



City Council

City Council Chambers ♦ 524 West Stephenson Street, 3rd Floor ♦ Freeport, IL 61032

**COMMITTEE OF THE WHOLE
MINUTES
REGULAR MEETING
MONDAY, FEBRUARY 13, 2017 AT 6:00 P.M.**

CALL TO ORDER

The regular meeting of the Freeport, Illinois, Committee of the Whole was called to order in council chambers by Mayor James L. Gitz with a quorum being present at 6:05 p.m. on February 13, 2017.

ROLL CALL

Present on roll call: Mayor Gitz and council members Tom Klemm, Peter McClanathan, Art Ross, Jodi Miller, Patrick Busker, Sally Brashaw, Mike Koester, and Andrew Chesney (8).

Present from the City: Contract Attorney Michael Phillips, Esq., Community Development Director Alex Mills, Public Works Director Tom Dole, Fire Chief Scott Miller, Police Chief Todd Barkalow, Water and Sewer Executive Director Tom Glendenning, City Engineer Shaun Gallagher and City Clerk Meg Zuravel.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Alderperson Miller. She then became the chairperson of the meeting.

PUBLIC COMMENTS

There were no public comments on agenda items.

APPROVAL OF MINUTES

Alderperson Koester moved for approval of the minutes from the meeting held on January 9, 2017, seconded by Alderperson Ross. Motion prevailed by voice vote without dissent.

PRESENTATION BY DERYCK FREUDEMAN OF UTILITY SERVICE PARTNERS

Mr. Deyck Freudeman of Utility Service Partners introduced himself and explained his company specializes in the repair of private-side utility infrastructure, specifically the water and sewer lines that go beyond the public infrastructure and onto the residents' property. The popularity of their program is driven by aging infrastructure. Many residents do not prepare or plan for the replacement of water and sewer lines from the city's infrastructure to the home, which is the homeowner's responsibility. Mr. Freudeman estimates that about 50 percent of Americans do not have sufficient savings to cover a

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\$1,000 emergency expense. Utility Service Partners works with about 400 cities across the country (26 in Illinois) and partner with local contractors. The program is introduced by the city and residents can opt into the program. Residents would voluntarily purchase a service repair plan from Utility Service Partners. If a resident has a problem, they call Utility Service Partners who then dispatches a contractor to the home. There is no out-of-pocket fee to the homeowner. All of the cost has been deferred with the service line warranty program. Utility Service Partners is endorsed by the National League of Cities. This is one of their programs and Utility Service Partners has been the administrator of the program for the last 10 to 12 years.

Aldersperson Chesney inquired as to the cost to the city. Mr. Freudeman responded that there is no cost to the city. Utility Service Partners covers the expense of marketing and renewal of customer plans. For any calls coming into the city, a procedure can be set up whereby callers can be sent to Utility Service Partners if they have questions or would like to enroll. The program is set up so that the city does not take on any human resource costs. The entire plan is administered by Utility Service Partners.

Aldersperson Chesney followed up by asking how the calls might be routed to Utility Services Partners without the use of City staff. Mr. Freudeman explained that a prompt could be set up, such as "press 7", to automatically forward a call to them.

Aldersperson Koester asked what the cost is to the residents. Mr. Freudeman replied that repair plans offered through a city are ala carte. They offer three plans:

Water service repair line	\$6.75/month	\$4,000 line coverage per occurrence with an additional \$4,000 for repairs to the street, if needed
Sewer service repair line	\$7.75/month	\$4,000 line/street cost
In-home plumbing & repair	\$9.90/month	\$3,000 per occurrence

No lifetime cap as to the number of occurrences.

Mr. Freudeman further explained that this program is beneficial because Freeport has older homes: 80 percent were built before 1970 and 38 percent were built in 1939 or before. A program of this nature makes sense in his opinion because the lines running to those homes are probably of the same age.

Aldersperson Chesney asked if municipalities are offered any revenue to offset costs of this program. Mr. Freudeman responded that it is based on the number of households enrolled in the program. Typically, 10 percent of households will enroll in the first year. So, based on an estimate of 12,000 in Freeport, 1,200 will enroll. Royalties of \$0.50 per plan per month will be paid to the City based on 1,200 households to cover administrative costs to help roll out the program. So, for example, if a household purchased all three plans, the City would receive \$1.50 per month for the duration of the time the homeowner had the plan. Further, considering the average royalties the City would receive per household of \$0.75, multiplied by the example of 1,200 households the first year, the city would receive \$900. For a three- to five-year partnership, approximately 25 to 30 percent of homeowners may sign up.

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Aldersperson Koester inquired as to why, if this is private homeowners' insurance, would Utility Service Partners need the City's endorsement or involvement at all—why not just contact the homeowner directly? Mr. Freudeman feels this is a unique situation where private infrastructure is connected to public infrastructure and it is important that the City is educating residents on situations that can happen. In his experience, cities typically do not actively engage residents with private-side issues, so when those private-side issues arise, a phone call is prompted to the city. So, this gives cities a way to address private infrastructure without further public investment. Cities are already investing heavily on the public side.

Aldersperson Brashaw asked for clarification on there being no cap. She pointed out that all three plans would cost \$24.49/month or \$293.88/year. She would like to know the term—are homeowners obligated to buy so many months or years. Mr. Freudeman answered that there is no term. He further explained that coverage is available immediately. They prefer to operate on the honor system, but pre-existing conditions would be covered under the plan. Aldersperson Brashaw clarified that she is inquiring as to any requirement that a homeowner is obligated to sign up for a specific term in months or years. Mr. Freudeman responded that there is no requirement.

Aldersperson Brashaw also asked that without the City's endorsement, would United Service Partners be allowed to obtain a permit to solicit this insurance within the City anyway. Mr. Freudeman responded that they do not do that as it is not best business practice within their agreement with the National League of Cities to offer coverage in partnership with municipalities and to individual municipalities outside of a partnership agreement. Because this is a program of the Municipal League of Cities, United Service Partners is required to administer the program within the confines of their agreement. In summary, no, they will not solicit within the City without the City's endorsement.

Aldersperson Klemm pointed out that we have a unique situation where the City is promoting a great amount of work to the water and sewer system and he feels it is not the best timing to offer such a program because it may confuse homeowners at this time. The City is also looking at a staff change in two months and, recalling the questions his constituents had when the City switched to Electrical Aggregation, he believes the new Clerk's office may be bombarded with calls regarding this program.

Aldersperson Chesney agreed with the poor timing issue presented by Aldersperson Klemm. He asked, in the future, what would the contract-signing process be: approval by Water and Sewer Director, City Engineer, incoming Mayor, incoming City Manager? Mr. Freudeman explained that the contract is a very simple, three-page, three-year term contract. One favorable point is the City approves anything United Service Partners communicates to residents. An informational direct mail letter is sent out two to three times per year. An online cart check-out procedure is also available to residents for enrollment. If the City wishes to discontinue the agreement with United Service Partners, they simply do not approve any further mailings to residents, even if the three-year contract is not fulfilled.

Aldersperson Chesney posed a question to Water and Sewer Director Glendenning regarding current procedures when a resident has a water or sewer line repair: what is the requirement that the resident coordinate with the City? Director Glendenning answered that there is no set practice. Usually, the service is turned off at the property line. Once the homeowner repairs the plumbing, the service is turned back on. In past cases of hardship, the department has facilitated necessary repairs and applied

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incremental charges on the water and sewer bill until the repairs are paid off. This is the exception. Usually, the homeowner pays for repairs located on private property.

For clarification, Alderperson Miller asked of Clerk Zuravel if the City is already receiving phone calls. City Clerk Zuravel responded that the City is not receiving calls on this program.

Alderperson Busker reiterated for clarification that the only contact with residents is direct mailing and not door-to-door solicitation. Mr. Freudeman explained that the direct mailing is the cornerstone of their marketing strategy. They do not go door-to-door or use tele-sales. To enroll, homeowners can return bottom portion of letter with a check, over the phone, or online on a website that is maintained by United Service Partners.

Alderperson McClanathan verified that the program covers the portion of the line on private property where it leaves the public line. Mr. Freudeman concurred.

PRESENTATION BY MIKE MUDGE ON NEXT STEPS WITH MUNICIPAL ELECTRICAL AGGREGATION NEW CONTRACT (EXISTING COMMUNITY RATE IS EXPIRING THIS SUMMER)

Mr. Mike Mudge a representative with Rock River Energy for the Municipal Electrical Aggregation Program provided a PowerPoint presentation regarding the impending expiration of the contract with the City. He presented information to assist the Council in making a decision to renew the Electrical Aggregation program and give them permission to solicit bids for a new term and electrical rate or revert back to ComEd. According to Mr. Mudge, currently, 4,400 customers are on the program and they have saved over \$1.6 million since 2012. The City has received \$247,432 in grant money from FirstEnergy and Dynegy (Homefield Energy), the community suppliers. Benefits to community include: customers have assistance with making a choice of electrical supplier of the community rate, ComEd, or supplier of their own choice (including green options) and the energy rate is fixed for duration of contract (ComEd only offers 20 percent range). ComEd should have Smart Meter/Smart Grid installed by end of 2018. This would give an hourly rate option with a supplier cap (which would be beneficial in times of very high rates such as a polar vortex or hurricane). Mr. Mudge outlined the next steps in renewing this program. The Council is asked to pass a resolution to allow Electrical Aggregation to go out for competitive bids and to also decide if a grant will be added onto the Aggregation contract. Some issues with deregulation include: many suppliers are soliciting door-to-door, some without proper permit issued by the City. Mr. Mudge recommends if residents are approached at home, they should first ask to see the solicitor's permit.

Alderperson Miller asked for clarification on the statistics given of 4,400 customers saving over \$1.6 million. Mr. Mudge explained that, in the first year, 6,673 customers were in the opt-out program and that number reduced over time. So, he needed to adjust the calculation annually.

Alderperson Chesney asked, once the Council approves Electrical Aggregation to go out to bids, how long the process takes to receive a bid. Mr. Mudge responded approximately two weeks. He also pointed out that the contract is not up until August. One of the reasons for moving on this now is there is a three-week opt-out period with ComEd and a three-week switching time for a total of six weeks. The reason Mr. Mudge would like to do this in the spring is the Illinois Power Agency goes out and gets bids for ComEd. During the first aggregation, there was a lot of savings. It is going to be a lot closer now

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because ComEd has expired some long-term contracts that were at a higher rate. Now, ComEd goes to market about mid-March, the same time as Electrical Aggregation. Illinois Power Agency bids for the two largest suppliers in the state, so Electrical Aggregation wants to go at about the same time.

Aldersperson Chesney pointed out that ComEd is at 6.318¢ and Electrical Aggregation at 6.9¢. Mr. Mudge concurred that customers are paying more for Electrical Aggregation at this time. The reason he points this out is because Electrical Aggregation was very competitive in 2012 to 2014, but it seems to have fallen off considerably. As Mr. Mudge mentioned, ComEd has caught up. Aldersperson Chesney asked if there had been any savings in the last few years under this current contract. Mr. Mudge explained that, under the current contract, the rate was steady for two years and then it dropped down the third year. So, there were a few months of savings under the current contract. Electrical Aggregation is predicting ComEd's rate to be in the range of 6.9¢ to 7.2¢ starting in June. Electrical Aggregation is getting bids now for communities in the range of 6.0¢ to 6.5¢ depending upon their mix of customers and other factors. So, Mr. Mudge is hopeful there will be a savings going forward. He also reminded customers that they can opt out at any time when there is shrinkage with no termination fee. In the past when Electrical Aggregation has sent out solicitation letters, the most commonly asked question is "what about next year? I don't want to be left out of the program next year."

Aldersperson Klemm inquired as to ComEd's process for keeping competitive rates. Mr. Mudge explained that ComEd is different because they do not compete against suppliers and are the default company. Aldersperson Klemm followed up by stating that he is hesitant at this time pending the change to a managerial form of government. Mr. Mudge also considered the pending change in government and suggests a one-year contract. In this scenario, if bids are obtained soon, a community rate will be established. Then, when solicitation letters go out in June or July, ComEd's rate will also be included and can be used as a comparison. A one-year contract would give a city manager plenty of time to become established and make changes, if necessary, next year. If Council waits to give approval after hiring a city manager, there will not be sufficient time to obtain a competitive rate and advertise it to customers.

Aldersperson Chesney stated his concurrence with Aldersperson Klemm regarding the timing in waiting for a couple of months to go to bids and, secondly, evaluating if there is truly savings to residents. Aldersperson Chesney also asked if his interpretation of the term "grant" is correct, meaning, the Council could choose the option of incorporating a fee that generates revenue for the City. Mr. Mudge answered affirmatively and pointed out that some municipalities rely heavily on this grant. Some customers ask if a portion of their payment goes to the municipality. Usually, one-tenth of a cent is generated in revenue. Originally, the City of Freeport opted to include the grant and targeted tearing down drug houses or abandoned properties. The current contract targets buying LED street lights. Typically, grant money is not put in a general fund but used to offset costs of something specific. Aldersperson Chesney then asked, of the current rate of 6.9¢ per kilowatt, how much is granted back to the City. Mr. Mudge replied that, if the rate is 6.9¢, the rate without the grant would be 6.8¢ (one-tenth of a cent). For example, an average customer uses 680 kilowatt hours, so the grant amount would be 6.8¢ per month.

Aldersperson Brashaw clarified that regardless of the supplier, customers can opt out of the Electrical Aggregation program at any time and return to ComEd. She also confirmed that, of the figure Mr. Mudge gave of \$247,432, the City has received approximately \$5,500 per year in grant monies. Mr. Mudge explained that ComEd makes money on the delivery portion of the bill. The supplier that

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customers choose is irrelevant to ComEd. Also, ComEd does not police the quality of the suppliers; they have to remain neutral. Mr. Mudge feels the City did very well on the first contract and not so well on the second. That is why he is proposing a short-term contract this time. When Electrical Aggregation mails their letters in May, a ComEd rate will be included for comparison (with a reminder that the rate will become effective in August under the new contract).

Aldersperson Brashaw then asked about the procedure for opting out of a contract with Electrical Aggregation. Mr. Mudge stated that customers contact the carrier at the 800 number listed on the bill and request to return to ComEd on the customer's next reading date. It is very simple. All Electrical Aggregation suppliers are vetted and are very good about taking customers' phone calls. He has never heard a complaint from customers having difficulty switching back to ComEd. This is not true of suppliers outside the Electrical Aggregation program, who he refers to as "predator suppliers".

Aldersperson Klemm rationalized that the Council could ask for more information from Mr. Mudge by next Tuesday's meeting. Based upon those findings, the Council could approve or deny a new contract with Electrical Aggregation at that time. He is aware of some customers signing up with non-Electrical Aggregation suppliers, who are then charged a \$150 cancellation fee. Aldersperson Chesney stated that a family member had a similar experience whereby they were unknowingly switched (possibly through phone solicitation) to a supplier charging 9.99¢ and paid the bill not realizing the supplier had been changed. He feels some of these supplier changes and their rates are difficult to catch due to online billing and automatic debit payment. Furthermore, only the supplier's name is listed on the bill, not Electrical Aggregation, so customers are not aware if their supplier is vetted through the Aggregation program or not. Aldersperson Chesney's recommendation is that the Council slows down and looks at this because customers may not be yielding purported savings.

Mayor Gitz recommended moving forward on obtaining bids because the timing of going to the market is critical based on when power companies are setting their rates. Nothing is lost by authorizing Electrical Aggregation to obtain bid rates. Competitive electrical rates are what can be lost by delaying this authorization. Mayor Gitz feels the General Assembly's decision was a good one for electrical customers to be able to opt in for rates obtained by Municipal Electrical Aggregation suppliers. If Freeport loses the Aggregation Program, then customers will be faced with choosing between ComEd or any "fly-by-night" vendor who approaches them. If the Council is interested in creating a "level playing field", do not look at this as simply ComEd coming down in rates, but rather focus on all the vendors unscrupulously talking customers into high electrical rates and associated cancellation fees. Mayor Gitz stated he is not promoting any particular supplier, but stating that the City and some of its constituents have had a good experience with some relief to what customers may have paid using ComEd. If, by chance, ComEd offers a lower rate than Electrical Aggregation, then the City can rethink this program and go another direction. The issue before the Council now is to recommend obtaining information to help make a decision moving forward with the Electrical Aggregation program. Mayor Gitz further cautioned that delaying this process may prompt fly-by-night vendors to ramp up efforts and fuel already existing rumors that the City is abandoning the Municipal Electrical Aggregation program. When asked if he concurred, Mr. Mudge stated that it was "well said" by Mayor Gitz.

Aldersperson Miller requested clarification on the timeline. Mr. Mudge explained that Illinois Power Agency goes out to bid mid-March, so they would like to have the same timing. The City's contract expires with Electrical Aggregation in August, but they would be mailing letters to customers three

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months prior to that. Timing with the market is everything and Mr. Mudge would like a resolution so he can proceed when the market seems most advantageous. Director Glendenning asked Mr. Mudge to use the success the Water and Sewer Department has had over the last 15 years with using Electrical Aggregation for comparison purposes. Mr. Mudge explained that commercial/industrial rates are a little different than residential, but agreed that the Aggregation has been able to get a very good rate for the utility. He further stated that he wants to use his experience while working at ComEd to continue to get good rates for the customers of the City of Freeport. His suggestion is a one-year contract so that Electrical Aggregation can stay competitive with (and lower than) ComEd rates. Mr. Mudge further addressed the timeline explaining that March is a good time to go to the market before rates start going up for the summer or September before rates begin going up again for winter heating starts.

Aldersperson McClanathan summarized that so far we have been talking about Option A as going with ComEd and Option B as using Electrical Aggregation. Customers also have Option C, which is using a provider of their own choosing, sometimes referred to as "predator suppliers". Customers always have the choice to compare the three rates and make their own choice. For clarification, Aldersperson McClanathan inquired, and Mr. Mudge confirmed, that in the case of the current three-year contract, Electrical Aggregation offered the lower rate in year one, but ComEd rates came down and were lower than Electrical Aggregation in year three. It was established that Electrical Aggregation is proposing to switch to a one-year contract to minimize the risk of ComEd's rates dropping lower than the rate Electrical Aggregation can obtain. Aldersperson McClanathan's final question was regarding the grants that are paid back to the City by the suppliers. Mr. Mudge explained that, if the Council chooses not to receive a grant, the rate on the customer's bill would be lower. For example, if the rate that is bid is 6.8¢, the customer would be billed 6.7¢. So, in summary, Aldersperson McClanathan asked if what Mr. Mudge was looking for from the Committee of the Whole was guidance to the Council to recommend Electrical Aggregation go out for bids and return in March at which time the Council can decide if they would like to proceed with a contract with Electrical Aggregation. Mr. Mudge responded affirmatively.

Aldersperson Chesney interjected that the Resolution reads that the Council relinquish all oversight. He is in agreement with getting bids and then making a decision, but he is not comfortable signing the Resolution as written.

Aldersperson McClanathan made a motion this matter be laid over to the March 6, 2017, City Council meeting at which time it is the Committee's recommendation that the Administration authorizes Rock River Energy to solicit competitive bids to bring back for the Council's decision. Motion was seconded by Aldersperson Busker. Motion prevailed by voice vote without dissent.

ANNUAL REPORT OF THE CITY OF FREEPORT AS PRESENTED BY THE DEPARTMENT HEADS

Chairperson Miller invited Mayor Gitz to introduce the Annual Report. He noted that an Annual Report has been presented for the past four years and each department head would give their own brief overview of calendar year 2016 activity. A copy of the PowerPoint presentation will be available on the website.

Police Chief Barkalow highlighted department staffing and their training; new initiatives such as "Air One" Tactical Flight Officer program; department wellness program; summary of calls and arrests; and a summary of making safer neighborhoods as well as developing community relationships. Aldersperson

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McClanathan asked what budget requirements he foresaw. Chief Barkalow responded: manpower, technology, equipment, and training are always high on the list.

Fire Chief Miller discussed his department's personnel retirements, hiring, and promotions; building repair and remodeling; equipment enhancements; grants received; fire and EMS call summaries; collaborative efforts with other emergency departments at the Chicago Rockford Airport and Stockton, Freeport's Community Development department, and school programs. Alderperson Koester inquired as to placards being placed on buildings noting hazards contained within the structure. Chief Miller answered that the City could look at obtaining those DOT placards.

Public Works Director Dole touched on his staffing changes; improvements at State and Main parking lot and Demeter Drive curb and gutter; collaboration with Freeport Township in providing workers at City cemetery and downtown; and breakdown of 16 services provided by public works. The sidewalk program has been very popular and he would like to keep that going. Alderperson McClanathan asked about budget priorities for next fiscal year. Director Dole would like to continue to improve their fleet with a street sweeper, equipment, replacing trees as old ones are removed, and roadway patching.

City Engineer Gallagher highlighted three street programs (mill and overlay, crack sealing, and micro surfacing) and gave a breakdown of the three contracts associated with the Phase B water improvement project. He noted that this work was done without hiring consulting services but instead performed by himself and two summer interns saving the City between \$150,000 to \$250,000. The new Carnegie City Hall is 99.5 percent complete and the public is invited to an open house tomorrow. Alderperson Klemm questioned if the two summer interns would be returning. Engineer Gallagher responded that the plans for construction are much less this year, each intern program costs the City approximately \$4,000, but he may have one intern return.

Community Development Director Mills covered the blight reduction program with 13 abandoned properties demolished during Round 1 and three so far in ongoing Round 2; the Stephenson County Hazard Mitigation Plan; a summary of rental property activity; economic development efforts by assisting developers with Enterprise Zone Expansion and reestablishing occupancy in vacant commercial properties, supporting business expansion and site improvements, reviewing redevelopment agreements in TIF Districts, and USEPA Brownfield Initiative; and an activity breakdown was given of the following departments: Building, Zoning, Nuisance, and Transit. Alderperson McClanathan asked if the 492 inspections were just building inspections. Director Mills answered that the Building Inspector keeps a daily log and the 492 calls were all his. Alderperson McClanathan followed up by asking if the department has the necessary tools to continue the bulk of this work including building demolitions. Director Mills would like to see in the next budget not only more inspection supplies but recordkeeping forms to cut down on time requirements. The forward movement of building demolitions also has the benefit of reducing the number of building inspections and the cost of boarding up abandoned buildings. Alderperson McClanathan also addressed the next budget by asking if it were increased by, for example, 50 percent, does the Community Development Department have the tools and human resources to take on a heavier demolition load. Director Mills answered in the affirmative adding that there are buildings for which the City has consent to tear down, buildings for which consent can still be requested, properties that would benefit by being put on the fast track, and tax sale properties that can be taken out of circulation. In summary, the "sky's the limit" and any budget increase would be used for demolitions. Alderperson Chesney assured the Mayor that the Council is committed to continuing the

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demolition program which the Mayor has been so committed to. He further asked Director Mills for a demolition plan (specifically inspecting the 300 to 400 houses that do not have new water meters and identifying 100 to 150 of those that can be demolished) and how the demolition program can be accelerated. Alderperson Koester requested the status of online permits. Director Mills informed the Committee that a PayPal link is currently being added that a customer can utilize and he previewed training videos for staff and users. The user can also file complaints and attach pictures online, anonymously if preferred. The Building Commission is also involved with online upgrades so that contractors may request permits. That project should be ready to roll out in about 1-1/2 months. Alderperson Koester asked if any ordinances would need to be changed to reflect online upgrades. Referencing the City Centre recommendations, Director Mills stated there were items that were clerical in nature and would not have a big impact on operations. The National Fire Protection Association (NFPA) may have changes coming soon, so Director Mills suggests not moving forward on any related local changes until NFPA codes are updated. Alderperson Klemm, having a seat on the Building Commission, added that progress has been made moving forward, for example, once the hotel was protested, the Commission expedited its condemnation. Further, the Commissioners are in agreement that the PayPal and online permitting features will streamline the permitting process from requesting a permit, payment, and enforcing that permits are, in fact, issued for construction projects. Regarding reducing fees for non-profits and exempting certain building types from fees, Alderperson Chesney asked of Mayor Gitz, if a proposed amendment was forthcoming. Mayor Gitz replied that he is working on it for March's meeting. Alderperson Koester followed up to Alderperson Klemm's comments by stating that he feels this new system will make it easier for contractors to obtain permits and enforcement will be improved. Alderperson Klemm responded that one remaining issue is individuals who do side jobs without identification on their trucks and do not obtain permits which will continue to make more work for the Building Inspector.

City Clerk Zuravel noted that there are two people in the Clerk's office and the Deputy City Clerk who was hired in late 2015 is very efficient. Highlights included a breakdown of the number of agendas, meetings, board packets and minutes, ordinances and resolutions maintained, and Freedom of Information Act (FOIA) requests. The number of licenses and permits were covered as well as candidate petition filings and serving as a member of the Electoral Board. Other responsibilities included training Mayor's Administrative Assistant and programming City's website. A separate Tobacco License Application was created and she suggests the fee be increased for new licenses from \$150 to \$1,000. Alderperson Chesney asked for insight into raising the Tobacco License fee. Clerk Zuravel responded that the purpose of the initial fee at the application's inception a couple of years ago was to establish a reasonable cost and ensure everyone registered. Currently, there is more turnover in tobacco licenses than any other type of license. Also, she feels the City should examine if a maximum number of tobacco vendors is being reached. As with liquor licenses, when the fee was increased, the number of new applicants decreased. Alderperson Chesney asked for clarification that this is an annual fee and asked for the number of yearly licenses issued. Clerk Zuravel answered, yes, annually, and there are currently 38 licenses. Alderperson Klemm wanted to point out the high number of campaign petitions that were contested before the Electoral Board and inform constituents of the cost this incurs the City. In addition, the time consumed by the City Clerk, Mayor's Assistant, and Contract Attorney are costs the City will never recoup. Alderperson McClanathan asked if there were any additional budget items. Clerk Zuravel expects a typical budget, but mentioned technical costs and human resource hours involved with programming the website, which could be enhanced by a consultant. She further explained that many incoming phone calls could possibly be answered if the caller would instead use the website.

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Library Director Carole Dickerson reported that the library's meeting rooms are used for many groups throughout the community. The Library Foundation is working towards a \$1 million endowment fund. This year, the Foundation matched a \$10,000 personal donation for a total of \$20,000 to enable the library to maintain current open hours. Activities included three lecture series, including One Book/One Freeport, a summer reading program, and visits by Mrs. Lincoln and Mrs. Kennedy and Santa. The circulation of books, magazines, audio books and CD's, and technology users was summarized. Alderperson Chesney asked when library card holders' memberships might be deactivated. Director Dickerson explained that memberships are lifetime, but can be suspended after \$5.00 in fines are incurred. There is a vast online catalog available, and suspension of membership includes being blocked from this resource. Alderperson McClanathan thanked Director Dickerson for regular updates at Council meetings.

City Treasurer Linda Buss pointed out that her office is administrative in nature and, although repetitive, is an important part of being a custodian of \$70 million in funds, most of which is in police and fire pension funds. Maintenance of the pension funds includes preparation of 16 board meetings complete with agendas and board packets. She performs daily banking and balancing to meet cash flow needs; serves as check and balance to Finance Department; assists with audits, annual reports, and employee disability hearings; maintains TIF District, Revolving Loan Funds, and Motor Fuel Tax Fund; and processes all property tax installments. Alderperson McClanathan inquired as to any technology that may assist the Treasurer's office. Treasurer Buss answered that Director Bernadelle is looking into new software that will affect her work with the pension fund accounting as well as transfers of funds. Some records are still done manually because the State of Illinois pension audit, which is required to be done every three years, in actuality is done about every 10 years, so they are going back 10 to 12 years to look at reports. At this point, it is easier to keep the manual records. Over time, she would like to get those into an Excel spreadsheet.

The annual report for the Human Resources was presented by Treasurer Buss. She stated Human Resource Manager Debra Milliman provides service to all departments including recruitment and retention of union and non-union employees, healthcare and benefit coordination, employee assistance program coordination, employee relations and conflict resolution, complaint investigation, risk management coordination, and development of personnel policies and the Employee Handbook. Additionally, she serves on the Northern Illinois Health Plan Board. The HR statistics for 2016 were summarized.

W/S Director Glendenning highlighted the projects including rebuilding several electrical control units for better energy efficiency, Supervisory Control and Data Acquisition (SCADA) control and monitoring systems, replaced multiple filtration valves, completed rehabilitation of Well #2, installed a bio-solid conveyor system, replaced biological aeration filtration system, and installed an additional energy reduction Variable Frequency Drive (VFD) system. The department secured funding on Phase "B" water system improvements, principal and interest payments; new wastewater biological, aeration system; and new vacuum maintenance truck. Statistics were given which have not varied much over the past 10 years: 1+ billion gallons of total water production from wells and water treatment plant and 1.79 billion gallons of total wastewater treatment flow. Various types of service calls and number of utility locating services (JULIE) were summarized.

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REVIEW OF A PROPOSED NOTE FOR JJ ALAILY PER REDEVELOPMENT AGREEMENT AND RECOMMENDATION TO THE CITY COUNCIL FOR NEXT MEETING

Mayor Gitz gave a history of the shopping mall containing JoAnn Fabrics. In 2013, the City began discussing a Tax Increment Financing (TIF) District to assist with that renovation. In the meantime, JJ Alaily agreed to begin JoAnn's construction (Phase I) while the TIF was being created. The understanding of the development agreement was that an increment would be paid later when Phase II construction began on the outlots (formerly known as Pizza Hut, then Fiesta Cancun). Mr. Alaily has entered into a time-sensitive agreement with a dental facility and coffee vendor in that location. The development agreement does not need to be amended; however, a \$950,000 note needs to be executed stating that all of the increment that is created will be secured. At the request of the City Engineer at the time, the development agreement also contained a provision for completion of water improvements along Youngs Lane. The property has been separated into three different lots, with an expenditure of approximately \$53,000, and JJ Alaily would like a Certification of Completion and associated payment. It is asked of the Committee of the Whole to ratify the draft for presentation to Council of the note that implements the provisions of the development agreement for that increment. Mr. David Young concurred with the mayor's summary.

Aldersperson Chesney asked if the October 10, 2014, agreement had been approved by Council. Mayor Gitz confirmed that it was. Aldersperson Chesney then asked if all of the items of the agreement that had been approved by Council had been met. Mr. Young replied that the \$852,000 list of project improvements had been met. Aldersperson Chesney then asked for clarification on what specifically had not been met. Mayor Gitz responded that the creation of a TIF note was not approved but the provisions of the development agreement are still legal and need to be met. Mayor Gitz further commented that now a note is being created that covers all of the phases of the improvement, including the water and sewer improvement. Aldersperson Chesney asked if it was decided in 2014 that there would be no gutter along Youngs Lane. Mayor Gitz responded that the City Engineer decided which improvements were the most important and included the estimated costs in the agreement. Chairperson Miller asked if the Mayor would like this included on the next Council's agenda. He responded that it is time sensitive and would gladly provide any further information required to make a decision on approving this note. A developer has spent \$5 million of his personal funds to date and Mayor Gitz would like to cooperate so that the developer can complete this project and be willing to do further work with the City. This note includes Phase III which is the new businesses on the outlots and a connection to the adjoining grocery store. Aldersperson Koester moved that the proposal be recommended for approval by the Council, seconded by Aldersperson Klemm. Motion prevailed by voice vote without dissent.

PRESENTATION BY FIRE CHIEF MILLER ON REQUEST FOR APPROVAL OF COMPUTER DEVICES FOR FIRE DEPARTMENT VEHICLES AND REPAINTING OF AN ENGINE IN THE AMOUNT OF \$19,000 --- REQUEST FOR RECOMMENDATION TO THE CITY COUNCIL

Fire Chief Miller presented budget items that included \$80,000 for communication equipment: 50 percent earmarked for mobile data terminals and 50 percent to enhance portable radio communications and receivers. Some benefits include a higher degree of confidentiality and clarity as information will be displayed across a computer screen rather than transmitted across radios where scanners can pick it up. Highly confidential dispatch information, possible HIPAA-related victim information, and hazards in the

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vicinity will be dispatched immediately and confidentially. Pre-fire plan information, location of alarm panel and key box, and owner/contact information will be available on the computers at their fingertips. GIS mapping to access location of nearest hydrant and main size and (Automatic Vehicle Locator) AVL mapping to indicate call location will also be available. This equipment is included in the fire department's three-year plan in the communication phase. After completing research and comparing brands, Chief Miller is requesting a semi-rugged Panasonic Toughbook Model #CF-54, including extended warranty, portable modems, and mounting brackets in the amount \$40,078. Alderperson Klemm asked if this is in the digital arena where audio transmissions cannot be tracked anymore. Chief Miller responded that all communications between dispatch and the vehicles would be confidential and secure on these computers. Alderperson Klemm then inquired if the collaborative work with Community Development and doing inspections would be benefitted by this. Chief Miller replied that information obtained from pre-fire inspections and code compliance inspections will be available on the Toughbooks as well. Information such as after-hours contact information, diagrams, location of hazards at that occupancy, and inspection records will also be available. Alderperson Busker asked if Mutual Aide Box Alarm System (MABAS) cards would be updated. Chief Miller answered, "yes, they will." MABAS cards were updated last week for our division and they are being vetted by the area chiefs and perhaps published this month. Alderperson Busker further asked if this system will assist officers with reporting fire incidents instead of going back and researching this info. Chief Miller stated that the interface costs \$15,000 and he hopes to acquire that in the near future. He is currently working with the Grant Coordinator to obtain grants for tablets to go in the back of ambulances to capture electronic signatures and process ambulance billing. Paramedics will then be able to start reports in the ambulance and finish them in the hospital quickly. This technology operates on tablets which are more expensive than the computers he is proposing to purchase at this time. Alderperson McClanathan summarized that three bids were obtained and this is the lowest of the three. Also, the requested \$40,000+ includes modems, accessories, etc. Chief Miller confirmed his statements.

Fire Chief Miller also presented the second portion of his request for additional funds allocated in the three-year plan for refurbishing the 2007 Fire Pumper to extend its life expectancy. The paint is peeling due to dissimilar metals coming into contact with aluminum which creates a reaction similar to rust. He obtained quotes from a local vendor and an alternate vendor. There was one additional local vendor who acknowledged the job was too large for them to accommodate. The alternate vendor specializes in emergency vehicles using an extensive ECK system (which the new engine had done as well to avoid corrosion). It costs a few more dollars, but based on the type of treatment for this corrosion, he feels it is money wisely spent. Alderperson Koester asked how long the lifespan of the engine would be extended by painting it. Chief Miller stated that it is 10 years old. An engine typically provides 15 to 18 years frontline service and then a few years of reserve service after that. So, he hopes to get seven to nine years more. Chief Miller also added that the proposed auto body shop quoted a two-week turnaround time. The local vendor quoted at least four to six weeks. Alderperson Koester clarified that the engine is now frontline equipment and not backup. Chief Miller responded that it is now used as a frontline engine. Alderperson Koester confirmed what Chief Miller relayed about the vehicle not being heavy duty. Alderperson Koester was on the committee when it was acquired and, although not his recommendation, other committee members decided to not spend more money than they had to. Alderperson Koester gave his recommendation that the life of the engine be stretched seven to eight years, rather than replacing it at a cost of \$200,000 to \$300,000, and use the auto body shop which specializes in fire equipment and has experience with this application. Alderperson Klemm had the opportunity to view the vehicle in question and said it had the appearance of rust around fixtures, such

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as door handles. He also saw work done by the local vendor for the fire department and further gives his support to using the vendor which specializes in emergency equipment, especially considering the two-week turnaround time they offer.

Aldersperson Koester made a motion to move the decision to the regular council meeting with recommendation for approval to accept the bid as requested for the mobile data terminal, seconded by Aldersperson Busker. Motion prevailed by voice vote without dissent.

Aldersperson Koester made a motion to move the decision to the next council meeting with recommendation for approval of repainting of fire engine in the amount of \$19,179, seconded by Aldersperson Busker. Motion prevailed by voice vote without dissent.

UPDATE FROM DIRECTORS MILLS AND DOLE ON THE DEMOLITION OF THE FORMER BOYS & GIRLS CLUB - 633 E CROCKER STREET

Community Development Director Mills gave an update on the asbestos study conducted at the old Boys & Girls Club last Tuesday. Lab results were received Friday and he spoke with the contractor today. There is asbestos present on the pipe wrap in the building which will need to be removed prior to any demolition. The proposed abatement cost is \$8,950. Director Mills then referred to a memo distributed by Public Works Director Dole detailing in-house demolition options. The memo references \$9,900 because that includes cost of the inspection. The asbestos removal could be started as early as mid- to late next week.

Director Dole pointed out that it is a unique cement block structure, 60 feet by 120 feet by 14 feet tall to the eaves. It is a wide span building so there are essentially no interior walls except for a lookout over the basketball court in the back of the building and possibly a bathroom. It is constructed of all cement block with presumably filled or solid concrete which doubles the weight of each block. Director Dole believes they can collapse the building in-house by pulling a wall away and, hopefully, the roof collapses at that point. They will basically disassemble the building on the ground and sort the wood, roofing, metal trusses, and cement block from the side walls. Each type of debris goes to different locations. The plan was to initially use semi-trailers. However, Moring Disposal is concerned about the conveyor system in the bottom of the semi-trailers being damaged by heavy debris. So, the current plan is to use Moring's bulk waste containers to separate the various materials. Concrete will go to a recycling facility which will reduce the cost substantially to \$55 per load. The cost to dispose of (rather than recycle) approximately 170 ton of block would be closer to \$9,000. Steel trusses will be cut into pieces and salvaged at Groelings who will pay current scrap price, further offsetting demolition costs. Wood material will have a per ton disposal cost at Winnebago landfill. Director Dole estimates (with recycling bringing the cost down) \$23,000 to \$24,000 for the project. Including separating materials, his time estimate is at least two weeks. He noted a formal bid from an outside contractor of \$38,000. He believes it would be a good idea to obtain another quote.

Aldersperson Koester asked how the schedule would be affected if the Street Department took on this work. Director Dole responded that he would assign six people to do this project for a solid two weeks. He added that it is a great time of year with no snow. He will still have other crews continue to patch potholes and/or do tree removal. Aldersperson Koester then asked where the \$23,650 would be coming from. Director Dole responded it would come from the Demolition Fund.

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Aldersperson Ross asked if \$23,650 includes the parking lot and floor inside the building. Director Dole replied that it does not, but he offered that he can get those figures to Council. He assumes the tipping fees for the concrete floor at a recycling facility would keep costs low. Aldersperson Ross then referred to a picture of a plaque with the name of the husband and wife who donated the property. He would like to see this re-erected on the property once the final grading is completed. He feels it is a good idea, not only for the memories of everyone who has been through the building, but to recognize the family as well. Director Dole explained that he took the picture for that reason and added that it is not a plaque, but an actual concrete block. So he plans to cut it out and preserve it.

Aldersperson Klemm questioned the \$10,000 of asbestos removal. He would like to see another number if it can be easily obtained. He also asked if it was the same contractor who did the library. Community Development Director Mills responded that it is not, but Ironwood Environmental who we use for grant programs and residential demolitions that require abatement. He further explained that the estimate includes pipe insulation on the floor that is mixed in with debris on the ground. The quantity is approximately 300 linear feet plus adjacent debris and he believes that is why it is so high. That is quite a bit more footage than a house, for example.

Aldersperson Koester asked if removal of the floor and parking lot is included in the \$38,000 estimate from an outside contractor. Director Mills answered that the contractor was not able to go inside the building when they gave their estimate so he does not know if the contractor is aware of the concrete floor or not, but the parking lot is included. Aldersperson Koester asked if the contractor could be contacted to verify if the concrete flooring is included. If so, he suggests it may be cheaper to subcontract the work. Director Mills responded that he would double check with the contractor.

Aldersperson Chesney requested a tentative schedule on the demolition. He also agrees that we should obtain another bid for asbestos removal. Director Mills summarized that the asbestos contractor could begin February 22 to 24 and that would take a couple of days. Then, a ten-working-day notice of demolition to the Environmental Protection Agency (EPA) is required. Hopefully, we could get another estimate for asbestos abatement this week, but we would not know their availability. The earliest the Public Works crew could begin is March 15. With a two-week estimated completion date, the project would be finished by the end of March. Director Mills continued, comparatively, if the project goes out for bid, there would be a minimum seven-day timeframe; approval of City Council to low bidder (unless specified otherwise); and then the ten-working-day notice of demolition to the EPA (subject to contractor's availability in ten days). In either scenario, Director Mills believes it could be completed by the end of March.

Aldersperson Klemm first thanked Directors Dole and Mills for fulfilling the Council's original request for demolition information and associated costs. He further expressed his support for obtaining bids if it would be advantageous over doing it in-house -- even if the timeframe is extended beyond March. McClanathan indicated that Director Dole even suggested obtaining other estimates; however, he is also interested in Director Dole's updated figures.

Mayor Gitz cautioned that Director Dole's recommendation not be passed over lightly. He emphasized that it is a good time for the Public Works Department to be doing demolitions. He reminded Council that paying an outside contractor \$10,000 more than the Public Works estimate could be used to take

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down one or two more structures and would not be a savings in the long run to the demolition program. He agrees with obtaining another bid on asbestos, but suggests getting informal estimates on the demolition work versus a formal bid process. Alderperson McClanathan asked if bid estimates could be obtained for consideration at the next council meeting. Mayor Gitz believed that was possible.

Alderperson Ross asked for confirmation that the concrete floor and parking lot would be removed during this demolition. Director Dole responded that both would be removed. Alderperson Koester asked Director Dole to update to his calculations to reflect that. Director Dole agreed.

Alderperson McClanathan reiterated his motion that the following be considered at the next City Council meeting: updated costs of demolition from Director Dole, clarification of inclusion of removal of flooring by contractor, and any further bid estimates. Motion was seconded by Alderperson Busker. Motion prevailed by voice vote without dissent.

DISCUSSION OF FOOD TRAILERS AND THEIR REGULATION

Director Mills requested that Council review his memo and offer recommendations and that this matter be held over to the next City Council meeting. Chairperson Miller asked if other ordinances could be included at the same time. Director Mills responded affirmatively. Alderperson Klemm pointed out that the important issues include meeting Health Department requirements regarding cleanliness and food safety. Director Mills added that other complaints have been about noise levels. He also asked for input regarding the distance of the food trailer from existing restaurants. Mayor Gitz appreciated the idea to include model ordinances to decide the parameters when drafting our ordinance. He also cautioned that the ordinance create a level playing field and not help some while hurting others. He further asked that Council send comments to Director Mills or himself with concerns and issues. Then, research can be conducted to help fashion where Council wants to go with this.

PUBLIC COMMENTS – AGENDA OR NON-AGENDA ITEMS

Tom Teich wished the City of Freeport a “happy birthday” at its ribbon cutting and Open House tomorrow from 3:00 to 6:00 p.m.

ADJOURNMENT

Upon a motion duly made by Alderperson Chesney and seconded by Alderperson Koester, the Committee of the Whole meeting adjourned at 9:20 p.m.

s/ Dovie L. Anderson

Dovie L. Anderson
Deputy City Clerk