager, to the Manager, a loan of up to (dollar amount) to assist in the acquisition of a residence.
4. Said loan shall be evidenced by a Promissory Note, secured by a Second Deed of Trust on any subject residential property, bearing interest at (percentage) per annum on the unpaid balance.
5. Said Note shall provide that the accumulated interest and principal shall be due and payable upon the sale or transfer of title of the residence, or the cessation of the Manager residing at said residence, of the Manager's termination of employment with the City, whichever occurs first. The Manager may prepay any portion of principal or interest at any time without penalty.
6. The City shall share in the net appreciation of equity in the said

¹ NOTE: Keep in mind that these provisions were from the early 1980's. The actual figures today would be significantly higher.

residential real property in the proportion that the sum loaned by the City toward acquisition of the said real property bears to the total purchase price of the property.

SECTION 12. AUTOMOBILE

Manager's duties require that he/she shall have the exclusive and unrestricted use at all times during his/her employment with City of an automobile provided to him/her by City. City shall be responsible for paying for liability, property damage and comprehensive insurance and for the purchase, operation, maintenance, repair and regular replacement of said automobile. Should Manager and City mutually agree, Manager may use his/her personal vehicle exclusively while performing his/her duties on behalf of the City.

If this arrangement is agreed to by both parties, Manager shall be provided with a monthly automobile allowance, which shall initially be at least \$350.00 per month. Such allowance amount may be increased periodically during this Agreement with the approval of the City. If Manager uses his/her personal vehicle for City business, the City shall also provide fuel for the automobile of the Manager designated and used for City business.

In addition to providing an automobile, the City recognizes the need for the Manager to be reachable in the automobile and to be able to make calls therefrom. Accordingly, the Manager shall be permitted to have a cellular telephone in the automobile. The City shall pay for the purchase and installation of such telephone as well as the monthly bills for all calls relating to city business. The Manager shall reimburse the City for any personal calls made from such telephone.

SECTION 13. VACATION, SICK AND MILITARY LEAVE

A. As an inducement to Manager for him/her to become the City Manager, upon the execution of this Agreement, Manager shall be credited with ____ days (number of days of vacation granted other employees for one year of service)

of vacation leave and ____ days (number of days of sick leave granted other employees for one year of service) of sick leave. Thereafter, Manager shall accrue, and have credited to his/her personal account, vacation and sick leave at the same rate as other general employees of City.

B. Manager shall be entitled to military reserve leave time pursuant to state law and City policy.

SECTION 14. DISABILITY, HEALTH AND LIFE INSURANCE

A. City agrees to put into force and to make required premium payments for Manager for insurance policies for life, accident, sickness, disability income benefits, major medical and dependent's coverage group insurance covering Manager and his/her dependents, which policies are under the auspices of the International City/County Management Association.

B. City agrees to purchase and to pay the required premiums on whole life insurance policies equal in amount to three (3) times the annual gross salary of Manager, PROVIDED, HOWEVER, that Manager shall be solely responsible for the payment of any income tax liability, whether federal or state, in respect of said term life insurance benefit. Any benefit accruing from said policies shall be paid to the beneficiary Manager names, FURTHER PROVIDED, HOWEVER, that City shall not be named beneficiary upon such policies.

C. City agrees to provide hospitalization, surgical and comprehensive medical insurance for Manager and his/her dependents and to pay the premiums thereon equal to that which is provided all other employees of City or, in the event no such plan exists, to provide same for Manager.

D. City shall provide travel insurance for Manager while he/she is traveling on City's business, with Manager to name the beneficiary of such insurance.

E. Manager agrees to submit once per calendar year to a complete physical examination by a qualified physician selected by the City, the cost of which shall be paid by the City. City shall receive a copy of all medical reports related to said examination.

SECTION 15. RETIREMENT

City agrees to execute all necessary agreements provided by the International City Management Association-Retirement Corporation (ICMA-RC) for Manager's (continued) participation in said ICMA-RC retirement plan. City and Manager agree that the International City Management Association-Retirement Corporation shall constitute the sole retirement plan for the Manager and the City agrees to contribute seven thousand five hundred dollars (\$7,500.00) to the plan each year on behalf of the Manager. City agrees to consider periodic increases in the amount of contribution if current statutory limitations are amended. In recognition of Manager's participation in the ICMA-RC and the contributions made to that plan by the City, the Manager hereby relinquishes any claim in the present or the future to any benefits under the General Employees Retirement Plan provided by the City. The city further agrees to transfer ownership of the ICMA-RC plan for the Manager to succeeding employers upon Manager's resignation or discharge.

SECTION 16. DUES AND SUBSCRIPTIONS

Employer agrees to budget and to pay for the professional dues and subscriptions of Manager necessary for his/her continuation and full participation in the International City/County Management Association, (ICMA), Illinois City Management Association (ILCMA), the Metro Manager's Association, International Personnel Management Association, (IPMA), and any other organization which will contribute to the continued professional participation, growth and advancement of the Manager, and for the good of the City.

SECTION 17. PROFESSIONAL DEVELOPMENT

A. Employer hereby agrees to budget for and to pay the travel and

subsistence expenses of Manager for professional and office travel, meetings and occasions adequate to continue the professional development of Manager, and to adequately pursue necessary official and other functions for the City, including, but not limited to, the Annual Conference of the International City/County Management Association; the annual meetings of the Illinois City Management Association; Chicago Metro Manager's meetings; and such other national, regional, state and local governmental groups and committees thereof which Manager serves as a member.

B. City also agrees to budget and to pay for the travel and subsistence expenses of Manager for short courses, institutes and seminars that are necessary for his/her professional development and for the good of the City.

SECTION 18. GENERAL EXPENSES

Employer recognizes that certain expenses of a non-personal and generally job-affiliated nature are incurred by Employee, and hereby agrees to reimburse or to pay said general expenses, up to an amount not to exceed \$_____ per month, and the Finance Director is hereby authorized to disburse such monies upon receipt of duly executed expense or petty cash vouchers, receipts, statements or personal affidavits.

SECTION 19. CIVIC CLUB MEMBERSHIP

Employer recognizes the desirability of representation in and before local civic and other organizations, and Employee is authorized to become a member of such civic clubs or organizations, for which Employer shall pay all expenses. Employee shall report to the Employer on each membership that he has taken out at Employer's expense.

SECTION 20. INDEMNIFICATION

Employer shall defend, save harmless and indemnify Employee against any

tort, professional liability claim or demand or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of Employee's duties as (job title). Employer will compromise and settle any such claim or suit and pay the amount of any settlement or judgment rendered thereon.

SECTION 21. BONDING

Employer shall bear the full cost of any fidelity or other bonds required of the Employee under any law or ordinance.

SECTION 22. OTHER TERMS AND CONDITIONS OF EMPLOYMENT

A. The Council, in consultation with the manager, shall fix any such other terms and conditions of employment, as it may determine from time to time, relating to the performance of Employee, provided such terms and conditions are not inconsistent with or in conflict with the provisions of this agreement, the (City, County) charter or any other law.

B. All provisions of the (City, County) Charter and Code and regulations and rules of the Employer relating to vacation and sick leave, retirement and pension system contributions, holidays and other fringe benefits and working conditions as they now exist or hereafter may be amended, also shall apply to Employee as they would to other employees of Employer, in addition to said benefits enumerated specifically for the benefit of Employee except as herein provided.

C. Employee shall be entitled to receive the same vacation and sick leave benefits as are accorded department heads, including provisions governing accrual and payment thereof or on termination of employment.

SECTION 23. NO REDUCTION OF BENEFITS

Employer shall not at any time during the term of this agreement reduce the salary, compensation or other financial benefits of Employee, except to the degree of such a reduction across-the-board for all employees of the

Employer.

SECTION 24. NOTICES

Notices pursuant to this Agreement shall be given by deposit and custody of the United States Postal Service, postage pre-paid addressed as follows:

- (1) CITY: Title and address of relevant municipal official
- (2) MANAGER: Name and address of manager

Alternatively, notices required pursuant to this Agreement may be personally served in the same manner as is applicable to civil judicial practice. Notice shall be deemed given as of the date of personal service or as of the date of deposit of such written notice in the course of transmission in the United States Postal Service.

SECTION 25. GENERAL PROVISIONS

A. The text herein shall constitute the entire agreement between the parties.

B. This agreement shall be binding upon and inure to the benefit of the heirs at law and executors of the Manager.

C. This agreement shall become effective commencing (date).

D. If any provision, or any portion thereof, contained in this Agreement is held unconstitutional, invalid or unenforceable, the remainder of this Agreement, or portion thereof, shall be deemed severable, shall not be affected and shall remain in full force and effect.

IN WITNESS WHEREOF, the City of _____ has caused this Agreement to be signed and executed in its behalf by its Mayor and duly attested by its

City Clerk, and the Manager has signed and executed this Agreement, both in duplicate, the day and year first above written.

City Manager

Mayor

City Clerk

ORDINANCE NO. O-14-02

An Ordinance Amending the Zoning Code
(Medical Cannabis Cultivation Centers and Dispensing Organizations)

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PROSPECT HEIGHTS, COOK COUNTY, ILLINOIS as follows:

SECTION 1. That Title 5, ZONING, Chapter 2, Rules and Regulations, Section 5-2-3, Definitions, of the Prospect Heights City Code, as amended, is hereby further amended to add the following definitions in alphabetical order as follows:

“Medical cannabis cultivation center” or “cultivation center” means a facility operated by an organization or business that is registered by the Department of Agriculture to perform necessary activities to provide only registered medical cannabis dispensing organizations with usable medical cannabis.

“Medical cannabis dispensing organization,” or “dispensing organization,” or “dispensary organization” means a facility operated by an organization or business that is registered by the Department of Financial and Professional Regulation to acquire medical cannabis from a registered cultivation center for the purpose of dispensing cannabis, paraphernalia, or related supplies and educational materials to registered qualifying patients.

SECTION 2. That Title 5, ZONING, Chapter 3, General Provisions, of the Prospect Heights City Code, as amended, is hereby further amended with deletions in strikethrough and additions in underlined text to add section 5-3-19, Regulations for Medical Cannabis Facilities, so that the same shall be read as follows:

5-13-19 Regulations for Medical Cannabis Facilities.

A. Cultivation Centers.

A registered cultivation center shall not be located within 2,500 feet of the property line of a pre-existing public or private preschool or elementary or secondary school or day care center, day care home, group day care home, part day child care facility, or an area zoned for residential use. For purposes of the foregoing, a day care center, day care home, group day care home, or part day child care facility is considered “pre-existing” if it has been licensed to operate as such by the State of Illinois.

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B. Medical Cannabis Dispensing Organizations.

1. Minimum Distance from Protected Uses.

A dispensary organization shall not be located in a house, apartment, condominium, or an area zoned for residential use, nor shall a dispensary organization be located within 1,000 feet of the property line of a pre-existing public or private preschool or elementary or secondary school or day care center, day care home, group day care home, or part day child care facility. For purposes of the foregoing, a day care center, day care home, group day care home, or part day child care facility is considered "pre-existing" if it has been licensed to operate as such by the State of Illinois.

2. Measurement. For the purposes of subparagraph B.1 above, distances shall be measured in a straight line, without regard to intervening structures or objects, from the nearest point of the exterior wall of the applicable dispensary organization to the nearest point of the property line of any protected use as identified in subparagraph B.1 of Section 5-3-19.

3. Parking.

a. Parking shall be located in an area which is visible from a public road or a private road that is accessible to the public. It cannot be screened from the roadway with vegetation, fencing or other obstructions.

b. Parking areas shall be well lit and monitored by video surveillance equipment whose live images can be viewed by the dispensary organization staff and are continually recorded in a tamper proof format.

4. Signage and Advertising.

a. All commercial signage for a dispensary organization shall be limited to one flat wall sign not to exceed ten square feet in area, and one identifying sign, not to exceed two square feet in area, and such signs shall not be directly illuminated.

1. The wall sign not to exceed ten square feet in area shall contain only commercial messages which are strictly applicable to the use of the premises on which it is located, including messages indicating the business transacted, principal services rendered, goods sold or produced on the premises, or the name of the business occupying the premises.

2. The identifying sign not to exceed two square feet in area shall only include the dispensary organization's address.
 - b. Exterior signs on the dispensary building shall not obstruct the entrance or windows on the dispensary.
 - c. Electronic message boards and temporary signs are not permitted in connection with a dispensary.
 - d. Signage shall not contain cannabis imagery such as cannabis leaves, plants, smoke, paraphernalia, or cartoonish imagery oriented towards youth, or language referencing cannabis.
 - e. A sign shall be posted in a conspicuous place at or near all dispensary entrances and shall include the following language: "Only cardholders, designated caregivers, and staff may enter these premises. Persons under the age of 18 are prohibited from entering." The required text shall be no larger than 1 inch in height.
5. Drive-Through Windows. Dispensary organizations may not have a drive-through service.

SECTION 3. That Title 5, ZONING, Chapter 7, Business Districts, Section 5-7-5.C, B-3 Commercial, Wholesale and General Service District, of the Prospect Heights City Code, as amended, is hereby further amended with deletions in strikethrough and additions in underlined text so that the same shall be read as follows:

5-7-5: B-3 COMMERCIAL, WHOLESALE AND GENERAL SERVICE DISTRICT:

- C. Special Uses: The following uses may be allowed by special use permit in accordance with the provisions of chapter 10 of this title:

Same special uses as are allowed by special use permit in the B-2 general commercial district.

Air freight terminals.

Airports.

Automobile paint shops.

Automobile rentals.

Automobile sales, new and used, permitted in enclosed buildings and on open lot areas.

Automobile storage facilities.

Dairy products manufacturing.

Extermination shops.

Filtration plants, public.

Greenhouses, wholesale.

Heliports, private and commercial.

Highway maintenance shops and yards.

Indoor skating rinks.

Launderers, industrial.

Medical cannabis cultivation centers.

Medical cannabis dispensing organizations.

Mobile home dealers.

Nurseries, wholesale.

Recreational vehicle sales.

Residence of the proprietor, caretaker, or watchman of a commercial or industrial use.

Skating rinks, indoor.

Swim clubs, swimming pools and buildings for indoor swimming pools.

Telephone microwave relay towers.

Tennis clubs, tennis courts and buildings for indoor tennis and similar establishments.

Trailer sales and rentals.

Woodworking and wood products manufacturing.

SECTION 4: This Ordinance shall be in full force and effect from and after its passage, approval and publication as required by law.

PASSED and APPROVED this ____ day of _____, 2014.

ATTEST:

Nicholas J. Helmer, Mayor

City Clerk

AYES:

NAYS:

ABSENT:

Published in pamphlet form:



SUMMARY OF PUBLIC ACT 98-0122 COMPASSIONATE USE OF MEDICAL CANNABIS PILOT PROGRAM ACT

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Disclaimer

This legislative summary is intended to provide a general overview of the subject statute. It is not intended to be and shall not be deemed legal advice by the reader. Please contact your attorney for advice related to this legislation.

PUBLIC ACT 98-0122 – COMPASSIONATE USE OF MEDICAL CANNABIS PILOT PROGRAM ACT

Public Act 98-0122, the "Compassionate Use of Medical Cannabis Pilot Program Act" (the "Act"), was signed by Governor Quinn on August 1, 2013. It takes effect January 1, 2014, and will be automatically repealed four years after the effective date. In addition to creating the Act, P.A. 98-0122 also amends sections of the Election Code, the State Finance Act, the Illinois Income Tax Act, the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act, the Retailers' Occupation Tax Act, and the Vehicle Code.

The following is a summary of a selection of the Act's key terms and provisions. It is not intended, nor should it be construed, as a comprehensive or all-encompassing summary or analysis of the Act.

KEY DEFINITIONS (Section 10)

"Cultivation center" means a facility operated by an organization or business that is registered by the Department of Agriculture to perform necessary activities to provide only registered medical cannabis dispensing organizations with usable medical cannabis.

"Debilitating medical condition" means one or more of the following:

(1) cancer, glaucoma, positive status for human immunodeficiency virus, acquired immune deficiency syndrome, hepatitis C, amyotrophic lateral sclerosis, Crohn's disease, agitation of Alzheimer's disease, cachexia/wasting syndrome, muscular dystrophy, severe fibromyalgia, spinal cord disease, including but not limited to arachnoiditis, Tarlov cysts, hydromyelia, syringomyelia, Rheumatoid arthritis, fibrous dysplasia, spinal cord injury, traumatic brain injury and post-concussion syndrome, Multiple Sclerosis, Arnold-Chiari malformation and Syringomyelia, Spinocerebellar Ataxia (SCA), Parkinson's, Tourette's, Myoclonus, Dystonia, Reflex Sympathetic Dystrophy, RSD (Complex Regional Pain Syndromes Type I), Causalgia, CRPS (Complex Regional Pain Syndromes Type II), Neurofibromatosis, Chronic Inflammatory Demyelinating Polyneuropathy, Sjogren's syndrome, Lupus, Interstitial Cystitis, Myasthenia Gravis, Hydrocephalus, nail-patella syndrome, residual limb pain, or the treatment of these conditions; or

(2) any other debilitating medical condition or its treatment that is added by the Department of Public Health by rule as provided in Section 45.

"Designated caregiver" means a person who: (1) is at least 21 years of age; (2) has agreed to assist with a patient's medical use of cannabis; (3) has not been convicted of an excluded offense; and (4) assists no more than one registered qualifying patient with his or her medical use of cannabis.

"Excluded offense" means: (1) a violent crime defined in Section 3 of the Rights of Crime Victims and Witnesses Act or a substantially similar offense that was classified as a felony in the jurisdiction where the person was convicted; or (2) a violation of a state or federal controlled substance law that was classified as a felony in the jurisdiction where the person was convicted, except that the registering Department may waive this restriction if the person demonstrates to the registering Department's satisfaction that his or her conviction was for the possession, cultivation, transfer, or delivery of a reasonable amount of cannabis intended for medical use. This exception does not apply if the conviction was under state law and involved a violation of an existing medical cannabis law.

"Medical cannabis dispensing organization," or **"dispensing organization,"** or **"dispensary organization"** means a facility operated by an organization or business that is registered by the Department of Financial and

Professional Regulation to acquire medical cannabis from a registered cultivation center for the purpose of dispensing cannabis, paraphernalia, or related supplies and educational materials to registered qualifying patients.

"Medical use" means the acquisition; administration; delivery; possession; transfer; transportation; or use of cannabis to treat or alleviate a registered qualifying patient's debilitating medical condition or symptoms associated with the patient's debilitating medical condition.

"Physician" means a doctor of medicine or doctor of osteopathy licensed under the Medical Practice Act of 1987 to practice medicine and who has a controlled substances license under Article III of the Illinois Controlled Substances Act. It does not include a licensed practitioner under any other Act including but not limited to the Illinois Dental Practice Act.

"Qualifying patient" means a person who has been diagnosed by a physician as having a debilitating medical condition.

"Registered" means licensed, permitted, or otherwise certified by the Department of Agriculture, Department of Public Health, or Department of Financial and Professional Regulation.

"Registry identification card" means a document issued by the Department of Public Health that identifies a person as a registered qualifying patient or registered designated caregiver.

"Usable cannabis" means the seeds, leaves, buds, and flowers of the cannabis plant and any mixture or preparation thereof, but does not include the stalks, and roots of the plant. It does not include the weight of any non-cannabis ingredients combined with cannabis, such as ingredients added to prepare a topical administration, food, or drink.

"Verification system" means a Web-based system established and maintained by the Department of Public Health that is available to the Department of Agriculture, the Department of Financial and Professional Regulation, law enforcement personnel, and registered medical cannabis dispensing organization agents on a 24-hour basis for the verification of registry identification cards, the tracking of delivery of medical cannabis to medical cannabis dispensing organizations, and the tracking of the date of sale, amount, and price of medical cannabis purchased by a registered qualifying patient.

"Written certification" means a document dated and signed by a physician, stating (1) that in the physician's professional opinion the patient is likely to receive therapeutic or palliative benefit from the medical use of cannabis to treat or alleviate the patient's debilitating medical condition or symptoms associated with the debilitating medical condition; (2) that the qualifying patient has a debilitating medical condition and specifying the debilitating medical condition the qualifying patient has; and (3) that the patient is under the physician's care for the debilitating medical condition. A written certification shall be made only in the course of a bona fide physician-patient relationship, after the physician has completed an assessment of the qualifying patient's medical history, reviewed relevant records related to the patient's debilitating condition, and conducted a physical examination. A veteran who has received treatment at a VA hospital shall be deemed to have a bona fide physician-patient relationship with a VA physician if the patient has been seen for his or her debilitating medical condition at the VA Hospital in accordance with VA Hospital protocols. A bona fide physician-patient relationship under this subsection is a privileged communication within the meaning of Section 8-802 of the Code of Civil Procedure.

AUTHORITY (Section 15)

It is the duty of the Department of Public Health to enforce the following provisions of the Act unless otherwise provided for by the Act:

- (1) Establish and maintain a confidential registry of qualifying patients authorized to engage in the medical use of cannabis and their caregivers;
- (2) Distribute educational materials about the health risks associated with the abuse of cannabis and prescription medications;
- (3) Adopt rules to administer the patient and caregiver registration program; and
- (4) Adopt rules establishing food handling requirements for cannabis-infused products that are prepared for human consumption.

It is the duty of the Department of Agriculture to enforce the provisions of this Act relating to the registration and oversight of cultivation centers unless otherwise provided for in this Act.

It is the duty of the Department of Financial and Professional Regulation to enforce the provisions of this Act relating to the registration and oversight of dispensing organizations unless otherwise provided for in this Act.

The Department of Public Health, the Department of Agriculture, or the Department of Financial and Professional Regulation shall enter into intergovernmental agreements, as necessary, to carry out the provisions of this Act including, but not limited to, the provisions relating to the registration and oversight of cultivation centers, dispensing organizations, and qualifying patients and caregivers.

The Department of Public Health, Department of Agriculture, or the Department of Financial and Professional Regulation may suspend or revoke a registration for violations of this Act and any rules adopted in accordance thereto. The suspension or revocation of a registration is a final Agency action, subject to judicial review. Jurisdiction and venue for judicial review are vested in the Circuit Court.

IMMUNITIES AND PRESUMPTIONS (Section 25)

A registered qualifying patient is not subject to arrest, prosecution, or denial of any right or privilege, including but not limited to civil penalty or disciplinary action by an occupational or professional licensing board, for the medical use of cannabis in accordance with this Act, if the registered qualifying patient possesses an amount of cannabis that does not exceed an adequate supply as defined in subsection (a) of Section 10 of this Act of usable cannabis and, where the registered qualifying patient is a licensed professional, the use of cannabis does not impair that licensed professional when he or she is engaged in the practice of the profession for which he or she is licensed.

A registered designated caregiver is afforded the same protections when acting in accordance with the Act to assist a registered qualifying patient to whom he or she is connected through the Department's registration process with the medical use of cannabis.

There is a rebuttable presumption that a registered qualifying patient is engaged in, or a designated caregiver is assisting with, the medical use of cannabis in accordance with the Act if the patient or caregiver is: (i) in

possession of a valid registry identification card; and (ii) is in possession of an amount of cannabis that does not exceed, with limited exception, 2.5 ounces of usable cannabis during a 14 day period that is derived solely from an intrastate source.

LIMITATIONS AND PENALTIES (Section 30)

The Act does not permit any person to engage in, and does not prevent the imposition of any civil, criminal, or other penalties for engaging in, the following conduct:

(1) Undertaking any task under the influence of cannabis, when doing so would constitute negligence, professional malpractice, or professional misconduct;

(2) Possessing cannabis:

- (A) In a school bus;
- (B) On the grounds of any preschool or primary or secondary school;
- (C) In any correctional facility;
- (D) In a vehicle under Section 11-502.1 of the Illinois Vehicle Code;
- (E) In a vehicle not open to the public unless the medical cannabis is in a reasonably secured, sealed, tamper-evident container and reasonably inaccessible while the vehicle is moving; or
- (F) In a private residence that is used at any time to provide licensed child care or other similar social service care on the premises;

(3) Using cannabis:

- (A) In a school bus;
- (B) On the grounds of any preschool or primary or secondary school;
- (C) In any correctional facility;
- (D) In any motor vehicle;
- (E) In a private residence that is used at any time to provide licensed child care or other similar social service care on the premises;
- (F) In any public place. "Public place" as used in this subsection means any place where an individual could reasonably be expected to be observed by others. A "public place" includes all parts of buildings owned in whole or in part, or leased, by the State or a local unit of government. A "public place" does not include a private residence unless the private residence is used to provide licensed child care, foster care, or other similar social service care on the premises. For purposes of this subsection, a "public place" does not include a health care facility. For purposes of this Section, a "health care facility" includes, but is not limited to, hospitals, nursing homes, hospice care centers, and long-term care facilities;
- (G) Knowingly in close physical proximity to anyone under the age of 18 years of age;

(4) Smoking medical cannabis in any public place where an individual could reasonably be expected to be observed by others, in a health care facility, or any other place where smoking is prohibited under the Smoke Free Illinois Act;

(5) Operating, navigating, or being in actual physical control of any motor vehicle, aircraft, or motorboat while using or under the influence of cannabis in violation of Sections 11-501 and 11-502.1 of the Illinois Vehicle Code;

(6) Using or possessing cannabis if that person does not have a debilitating medical condition and is not a registered qualifying patient or caregiver;

(7) Allowing any person who is not allowed to use cannabis under the Act to use cannabis that a cardholder is allowed to possess under the Act;

(8) Transferring cannabis to any person contrary to the provisions of the Act;

(9) The use of medical cannabis by an active duty law enforcement officer, correctional officer, correctional probation officer, or firefighter; or

(10) The use of medical cannabis by a person who has a school bus permit or a Commercial Driver's License.

Other limitations and penalties imposed by the Act include:

(1) Nothing in the Act shall be construed to prevent the arrest or prosecution of a registered qualifying patient for reckless driving or driving under the influence of cannabis where probable cause exists. (Section 30(b)).

(2) Notwithstanding any other criminal penalties related to the unlawful possession of cannabis, knowingly making a misrepresentation to a law enforcement official of any fact or circumstance relating to the medical use of cannabis to avoid arrest or prosecution is a petty offense punishable by a fine of up to \$1,000, which shall be in addition to any other penalties that may apply for making a false statement or for the use of cannabis other than use undertaken under the Act. (Section 30(c)).

(3) Notwithstanding any other criminal penalties related to the unlawful possession of cannabis, any person who makes a misrepresentation of a medical condition to a physician or fraudulently provides material misinformation to a physician in order to obtain a written certification is guilty of a petty offense punishable by a fine of up to \$1,000. (Section 30(d)).

(4) Any cardholder or registered caregiver who sells cannabis shall have his or her registry identification card revoked and is subject to other penalties for the unauthorized sale of cannabis. (Section 30(e)).

(5) Any registered qualifying patient who commits a violation of Section 11-502.1 of the Illinois Vehicle Code or refuses a properly requested test related to operating a motor vehicle while under the influence of cannabis shall have his or her registry identification card revoked. (Section 30(f)).

(6) No registered qualifying patient or designated caregiver shall knowingly obtain, seek to obtain, or possess, individually or collectively, an amount of usable cannabis from a registered medical cannabis dispensing organization that would cause him or her to exceed the authorized adequate supply under subsection (a) of Section 10 of the Act. (Section 30(g)).

(7) Nothing in the Act shall prevent a private business from restricting or prohibiting the medical use of cannabis on its property. (Section 30(h)).

(8) Nothing in the Act shall prevent a university, college, or other institution of post-secondary education from restricting or prohibiting the use of medical cannabis on its property. (Section 30(i)).

(9) The Department of Public Health may not issue a registry identification card to a qualifying patient who is under 18 years of age. (Section 60(b)).

DISCRIMINATION PROHIBITED (Section 40)

No school, employer, or landlord may refuse to enroll or lease to, or otherwise penalize, a person solely for his or her status as a registered qualifying patient or a registered designated caregiver, unless failing to do so would put the school, employer, or landlord in violation of federal law or unless failing to do so would cause it to lose a monetary or licensing-related benefit under federal law or rules. This does not prevent a landlord from prohibiting the smoking of cannabis on the premises.

For the purposes of medical care, including organ transplants, a registered qualifying patient's authorized use of cannabis in accordance with the Act is considered the equivalent of the authorized use of any other medication used at the direction of a physician, and may not constitute the use of an illicit substance or otherwise disqualify a qualifying patient from needed medical care.

A person otherwise entitled to custody of or visitation or parenting time with a minor may not be denied that right, and there is no presumption of neglect or child endangerment, for conduct allowed under the Act, unless the person's actions in relation to cannabis were such that they created an unreasonable danger to the safety of the minor as established by clear and convincing evidence.

No school, landlord, or employer may be penalized or denied any benefit under State law for enrolling, leasing to, or employing a cardholder.

Nothing in the Act may be construed to require a government medical assistance program or private health insurer to reimburse a person for costs associated with the medical use of cannabis.

Nothing in the Act may be construed to require any person or establishment in lawful possession of property to allow a guest, client, customer, or visitor who is a registered qualifying patient to use cannabis on or in that property.

EMPLOYMENT; EMPLOYER LIABILITY (Section 50)

Nothing in the Act shall prohibit an employer from adopting reasonable regulations concerning the consumption, storage, or timekeeping requirements for qualifying patients related to the use of medical cannabis.

Nothing in the Act shall prohibit an employer from enforcing a policy concerning drug testing, zero-tolerance, or a drug free workplace provided the policy is applied in a nondiscriminatory manner.

Nothing in the Act shall limit an employer from disciplining a registered qualifying patient for violating a workplace drug policy.

Nothing in the Act shall limit an employer's ability to discipline an employee for failing a drug test if failing to do so would put the employer in violation of federal law or cause it to lose a federal contract or funding.

Nothing in the Act shall be construed to create a defense for a third party who fails a drug test.

An employer may consider a registered qualifying patient to be impaired when he or she manifests specific, articulable symptoms while working that decrease or lessen his or her performance of the duties or tasks of the employee's job position, including symptoms of the employee's speech, physical dexterity, agility, coordination, demeanor, irrational or unusual behavior, negligence or carelessness in operating equipment or machinery, disregard for the safety of the employee or others, or involvement in an accident that results in serious damage to equipment or property, disruption of a production or manufacturing process, or carelessness that results in any injury to the employee or others. If an employer elects to discipline a qualifying patient under this subsection, it must afford the employee a reasonable opportunity to contest the basis of the determination.

Nothing in the Act shall be construed to create or imply a cause of action for any person against an employer for:

(1) Actions based on the employer's good faith belief that a registered qualifying patient used or possessed cannabis while on the employer's premises or during the hours of employment;

(2) Actions based on the employer's good faith belief that a registered qualifying patient was impaired while working on the employer's premises during the hours of employment;

(3) Injury or loss to a third party if the employer neither knew nor had reason to know that the employee was impaired.

Nothing in the Act shall be construed to interfere with any federal restrictions on employment including but not limited to the United States Department of Transportation regulation 49 CFR 40.151(e).

MEDICAL CANNABIS CULTIVATION CENTERS (Sections 85 & 105)

The Department of Agriculture may register up to 22 medical cannabis cultivation centers for operation. (Section 85(a)).

The Department may not issue more than one registration per each Illinois State Police District boundary as specified as of January 1, 2013. (Section 85(a)).

A registered cultivation center may not be located within 2,500 feet of the property line of a pre-existing public or private preschool or elementary or secondary school or day care center, day care home, group day care home, part day child care facility, or an area zoned for residential use. (Section 105(c)).

MEDICAL CANNABIS DISPENSING ORGANIZATIONS (Sections 115 & 130)

The Department of Agriculture may register up to 60 medical cannabis dispensing organizations for operation. (Section 115(a)).

The organizations shall be geographically dispersed throughout the State to allow all registered qualifying patients reasonable proximity and access to a dispensing organization. (Section 115(a)).

A dispensing organization may not be located within 1,000 feet of the property line of a pre-existing public or private preschool or elementary or secondary school or day care center, day care home, group day care home, or part day child care facility. A dispensing organization may not be located in a house, apartment, condominium, or an area zoned for residential use. (Section 130(d)).

LOCAL ORDINANCES; ZONING (Section 140)

A unit of local government may enact reasonable zoning ordinances or resolutions, not in conflict with this Act or with Department of Agriculture or Department of Public Health rules, regulating registered medical cannabis cultivation center or medical cannabis dispensing organizations.

No unit of local government, including a home rule unit, or school district may regulate registered medical cannabis organizations other than as provided in this Act and may not unreasonably prohibit the cultivation, dispensing, and use of medical cannabis authorized by this Act.

The Act contains an express preemption of home rule authority.

COMPASSIONATE USE OF MEDICAL CANNABIS FUND (Section 20)

The Act creates the Compassionate Use of Medical Cannabis Fund in the State Treasury to be used exclusively for the direct and indirect costs associated with the implementation, administration, and enforcement of the Act. Funds in excess of the direct and indirect costs associated with the implementation, administration, and enforcement of this Act shall be used to fund crime prevention programs.

All monies collected under the Act shall be deposited in the Compassionate Use of Medical Cannabis Fund in the State treasury. All earnings received from investment of monies in the Compassionate Use of Medical Cannabis Fund shall be deposited in the Compassionate Use of Medical Cannabis Fund.

Notwithstanding any other law to the contrary, the Compassionate Use of Medical Cannabis Fund is not subject to sweeps, administrative charge-backs, or any other fiscal or budgetary maneuver that would in any way transfer any amounts from the Compassionate Use of Medical Cannabis Fund into any other fund of the State.

MEDICAL CANNABIS CULTIVATION PRIVILEGE TAX LAW (Sections 195-215)

Beginning on the effective date of the Act, a tax is imposed upon the privilege of cultivating medical cannabis at a rate of 7% of the sales price per ounce. The proceeds from this tax shall be deposited into the Compassionate Use of Medical Cannabis Fund created under the Compassionate Use of Medical Cannabis Pilot Program Act. This tax shall be paid by a cultivation center and is not the responsibility of a dispensing organization or a qualifying patient.

The tax imposed is in addition to all other occupation or privilege taxes imposed by the State of Illinois or by any municipal corporation or political subdivision thereof.

IMPACT ON OTHER STATUTES

A. Election Code (10 ILCS 5/1-1 et seq.)

The Act amends the Election Code by adding a new section that states as follows:

Sec. 9-45. Medical cannabis organizations; contributions. It is unlawful for any medical cannabis cultivation center or medical cannabis dispensary organization or any political action committee created by any medical cannabis cultivation center or dispensary organization to make a campaign contribution to any political committee established to promote the candidacy of a candidate or public official. It is unlawful for any candidate, political committee, or other person to knowingly accept or receive any contribution prohibited by this Section. It is unlawful for any officer or agent of a medical cannabis cultivation center or dispensary organization to consent to any contribution or expenditure by the medical cannabis organization that is prohibited by this Section.

B. Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act, and the Retailers' Occupation Tax Act¹

The Act amends the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act, and the Retailers' Occupation Tax Act and provides that, beginning on the effective date of this Act, "prescription and nonprescription medicines and drugs" includes medical cannabis purchased from a registered dispensing organization under the Act.

C. Illinois Income Tax Act (35 ILCS 5/101 et seq.)

The Act amends Section 201 of the Illinois Income Tax Act as follows:

For each of taxable years during the Compassionate Use of Medical Cannabis Pilot Program, a surcharge is imposed on all taxpayers on income arising from the sale or exchange of capital assets, depreciable business property, real property used in the trade or business, and Section 197 intangibles of an organization registrant under the Compassionate Use of Medical Cannabis Pilot Program Act.

The amount of the surcharge is equal to the amount of federal income tax liability for the taxable year attributable to those sales and exchanges.

D. State Finance Act (30 ILCS 105/1 et seq.)

The Act amends the State Finance Act and adds a new Section 5.826 that creates the Compassionate Use of Medical Cannabis Fund.

E. Illinois Vehicle Code (65 ILCS 5/1-100 et seq.)

¹ Use Tax Act, 35 ILCS 105/1 et seq.; Service Use Tax Act, 35 ILCS 110/1 et seq.; Service Occupation Tax Act, 35 ILCS 115/1 et seq.; and Retailers' Occupation Tax Act, 35 ILCS 120/1 et seq.

The Act makes various amendments to the Illinois Vehicle Code, including providing that the DUI provisions do not apply to the lawful consumption of cannabis by a qualifying patient licensed under the Act who is in possession of a valid registry card issued under that Act, unless that person is impaired by the use of cannabis.

OTHER KEY PROVISIONS

The Act contains a variety of other provisions related to the medical use of cannabis not discussed or addressed in this summary, including:

- A. Definitions (Section 10)
- B. Addition of Debilitating Medical Conditions (Section 45)
- C. Physician Requirements and Regulation (Section 35)
- D. Registration of Qualifying Patients and Registered Caregivers (Section 55)
- E. Issuance, Denial, Renewal and Revocation of Registration Cards (Sections 70, 75)
- F. Preparation of Cannabis Infused Products (Section 80)
- G. Issuance, Denial, Renewal, Revocation of Cannabis Cultivation Permits (Sections 85, 90, 105, 110)
- H. Background Checks (Section 95)
- I. Issuance, Denial, Renewal, Revocation of Dispensing Organization Registrations (Sections 115, 120, 125, 130)
- J. Confidentiality (Section 145)
- K. Identification and Certifications Verification (Section 150)
- L. Annual Reports (Section 160)
- M. Administrative Rulemaking (Section 165)

ORDINANCE NO. O-14-02

**AN ORDINANCE IMPOSING A MORATORIUM ON THE DEVELOPMENT
AND OPERATION OF MEDICAL CANNABIS CULTIVATION CENTERS AND
DISPENSARY ORGANIZATIONS IN THE CITY OF PROSPECT HEIGHTS**

WHEREAS, the "Compassionate Use of Medical Cannabis Pilot Program Act" was signed by the Governor on August 1, 2013 and went into effect on January 1, 2014 ("Medical Cannabis Law");

WHEREAS, the Medical Cannabis Law expressly provides that municipalities cannot ban the operation of medical cannabis cultivation centers and dispensary organizations, but also provides that municipalities may enact reasonable zoning regulations pertaining to those land uses;

WHEREAS, the City intends to amend its zoning code to regulate medical cannabis cultivation centers and dispensaries;

WHEREAS, the City is currently in the process of revising and updating its comprehensive plan;

WHEREAS, the City Council desires to wait to amend the zoning code until the comprehensive plan update is completed so that any regulation of medical cannabis facilities is enacted in harmony with the comprehensive plan; and

WHEREAS, the City Council of the City of Prospect Heights finds that it is in the best interest of public health safety and welfare of the residents of the city to impose a six (6) month moratorium on the development, construction and operation of any new medical cannabis cultivation centers and dispensary organizations so that the comprehensive plan can be completed and the zoning code updated in accordance with it;

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF
THE CITY OF PROSPECT HEIGHTS, as follows:**

SECTION 1: That the above recitals are incorporated into this ordinance in full as if fully set forth.

SECTION 2: That the City hereby imposes a six (6) month moratorium, through August 24, 2014, on the development, construction and operation of any medical cannabis cultivation center or dispensary organization.

SECTION 2: That the city staff and the Plan/Zoning Board of Appeals are directed to facilitate the comprehensive planning process so that it is completed as soon as practicable.

SECTION 3: That this Ordinance shall be in full force and effect from and after its passage, approval and publication in the manner provided by law.

AYES: Aldermen Higgins, Ludvigsen, Mendez, Styler, Williamson

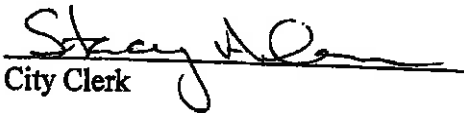
NAYS: None

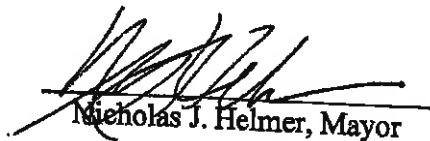
ABSENT: None

PASSED this 24th day of February, 2014.

APPROVED this 24th day of February, 2014.

ATTEST:


City Clerk


Nicholas J. Helmer, Mayor



Published in pamphlet form February 24, 2014.