

**CITY OF PROSPECT HEIGHTS
REGULAR CITY COUNCIL MEETING
November 26, 2012**

MINUTES

CALL TO ORDER

The meeting was called to order at 6:30 p.m. by Mayor Helmer at City Hall, 8 North Elmhurst Road, Prospect Heights, Cook County, Illinois.

ROLL CALL

Present: Mayor Helmer, Aldermen Higgins, Ludvigsen, Styler, Williamson
Absent: Alderman Mendez (absent by prior notice)

A quorum was present. Also present: City Clerk Adamson, City Treasurer Tibbits, City Administrator Marrin, City Attorney Zimmermann, Deputy Chief Steffen, Director of Building and Zoning Skiber, Public Works Director/City Engineer Johnson (arrived at 7:45pm), and Finance Director Hannon.

PLEDGE OF ALLEGIANCE

Mayor Helmer asked everyone to stand and join him in the Pledge.

INVOCATION

The invocation was given by Deacon Cal Blickle of St. Alphonsus Liguori.

PRESENTATIONS

A. Mesirow Liability Renewal Presentation

City Administrator Marrin commented that the renewal is for December 1, 2012 through December 1, 2013. When this was originally presented, the City wanted to coincide with the fiscal year starting in May which Mesirow gave the City a plan from May through December of this year. Finance Technician George Giese and her have gone through the Mesirow information so the premium summary has been reduced to \$281,460 where in the packet it is \$282,321. The premium has only increased by \$3,000 which is phenomenal as the City has had many issues with liability in the past. Staff has worked very hard with Mesirow to bring down liability expenditures. This is for liability and workman's compensation.

B. Energy Impact Illinois – Peter Maslanka

Mr. Peter Maslanka of the outreach team of Energy Impact Illinois. Energy Impact Illinois is an energy efficiency program that is funded by the Department of Energy and also the utility companies. Energy Impact Illinois is a program available to all municipalities in Illinois. Energy Impact Illinois is an efficient way for people to save money on their energy bill. Energy Impact Illinois began through CMAP. It is non-income restrictive. It is available to single family homes and owners of 2-4 unit buildings. The program provides funding for air leakage for poor insulation. Energy Impact Illinois offers a certification program for homes that are able to decrease their energy costs which can increase the value of a home. Any additional information can be found on the Energy Impact Illinois website.

Alderman Ludvigsen asked to move item Q up to before Closed Session.

Mayor Helmer moved Closed Session to later in the meeting.

RESIDENTS COMMENTS (Agenda Matters)

Pat Dalessandro, 610 N. Maple Street, Prospect Heights, Illinois.

Mr. Dalessandro commented on the map amendment for the used car lot. He is against that proposal. He feels the site might be a little too small for that use. A couple of his colleagues in Southern Illinois would put it as putting ten pounds of potatoes in a five pound bag. He also believes that the location is not a destination location. Rather it is a drive by location. He feels that it might blight the neighborhood. If this gets passed, all the other B-1 zoned areas would have a precedent to petition to do the same thing. He does not believe that it is a right thing to do. He understands the difficulty of owning a property that isn't selling and is becoming a burden upon the owner.

Corinne Kelly, 207 E. Olive Avenue, Prospect Heights, Illinois.

Ms. Kelly thanked Alderman Williamson and Ludvigsen for attending the public hearing on October 25. She and her mother were not able to attend however she did read the 133 page transcript. She was impressed with the thoroughness of the Zoning Commissioners questions, fact finding, and deliberations as well as testimony offered by residents. She is asking the City to uphold the Plan/Zoning Board of Appeals recommendation of a denial for both the application for a text amendment to the B-1 zoning district special uses and the accompanying application for a special use permit as it applies to the property at 711 N. Elmhurst Road and to all B-1 properties in general. Under the B-1 business district, the ordinance lists 122 permitted and 14 special uses, therefore the subject property and all B-1 properties certainly have reasonable economic use under the current zoning classifications allowed uses. The B-1 zoning district is a retail business district for parcels relatively small in size primarily adjacent to residential property which provides for uses compatible with neighboring residential uses. For that reason, the B-1 zoning classification is the most restrictive of all the business districts. There is a need and a necessity for this zoning classification as it exists. Other less restrictive districts already exist that allow for used auto sales and auto repair shops. No need can be shown to exist for the additional uses requested in the text amendment to a B-1 zoning district. A text amendment to the zoning ordinance altering the allowable uses in this district in order to accommodate this or any applicants desire to open a business is not judicious zoning. It is however a misuse of text amendments. Accommodating a private interest to the detriment to the neighboring properties without adequate public advantage or justification may well even be illegal spot zoning. Most importantly, if the application were granted for the amendment to B-1 zoning, they become special uses in each B-1 parcel in the City. A legal precedent would then be set and the City would be hard pressed to find justifiable cause to deny the requests. She asked that the City Council to vote to uphold the Plan/Zoning Board of Appeals recommendation of a denial. She also thanked City staff members who helped accommodate her with communications while she was in Greece as she was unable to do so otherwise.

She additionally commented that she had no idea that the item about the proposed SSA 9 had to do with water. She has been reviewing the water committee minutes and nothing is available since August. She feels it is very secretive. Had there been an attachment to the agenda, there would have been many people who would have liked to come to the City Council meeting to comment.

Helene Kelly, 707 N. Elmhurst Road, Prospect Heights, Illinois.

Ms. Kelly asked that the City Council upholds the Zoning Board's recommendation for denial.

Carl Landle, 6 W. Ridge Avenue, Prospect Heights, Illinois.

Mr. Landle commented that he is opposed to the application for the used car lot and auto repair business at the corner of Elmhurst Road and Palatine Road.

Edward Madden, 611 N. Elmhurst Road, Prospect Heights, Illinois.

Mr. Madden commented that the proposal did not meet the standards required for text amendments. He did want to address one in particular which is that the proposed use is compatible, harmonious with uses in the surrounding area. He wants to point out that NAPA and Dave's Auto are both harmonious uses. For purposes of meeting the standards, the application does not because those properties are non-conforming uses that were grandfathered in. Neither Dave's Auto or NAPA are used car operations. The proposal creates too many problems. It is a bad location for the requested use. There are parking and noise issues with the used car lot on the proposed site. The corner has been acknowledged as the location that welcomes people to Prospect Heights and he feels it would set a wrong image for the City. It would set a dangerous precedent for other used car lots in the neighborhood. He knows that Dave's Auto is already poised to sell used cars himself if this were to pass. The proposal would essentially create a used car row much like the Rand Road corridor in Palatine. It would negatively impact the neighborhood.

Dolly Vole, Representing 7 E. Palatine Road, Prospect Heights, Illinois.

Ms. Vole commented that the agenda that is on the website does not supply any information about the items on the agenda. There were two items but there was no information on the tax levy amounts, the proposed special service area, or the Prospect Crossing P.U.D. With respect to item O, she feels it is a bad idea to take a text amendment to allow one parcel on the property to be a used car lot and auto repair. She feels that allowing that use would bring the area down. With respect to item Q, there is no information on the website to give information on the boundary. She feels that if the minutes aren't posted and information is not provided, it is very difficult as a resident to be informed.

REPORTS AND COMMUNICATIONS

Chicago Executive Airport Board Director William Kearns reported that a key item that has been worked on is preparedness for winter. There have been several pieces of equipment rebuilt through a joint effort with some outside contractors and the Village of Wheeling doing some of the repair work at considerable savings over what it would cost to replace those specific pieces of equipment. There is not an update for the Hawthorne Sovereign project. As of 5:00pm, Airport Manager Rouleau was trying to get an update from them. Overall, the Airport is ahead of budget by \$316,000 year to date. A good portion of that is because of cost savings. Fuel flowage is down year over year. Fuel efficiency of the new jets is creating the majority of the reduction. The lack of an agreement is beginning to hamper the operations of the Board. Until the impasse gets worked through, it will be difficult to get anything passed through the City Council or the Village of Wheeling. It should not impact the operation of the airport however if the impasse continues, it might.

Mayor Helmer commented that the revenue sharing issue at the Airport Board level is improper. That issue does not belong to the Board. It belongs to the municipalities. It is too bad that it is impacting operations because that is not good. A solution has not been devised but that is not because it is not being worked on. He asked Director Kearns to remind the Airport Board that the revenue sharing is nothing to discuss at the board level.

Chicago Executive Airport Board Director Kearns commented that generally the revenue sharing is not discussed. However, the board senses that nothing substantial will be approved by the City of Prospect Heights until that agreement is put in place and he hopes he is wrong about that.

City Administrator Marrin commented that the City has a new electronic sign outside of City Hall. The City is meeting with CMAP regarding the grant for the Comprehensive Land Use Plan. A phone inventory is being done to make sure everything is where it needs to be. There is a new phone switchboard center so there will be a live person each time someone calls.

Deputy Chief Steffen commented that he spoke with the Chief and he is doing well and he sends his apologies for not being present himself. On November 24, the City started the traffic enforcement program working with the Illinois Department of Transportation which targets the holiday season to remove DUI drivers from the street. There were several arrests for DUI as well as suspended driver's license and other offenses. The Police Department will continue the operation through the Christmas holiday season. The two new recruits are on the streets being shadowed and will be released to full duty shortly.

Director of Building and Zoning Skiber commented that the new City Hall sign is a huge improvement. He also acknowledged Paul Miller, Joe Cassata, and Adam Biondo for putting in many hours of work and saving the City thousands of dollars of contract fees for electrical work. Hawthorne Sovereign is the fixed based operator at 1120 S. Milwaukee Ave. He spoke with the structural engineer, manufacturer of the building, and the fire marshal so the City is in final stages of plan review for that building.

City Treasurer Tibbits commented that the City is currently \$873,671 ahead of last year in net income due to an increase in interfund service charges, a transfer in due to the elimination of the due to due from the General Fund and to other funds, increase in reimbursable income, real estate taxes being paid by Cook County ahead of last year, income taxes being paid by the State ahead of last year, new vehicle seizure fees, increased collection efforts of ordinance violations, police citation and red light camera fines, the handle tax from off track betting, the receipt of new tourism district allocation for police protection offset by higher public safety and public works expenses related to additional employees and 2011-12 revenues including grant revenue. The City is currently \$69,317 ahead of budget due to Public Works utilizing in house personnel for forestry and building maintenance versus outsourcing professionals. It is getting close to newsletter season again so he asked that staff and anyone who has anything for the newsletter to submit it by December 10. He and Patrick recorded the tree lighting at the Police Station which went very well.

Alderman Ludvigsen commented that he was at the used car Plan/Zoning Board of Appeals meeting. It is up to the Plan/Zoning Board of Appeals to decide if the application complies with the City's rules, regulations and ordinances. The process worked. He went to that meeting thinking it was a good idea however he agrees with Ms. Kelly, Mr. Vole, and Mr. Dalessandro that the zoning change would affect the other properties. There was a lot of discussion about whether or not the business would make it or what types of cars would be sold. It is up to the business as far as whether or not it will be successful. The one issue that came through to him is that the changes made on that lot would apply to the rest of the B-1 properties. With respect to the airport, it was said that the Council would hold up anything at the Airport until issues are resolved. That is not true

from his stand point. The Council has voted on issues which he has voted in favor of for the airport. The airport revenue sharing issue is that the Village of Wheeling and the City of Prospect Heights are supposed to be splitting revenues 50/50. The tax revenue from airport development is not being shared per the intergovernmental agreement. He feels that the intergovernmental agreement on how the airport operates is something the City Council should be discussing and not the Airport Board. The Airport Board is discussing changes they would like to make to the intergovernmental agreement which is the wrong direction as the intergovernmental agreement is a discussion for the City Council.

Mayor Helmer reported that it has been a busy month in the City of Prospect Heights. He attended the Police Department tree lighting and he also attended the lighting of the tree at the Daley Center in downtown. He met with Mayor Rahm Emanuel and various other people and the event was well attended. He attended the National Business Aircraft Association meetings for two days at the beginning of the month as a representative of ownership of the Chicago Executive Airport. The House of Music and Entertainment opened their doors at Prospect Crossing Shopping Center. The renovations at Palwaukee Plaza are well under way for a conversion to a new grocery store, Save A Lot. The Plan/Zoning Board of Appeals heard a case on a used car sales business proposal at 711 N. Elmhurst Road which has been vacant for about ten years. This is the third business which had come to the City requesting zoning relief for the property. The previous administration engineered a 1:00am closing ordinance before they heard from the applicant, Sarpino's who wanted to relocate their corporate offices to the location. They were present at the City Council Meeting and wanted to speak and were told it was too late. Sarpino's required a 3:00am closing time noting that they had absolute requirements for that time since they did a lot of late night home deliveries. They moved to Arlington Heights with a 3:00am license. As an aside, there was also 30 housing units that was presented that would have brought people to Prospect Heights who would have shopped at Walgreens, paid utility taxes, bought gas, etc. The voters noted the failures of that administration which is why the current City Council was elected. An application was turned in for a small automotive repair shop and the ability to sell used cars. He saw a comment in the Plan/Zoning Board of Appeals minutes from a board member that said the board should not base their decision on whether or not a business brings income to the City of Prospect Heights. What it does not say is that the Plan/Zoning Board of Appeals should not be allowed to chase away business from the City. Board member Corinne Frank-Watson noted on fifty pages how much she was against the proposal and several other things which were not germane to the topic. This issue was about zoning and not about whose grandfather founded the zoning board or about the previous board member who served twenty two years on the board. There is a group who has torn down the City's reputation over the years. A pure character assassination was what the Plan/Zoning Board of Appeals meeting was against the applicant. The City Council as a group along with he as Mayor has accomplished more than the negative group was able to tear down. If the group of doomsday speakers and negative promoters would use their talents to promote the City, perhaps they too can become a positive force for economic development. The City needs help and rather than being against something, he would like to hear about what people are in favor for. Mayor Helmer announced that the applicant for the used car sales business has decided to withdraw their application for a zoning change for the building which they were to lease. They have chosen to take their business elsewhere.

Motion made by Alderman Ludvigsen, seconded by Alderman Higgins to move item Q before the Adoption of Consent Agenda. The motion was unanimously approved by a roll call vote.

ROLL CALL AYES: Aldermen Higgins, Ludvigsen, Styler, Williamson

NAYS: None

ABSENT: Alderman Mendez

Motion carried.

NEW BUSINESS

Q. Proposed SSA 9 Discussion of Boundaries and Purpose.

City Treasurer Tibbits commented that the Water Committee started off a few years ago doing a survey of the area regarding bringing in City water. There are 385 properties and there are surveys completed from about 70% of the property owners. What the survey showed to the Water Committee was that about two thirds of the people that lived in that area were interested and in support of bringing in City water. The second question was how much will it cost. He paid for a feasibility study to be performed to find out roughly what it will cost to bring a City water system into that area and to figure out a lot of details of how it would be interfaced with the existing water system, what the extent of the existing pumping facility could support, and how many homes it could support without building a water tower. At the present time, the feasibility study says that the existing pumping station can support that number of properties without a water tower. What he does not know is how many more properties the existing pumping station could possibly support without a water tower and that is not something that was contemplated at the time of the survey. He delivered a binder to all of the City Council members at the last City Council meeting that paralleled the same information that was presented when Special Service Area 6 was brought online. The binder shows the feasibility study that was conducted, an application letter to the Mayor, a map of the area that is being proposed, a list of pin numbers and addresses that are included in a number of properties there, and also a letter that proposes the Special Service Area. City Treasurer Tibbits read the letter proposing a special service area which was included in the binder presented to the City Council. He commented that the City needs more water customers added to the water system. The water fund is an enterprise fund and is not supported by the general fund and it does not contribute to the general fund. He feels that the existing customers would like new customers on the water system in order to help reduce fixed costs. He commented that much of the area that is proposed for water just received new roads. He wanted to try to get the water online before the roads were done in the neighborhood. The engineers think that any damage to the new roads would be minimal but there will be some damage done to them. The special service area people will have to pick up the price of the repairs caused by the construction but at the same time there may be some normal maintenance and wear and tear that needs to be done by the existing road program. He does not want the City to use the special service area to do everything to the roads when there is normal maintenance required to them no matter what. He commented that he wrote a letter to the Fire District asking them to make a contribution. He felt it was a legitimate request. The Fire District told him that they support the special service area but they can't find the money to make the contribution. He asked for a contribution of roughly \$370,000 which would pay for the fire hydrant hardware.

Mayor Helmer asked how many people need to be in favor in order for the process to move forward.

City Attorney Zimmermann commented that the special service area is not a signing up process. There is an application for a special service area so the ball is in the City Council's court whether it wants to adopt an ordinance initiating a special service area and hold a public hearing. With respect to the 51% number, if within sixty days after the public hearing there is an objecting by more than 50% of the registered voters and more than 50% of the owners, then the special service area cannot be established. That 51% number comes in the form of how many objectors it takes to stop the special service area once it is passed the public hearing stage.

Alderman Williamson commented that he is wholeheartedly in support of water. He represents a lot of people in Ward 3 which a large portion of the proposed special service area is in. He put out an e-mail to about fifty people and asked that the e-mail be forwarded on to several other people and there was a mixed review of ayes and nays to water. The resounding statement was no because of the cost and along with that a question that came up was how much would the cost be. He asked what the special service area would amount to as an average. He asked City Treasurer Tibbits to put that out there so everyone can figure out to a degree what that amount would be. To expand upon that, he would like to know what the average hookup fee would be. There are two parts to the issue, laying the water main and connecting to a property. He thinks that in order for people to make an educated decision, people need to know what those numbers are.

City Treasurer Tibbits commented that in the application that he sent to the Mayor, he referenced the number that was given to him by the engineering company for the feasibility study which was \$7,263,732. The spreadsheet lists all the property addresses and pin numbers. He also looked up all the assessed values of all of the properties and brought it up to date for this year. The \$7.2 million divided by the total amount of the assessed value, the fraction can be figured out that applies to each of the properties. This is what is estimated to be the maximum cost of the special services area. This also assumes the City will pay the portion of the upsizing from the eight to the twelve inch mains which roughly costs a half million dollars.

Alderman Williamson commented that he is of the opinion that everyone is getting the same service and he feels it should be done through a special assessment. He feels that if everyone pays the same amount, it would be a fairer way to do it. It would make it easier to communicate how much it would cost. He would like to answer the question of the possibility of doing a special assessment.

City Treasurer Tibbits commented that the existing special services areas distribute the cost based on property value. Cook County is set on doing it this way.

Alderman Williamson asked what the benefit of the twelve inch water main is.

City Treasurer Tibbits commented that the Citywide master plan posted on the City website shows a general water distribution system drawn out throughout the City. In order to move water throughout the western portion of Prospect Heights, you need twelve inch mains down Elmhurst Road and Camp McDonald Road. There is no other way to do it. If this was the last special service area on the block, an eight inch main would be fine.

Alderman Williamson commented that the letter states that the property owners in the special service area shall be exempt from any connection or tap on fees other than the

costs of permits, meter, rpz valve if required. He asked where the money would come from to cover those expenses.

City Treasurer Tibbits commented that the fees are for tapping onto an existing water main.

City Attorney Zimmermann commented that when a homeowner is paying part of the cost of installing the water main, the tap on fee is waived. It is a waiving of a onetime charge that would normally be charged to a homeowner to tap into an existing piece of infrastructure.

Alderman Williamson asked if there was an estimated cost for the installations of buffalo boxes and service lines which the letter states would be paid for by the Water Fund and would be recouped by the Water Fund by the addition of new customers.

City Treasurer Tibbits commented that it would be plus or minus \$1,500 which would be the tap to the buffalo box and the buffalo box itself. The line from the buffalo box to the building would be the responsibility of the property owner. He thinks an incentive should be provided to tap on within 24 months.

Alderman Williamson asked if there should be money in the Water Fund to take care of repairs and asked where the Fund is left with in the event of water main break.

City Treasurer Tibbits commented that there would be more customers in the system to pay into the Water Fund.

Alderman Williamson asked if grant money has been sought for this project.

City Treasurer Tibbits commented that the grant writers have been looking for money.

City Administrator Marrin explained that the IEPA has a loan, not a grant, which is pretty much a low interest bond that the State of Illinois has worked with the IEPA to be able to get water systems, fix water systems, and create new ones. It is a bond and is debt. The City was hoping to get something on a grant level. There is nothing out there and the City is looking into water towers as that has been discussed. As low as the rates are through the IEPA loan program, they are just as low at the a bank.

City Treasurer Tibbits commented that he spoke with the Executive Director of the IEPA and he talked to him about how easy it would be to get into the IEPA loan program. They do have grant money available but they calculate the median income of the community and if the City falls below the threshold, the community doesn't qualify for grant funds.

Alderman Williamson commented that he does not see anywhere in the report where the feasibility study illustrates how many homes the current system can support without adding a water tower. He feels that the information needs to be presented with firm numbers. The churches are not included because they are not taxed but if there is a special assessment, they could pay the cost with everyone else in the system.

City Attorney Zimmermann commented that the situation with religious institutions has been handled before via a water service agreement. The situation occurred at St. Alphonsus when special service area six went in. Basically, the tax exempt owners who want to tap in pay their proportionate share of the cost of installing a water main. A special assessment is an antiquated vehicle for doing these kinds of improvements. To

do a flat fee spreading of the cost would be by doing a special tax roll using the special service area method.

Alderman Williamson commented that he does not oppose the special service area nine proposal but he thinks it needs as much transparency as possible.

Alderman Higgins asked if the next people who come to the City for a special service area would need to pay for a water tower since this proposed special service area would max out the City water system.

City Treasurer Tibbits commented that his attitude of a water tower is that it is a global piece of hardware that would apply to every water customer. The best way to handle the financing of that is through the water rates. He feels that a water tower would qualify for grants.

Alderman Higgins asked if the fact that no grant money has been found for a water tower, if that dampens the issues. If the City can come up with grant money, she asked why not get the water tower started now.

City Treasurer Tibbits commented that one of the best places to put a water tower would be at Prospect Crossing behind Target and running a twelve inch main to connect to it. That is more ambitious than he was anticipating with the special service area nine proposal.

Alderman Higgins commented that next year is a tri-annual assessment for Cook County. She feels the numbers will be skewed.

City Treasurer Tibbits commented that it wouldn't change the numbers. The assessment determines how a levy is divided among customers but it does not inflate or deflate the levy.

Alderman Higgins commented that people are currently putting money into the Water Fund. She asked if the usage of that money for a new special service area would cause friction with them because money they contribute into the Water Fund would go toward a new special service area leaving less money in the Fund to repair Water infrastructure emergencies.

City Treasurer Tibbits commented that he sees this as an investment and an expense.

Alderman Williamson asked the City Engineer what the average cost of a water main break is.

City Engineer Johnson commented that there is no such thing as an average cost. There could be a main break that affects one stick of pipe. He is hesitant to put out numbers. If someone asked him how much it would cost to install a water main, such as the case in Prospect Heights, it is about \$325 per foot. But then water towers, scada systems, and pump stations could significantly add costs to a project.

Alderman Williamson asked what a viable reserve would be considered.

City Engineer Johnson commented that the water study is looking at that question.

Alderman Williamson asked if the City Water Fund is in a good funding position.

City Engineer Johnson commented that he is unsure at the moment because there are funds available but based on the standards and debt, it is hard to say.

Alderman Williamson commented that it is important to know whether or not the water funds can be used.

Finance Director Hannon commented that the City is in a good spot at the moment but within three to five years, the fund will be completely depleted. There is bond debt that needs to be paid. The funds in three to five years will not cover the expenses.

Alderman Styler commented that he would like to see the City Attorney draw up an ordinance and have it on the next City Council meeting to move forward with public hearings on this issue.

Alderman Ludvigsen commented that he is in favor of water. The first thing that came up was the number of connections. There was never a study done to see how many additional homes can be added onto the system. It has been said that only 160 homes can be added to the current system. He is concerned that all of a sudden, there can be 380 properties. He feels there is too big of a variance between the 380 homes and the 160 homes. The study does not address how 380 homes can be serviced except for a line that says that as long as the pumps can deliver 61 pounds at the pump house, it will work.

City Treasurer Tibbits commented that they did a complete hydraulic analysis.

Alderman Ludvigsen commented that he is not a fan of doing tap-ons for people after the system is already in place. The cost of tapping in is a lot. If the City is doing the special service area, every pin on the ordinance should have to put a pipe in. He doesn't think the water system should contribute for twelve inch versus eight inch water mains. It is something that the special service areas have to do over time. The system wouldn't be able to go in without special service area six. If it were to take one or two years to replenish the water fund money being used, he would feel better but because he feels it will span over ten years he doesn't feel comfortable.

City Treasurer Tibbits commented that he doesn't see the people who are in favor of the special service area being in favor of paying for twelve inch mains. The only benefit of installing a twelve inch main is to go further beyond the special service area.

Alderman Ludvigsen commented that the Water Committee would say that the twelve inch pipe main should be a requirement because it would be that size if the whole City were done at once.

City Treasurer Tibbits commented that a lot more people would be paying for a citywide water system to spread out costs.

Alderman Ludvigsen commented that he is worried about support for the special service area. He asked if the City can send out a mailer to the properties in the special service area to gauge interest.

City Treasurer Tibbits commented that he has done that already and he feels sending out information will slow the whole process down. He is asking that an ordinance be prepared. The public hearing will have the engineers come and can provide transparent date. He feels the process needs to play itself out.

Alderman Ludvigsen commented that it would help him feel comfortable if he knew there was a majority of people in favor of the special service area.

City Engineer Johnson commented that he has questions about the engineering study itself and the validity of it. He has not reviewed the study in detail yet. Facts, engineering and costs have not been looked at. The questions of the necessity of a water tower, changes to the pump station, upgrading pumps are all out there. He would like to review the proposal in more depth to figure out the impacts to the Public Works operation. There is a lot of research that needs to go into the process. He commented that staff can review the financing and engineering feasibility of the process as long as it is the City Council's wish.

City Attorney Zimmermann commented that if the City Engineer is concerned with reviewing the report and being able to report to the City Council that there is confidence in the report, the first step would be to direct the City Engineer to do that and have the City Engineer report back to the City Council. Passing an initiation ordinance proposing a special service area locks the City Council in and the members of the special service area into the financial data that is in that original ordinance so if the number proposed is \$7.3 million and then construction engineering shows it is a \$12 million system, the amount of the bond limitation can't be raised. The cautious way to go is to direct staff to review the engineering and to report back to the City Council as soon as possible. It is recommended that a motion be made specifically directing the City Engineer to review the report and to report back to the City Council as soon as possible.

City Administrator asked if the motion includes the direction to do a mailing survey.

City Attorney Zimmermann commented that historically in Prospect Heights, people have said they are in favor of City water but they want to know the cost. If the mailed survey does not contain cost data, it too may be invalid. He suggests that this be slowed down and get a report from the City Engineer. If there is a desire to go forward with a mailing, at least some data would be able to be included. If a special service area is initiated, a public hearing mailed notice will go to every household in the boundaries and they will be notified that they can come to the public hearing to voice their concerns about the water.

Motion made by Alderman Higgins, seconded by Alderman Williamson to direct the City Engineer to review the report and information presented to the City Council and to report the findings back to the City Council. The motion was unanimously approved by a roll call vote.

ROLL CALL AYES: Aldermen Higgins, Ludvigsen, Styler, Williamson

NAYS: None

ABSENT: Alderman Mendez

Motion carried.

City Treasurer Tibbits asked why the City Council can't direct the City Attorney to draft the initiating ordinance based on the results that are received from the City Engineer.

Mayor Helmer commented that the City Council needs to give the City Attorney direction to do that and he does not feel the City Council has the consensus to do that.

City Attorney Zimmermann commented that a direction would be needed to move forward. Special service area ordinances are reviewed by bond counsel and the process has team involvement to get the ordinance prepared. It is something that can be turned around in two weeks given the direction.

ADOPTION OF CONSENT AGENDA

C. Approval of Minutes, Regular City Council Meeting, November 13, 2012.

Motion made by Alderman Higgins, seconded by Alderman Styler to approve the consent agenda as presented. The motion was unanimously approved by a roll call vote.

ROLL CALL AYES: Aldermen Higgins, Ludvigsen, Styler, Williamson

NAYS: None

ABSENT: Alderman Mendez

Motion carried.

APPROVAL OF CONTRACTS

D, E, and F. Omnibus motion to approve Items D, E, and F.

Motion made by Alderman Styler, seconded by Alderman Higgins to approve items D, E, and F by omnibus motion. The motion was unanimously approved by a roll call vote.

ROLL CALL AYES: Aldermen Higgins, Ludvigsen, Styler, Williamson

NAYS: None

ABSENT: Alderman Mendez

Motion carried.

D. Approval of Liability Insurance Renewal with Mesirow Financial.

**CONTRACT APPROVED
OMNIBUS VOTE**

E. Approval of a Contract with Impact Technology for Color Printer.

**CONTRACT APPROVED
OMNIBUS VOTE**

F. Approval of an Amendment for Preliminary Engineering Services for Phase III Road Project with Baxter Woodman.

**CONTRACT APPROVED
OMNIBUS VOTE**

LEGISLATION

Mayor Helmer moved item O, and items H through N out of order.

O. Consideration of Application for 711 Elmhurst Road for Text Amendment and Special Use to Allow Used Car Sales. (4 Votes are Required to Overturn Recommendation from PZBA and to Direct Legal Counsel to Draft an Ordinance).

Mayor Helmer removed item O of legislation and the item was stricken from the agenda. No further action was taken on item O.

H. An Ordinance for the Levy and Assessment of 2012 Taxes for the Fiscal Year Beginning May 1, 2012 and Ending April 30, 2013 in and for the City of Prospect Heights Police Pension Fund (1st Reading).

This being the first reading of the ordinance, no vote was taken.

I. An Ordinance for the Levy and Assessment of 2012 Taxes for the Fiscal Year Beginning May 1, 2012 and Ending April 30, 2013 in and for the City of Prospect Heights Special Service Area Number One (1st Reading).

This being the first reading of the ordinance, no vote was taken.

J. An Ordinance for the Levy and Assessment of 2012 Taxes for the Fiscal Year Beginning May 1, 2012 and Ending April 30, 2013 in and for the City of Prospect Heights Special Service Area Number Two (1st Reading).

This being the first reading of the ordinance, no vote was taken.

K. An Ordinance for the Levy and Assessment of 2012 Taxes for the Fiscal Year Beginning May 1, 2012 and Ending April 30, 2013 in and for the City of Prospect Heights Special Service Area Number Three (1st Reading).

This being the first reading of the ordinance, no vote was taken.

L. An Ordinance for the Levy and Assessment of 2012 Taxes for the Fiscal Year Beginning May 1, 2012 and Ending April 30, 2013 in and for the City of Prospect Heights Special Service Area Number Four (1st Reading).

This being the first reading of the ordinance, no vote was taken.

M. An Ordinance for the Levy and Assessment of 2012 Taxes for the Fiscal Year Beginning May 1, 2012 and Ending April 30, 2013 in and for the City of Prospect Heights Special Service Area Number Five (1st Reading).

This being the first reading of the ordinance, no vote was taken.

N. An Ordinance for the Levy and Assessment of 2012 Taxes for the Fiscal Year Beginning May 1, 2012 and Ending April 30, 2013 in and for the City of Prospect Heights Special Service Area Number Eight (1st Reading).

This being the first reading of the ordinance, no vote was taken.

G. An Ordinance Amending Prospect Crossings P.U.D (Waiver of 1st Reading).

Mayor Helmer explained that Prospect Crossing is looking for an ordinance to allow for 24 hour usage in the rear of the property. If the first reading will be waived, there needs to be some clarification. He has received multiple calls from people who are concerned that the berm and the tree line in the back are not enough to buffer the noise from the all night deliveries from Ultra Foods.

Mr. William Nazha representing Prospect Crossing commented that at the Plan/Zoning Board of Appeals meeting, he stated that Prospect Crossing would support a wall and would have no problem with that. He asked to wait and see how it will go. He commented that Ultra Foods commented that the deliveries would not be every day.

Mayor Helmer commented that waiting will not satisfy the City Council.

City Attorney Zimmermann commented that the Ordinance on the agenda does not have conditions for a fence in it. Certainly a condition can be added requiring a fence to be placed on top of the berm or in some location. He asked that the condition be as precise

as possible so he will need to know where the fence is running, what kind of fence it is, and how tall it is.

Mayor Helmer commented that he hesitate to put this item past because this is Ultra's prime requirement.

Mr. Nazha commented that without the 24 hour deliveries, the lease with them is dead.

Mayor Helmer commented that he does not want to give a hint that 24 hour access would not be granted.

Alderman Williamson commented that the fence would be the smartest move. He asked what kind of distance is being talked about.

Mr. Nazha commented that he supports a fence but a fence would cost thousands of dollars. At the moment, they wouldn't have the money to build a fence.

Alderman Williamson commented that most people are sleeping at 2:00am and 3:00am and won't be awakened by a truck but hearing a truck at 10:00pm would be more annoying for him. He feels there should be an escrow in case down the road to build a fence if it is determined that one is needed.

Mr. Nazha commented that he wasn't planning on paying for it anyways. He said he would support the fence. If the City wants to put a fence up, they will support the fence.

Director of Building and Zoning Skiber commented that there was preliminary discussion at the Plan/Zoning Board of Appeals meeting but it was not part of the petition. There was a sense of cooperation to have a discussion about a potential fence or barrier on the berm. The height, length and placement were not discussed. It seems to him that it would be placed at the top of the berm and would extend from Home north towards past the anchor tenant space which could be several hundred feet. There could be a six foot, eight foot, or ten foot solid fence and the desired goal of a sound barrier would be obtained. This is an owners problem to facilitate the end user, Ultra Foods, and is not a City problem. The City can help with providing registered fence companies to keep costs down but the City is looking for Prospect Crossing's support monetarily to keep this process alive.

Mr. Nazha talked to a couple of South Linden homeowners on their way out of the Plan/Zoning Board of Appeals meeting. They agreed that there is no noise from Home. They said let's see what happens.

Director of Building and Zoning Skiber commented that there is an appearance concern of the fence and there could be a discussion about doing a better job of replacing what is on the berm.

Mayor Helmer asked if Omni or Dominick's had 24 hour delivery.

Director of Building and Zoning Skiber commented that they did not. The most recent ordinance was from 1989 where the Dominick's Omni store was able to receive deliveries Monday through Saturday 6:30am to 10:00pm and Sundays and Holidays 9:00am to 6:00pm. That is what is currently there now and has been there since 1989.

Mayor Helmer commented that the development of Ultra Foods will take a minimum of six to seven months. This is not an emergency question at the moment. He asked the City Attorney if the City can withhold the final permit for opening if the City Council determines that the fence is necessary. A fence would not be needed until Ultra opens up so there is time.

City Attorney Zimmermann commented that a condition of the ordinance can be that a fence needs to be installed prior to occupancy.

Mr. Nazha commented that he did not know if Ultra would agree to that condition. The City can call them and talk to the attorneys.

Mayor Helmer asked to clarify whether or not Mr. Nazha is adamant that Prospect Crossing will not pay for a fence no matter what.

Mr. Nazha said they support it. He asked why he should just pay for it and not the neighbors. So far there have been two neighbors that have complained.

Alderman Ludvigsen commented that doing nothing will not make it better and won't help any future problems. If Prospect Crossing is willing to put aside money as escrow and there are no issues after a year or after six months, they would get it back. If there are no issues, they wouldn't need to put the fence up.

Mr. Nazha asked what amount the City Council was thinking about.

Alderman Williamson commented that he is thinking of approximately \$20,000.

Director of Building and Zoning Skiber commented that the fence could be limited to the area behind Ultra and 200 feet of fence should be able to get the job done.

Alderman Williamson commented that it would be around \$11,500 for 200 feet.

Alderman Styler asked how much distance there is between the homes and the back of Prospect Crossing.

Director of Building and Zoning Skiber said at least sixty feet to eighty feet.

Alderman Ludvigsen commented that the escrow for the fence would be similar to a road bond.

Mr. Nazha asked to clarify if what the City is asking for is a \$12,000 bond.

Director of Building and Zoning Skiber commented that \$12,000 would get to the desired result if necessary.

Mr. Nazha commented that some neighbors don't want a fence in back.

Alderman Higgins commented that she is in support of the escrow and the fence would benefit Prospect Crossing's tenant.

Mayor Helmer commented that a motion can be made to allow three months for Prospect Crossing to put up the escrow. He knows a lot of money has been spent on Home and on the shopping center.

Mr. Nazha asked if they can put it in escrow a month before Ultra opens.

Alderman Styler feels that a measurement should be taken before a distance is established for a proposed fence.

Mayor Helmer commented that a letter of credit could be favorable. Ultra needs to be assured that they can get 24 hour delivery in the back.

Director of Building and Zoning Skiber commented that the proposed fence would be an 8 foot, wooden fence.

City Attorney Zimmermann commented that the motion would be to amend the ordinance on its face to call for as a condition of the special use the installation of an eight foot solid wood fence on top of the berm on the east property line behind the Ultra tenant space and also to have as a condition of the PUD that the property owner shall tender a letter of credit for the full amount of the cost of installation prior to the occupancy being granted on the property.

Mr. Nazha asked if the motion should include a statement that the fence would be installed if needed.

Alderman Williamson commented that the City would require Prospect Crossing to have the money in escrow and that the City Council would allow them to open and they would have one year from the date of opening to determine if the fence would be installed based on the feedback from the residents who live behind there.

City Attorney Zimmermann asked what the criterion would be to determine the need for a fence.

Director of Building and Zoning Skiber commented that the criterion would be noise complaints from residents.

Alderman Ludvigsen commented that the condition would be another item on the ordinance.

City Attorney Zimmermann commented that the previous motion is inaccurate then. The Council determines based on a report from staff that a fence is necessary. There is a one year look back for the P.U.D amendment.

Motion made by Alderman Williamson, seconded by Alderman Styler to amend the ordinance on its face to put as a condition of the P.U.D that a letter of credit in the amount of 110% of the cost of the installation of a fence be tendered with the City, that for a period of one year City staff will monitor the complaints of noise and will investigate complaints of noise at the rear of the Ultra tenant space and after one year if the City Council determines not to require the installation of a fence, the letter of credit will be cancelled. If during that one year period, the City Council determines that a fence is necessary, the property owner will install it as a condition of the P.U.D and if the property owner fails to do so, the City can use the letter of credit to do that.

ROLL CALL AYES: Aldermen Higgins, Ludvigsen, Styler, Williamson
NAYS: None
ABSENT: Alderman Mendez

Motion carried.

City Attorney Zimmermann explained that the ordinance will be brought to the next meeting to get a second reading with the amendment.

Mr. Nazha commented that the ordinance needs to be approved by the end of the month in order to get the lease signed and the process moving for Ultra.

City Attorney Zimmermann commented that based on what it took to get to the motion, his recommendation is that the revised language be given to the City Council before voting on the second reading of the ordinance. He does not recommend waiving first reading with the amendment.

Alderman Williamson asked if a Special Meeting can be held before the next Regular City Council meeting.

Mayor Helmer commented that revised language will be provided for the ordinance and a Special Meeting will be held to approve the ordinance within a few days.

APPROVAL OF EXPENDITURES

H. Approval of Warrants.

General Fund	\$ 68,864.68
MFT Fund	\$ 17,996.16
Palatine/Milwaukee TIF	\$ 117.00
Convention & Visitors Bureau	\$ 0.00
Development Fund	\$ 265.89
Non-Home Rule Sales Tax Fund	\$ 0.00
DEA Fund	\$ 522.45
Solid Waste Fund	\$ 0.00
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	\$ 113.86
SS Area–Constr #6 (Water Main)	\$ 0.00
SS Area–Debt #6	\$ 0.00
Road Construction	\$ 54,353.42
Water Fund	\$ 24,499.28
Parking Fund	\$ 36.93
Road/Building Bond Escrow	\$ 3,717.00
Total Expenditures	\$ 170,486.67
Wire Payments, Service Charges, & Payroll	\$ 118,304.90
TOTAL	\$ 288,791.57

Motion made by Alderman Styler, seconded by Alderman Ludvigsen, to approve warrants in the amount of \$170,486.67 and wire payments, service charges, and

payroll in the amount of \$118,304.90, for total expenditures of \$288,791.57. The motion was unanimously approved by a roll call vote.

ROLL CALL AYES: Aldermen Higgins, Ludvigsen, Styler, Williamson

NAYS: None

ABSENT: Alderman Mendez

Motion carried.

COMMITTEE APPOINTMENTS

There were none.

RESIDENTS COMMENTS (Non Agenda Matters)

Dolly Vole, 7 E. Palatine Road, Prospect Heights, Illinois.

Ms. Vole had asked for a FOIA request for all the surveys that were done by the Water Committee that City Treasurer Tibbits had referred to in making his appeal for special service area nine. She is requesting to either view or to obtain copies of the water surveys that were done by the Water Committee for special service area nine.

City Treasurer Tibbits commented that they are all upstairs.

Kathryn Michaely, 618 Thistle Lane, Prospect Heights, Illinois.

Ms. Michaely commented that she is sorry Chief Dunne is not well and she thanked Chief Dunne for attending and being the guest speaker at the Rob Roy annual meeting. She commented that Rob Roy has cut a check for the Police Department as the Police Department has been very supportive of Rob Roy and it is with great pleasure that they present a check to the Police Department.

William Kearns, 306 E. Willow Road, Prospect Heights, Illinois.

Mr. Kearns commented that City Treasurer Tibbits has worked on the water issue for many years. He encouraged the City Council to use some of the ideas that Mayor Helmer has brought to the City Council and that is to not pick at why something can't move forward. He asked the Council to find ways to get things done and there is support from the group in Ward 3. He wants the Council to be open to the idea of the new special service area. This is long overdue. He encourages the Council to keep working on it and put the best foot of the City forward.

Patrick Dalessandro, 610 N. Maple Street, Prospect Heights, Illinois.

Mr. Dalessandro commented that he does not want water. He does want to make an informed decision and he thinks that the engineers thought process was what he hoped for. He asked the City to provide the true numbers so an informed decision can be made. There are many people who live on a fixed income and the process needs to think about those people. The special service area does not need to be put together before Christmas. He applauds City Treasurer Tibbits on the work he has done. He wants to know what the numbers are and he will support whatever the majority goes with.

UNFINISHED BUSINESS

There was none.

CLOSED SESSION AND ADJOURNMENT

Motion made by Alderman Styler, seconded by Alderman Higgins, to adjourn the Regular City Council Meeting open session and no further action will be taken and to go into Closed Session for the purposes of sale or lease of property, discussion of pending or probable litigation, and the appointment, discipline, or removal of specific employees or officers. The motion was unanimously approved by a voice vote.

VOICE VOTE AYES: Aldermen Higgins, Ludvigsen, Styler, Williamson

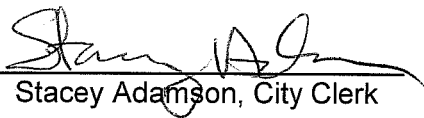
NAYS: None

ABSENT: Alderman Mendez

Motion carried.

Motion carried by voice vote at 9:15 p.m.

Approved by the Prospect Heights City Council this 10th day of December, 2012.


Stacey Adamson, City Clerk


Nicholas J. Helmer, Mayor

