

\Village of Peoria Heights  
Board of Trustees Meeting  
June 18, 2019

The meeting was called to order at 6:01 p.m.

Everyone stood for a moment of silence and the Pledge to the Flag.

Upon calling roll, the following Trustees were present: Sherryl Carter, Diane Mariscal, Elizabeth Khazzam, Jeffrey Goett, Brandon Wisenburg, and Sarah DeVore. Others present included Mayor Michael Phelan, Administrator and Chief of Police Dustin Sutton, Clerk Stephanie Turner, and Village Counsel Mr. Mark Walton.

Trustee Goett made a motion to approve the minutes from the Board of Trustees Meeting held on May 21, 2019, and the motion was seconded by Trustee Mariscal. Attorney Walton explained that he had misheard one of the votes on May 21, and Ordinance 2019-1592: an Ordinance Amending Title 10, Chapter 7B and Chapter 7C of the Village Code of the Village of Peoria Heights for the Purpose of Modifying Certain Requirements for Residential Uses, which resulted in a vote of 3-2, did not get the number of votes necessary to pass as was stated in the draft of the minutes. Clerk Turner asked that the minutes be deferred until they could be corrected. Trustee Goett motioned to defer approval of the minutes, and Trustee DeVore seconded the motion. The Board of Trustees voted 6-0 to defer approval of the minutes.

Clerk Turner read the correspondence. Dr. James L McGee from OSF wrote to thank the Board of Trustees for the use of Tower Park and requested consideration for making National Cancer Survivors Day an annual event. Barbara Larson, from the Peoria Heights Community Band, wrote to thank the Board of Trustees for the Village's donation to the band and to extend an invitation to the summer concerts performed by the band.

Mayor Phelan invited the members of the Peoria Heights Art Committee forward to thank them for their work in organizing the Peoria Heights Fine Art Fair and present Theresa McDade and Barb Milaccio with a proclamation for their hard work in organizing the event.

Mayor Phelan requested committee reports from the trustees.

Trustee Khazzam announced St. Jude would begin building its 2020 St. Jude Dream Home in Peoria Heights over the summer, and St. Jude would be holding an event to announce the project on June 20<sup>th</sup> at 10:00 a.m. at 1324 E Samuel Ave.

Trustee DeVore announced an increase of vehicle burglaries. She encouraged residents to take their belongings inside and lock their vehicles. Chief Sutton explained one suspect had been arrested in connection with the burglaries but urged residents to exercise caution and secure their possessions. He continued on to request that residents contact the police department if they have any problems. Chief Sutton also provided an update on the crime statistics database that will be coming soon to the Village's website.

Chief Sutton explained to the Board of Trustees that, as a result of increased arrests and an incident that had occurred the previous year, he had contacted Mr. White about public safety concerns relating to Mr. White's annual 4<sup>th</sup> of July party particularly as related to blocking traffic on the streets. Chief Sutton commended the police department for their work balancing the spirit of the 4<sup>th</sup> of July and public safety concerns but stated since blocking traffic on the streets created public safety issues it would not be allowed. Chief Sutton said that he had contacted Mr. White, the organizer of the annual event, and that Mr. White

understood the situation. Trustee Goett suggested meeting with Mr. White to organize a solution for the following year. Unidentified residents in the audience from the neighborhood expressed support for the event. Chief Sutton noted that the police department and the residents in that neighborhood have a good relationship but the size of the event and others coming into the area had created safety concerns. Mayor Phelan agreed that he'd like to find a safe site for the event but expressed concern about organizing the event in such a short time frame. Mayor Phelan also noted that a private party was still allowed but the event couldn't move into the streets. Chief Sutton agreed to discuss the event for the future. Trustee DeVore requested that Chief Sutton set up a meeting with the residents.

Trustee Mariscal explained that the new cameras the Board of Trustees had previously approved would be installed later in the week. She also complimented the seasonal employees for their hard work installing the flowers and mulch in the park and downtown.

Trustee Wisenburg noted that the Fire Dept responded to 28 emergency medical calls since May 1. On June 8, the Fire Dept responded to a request for aid from the Brimfield Fire Dept. Fire Chief Walters approached the Board of Trustees to detail a different response for aid from the previous evening. The 7 volunteer firemen who took Peoria Heights ladder truck to respond were part of a 20 department team that helped fight the fire over the course of the evening. Fire Chief Walters noted that while 7 firemen left the district there were 6 on call in case there was a local emergency that required a response.

Trustee Carter invited Mr. David Marfell, Superintendent of Water, forward to speak. Mr. Marfell explained that earlier in the day Illinois American Water had issued a boil order on the boundaries of Peoria Heights which caused confusion for those in the area who are on Peoria Heights Water. He stressed that the Peoria Heights Waterworks had not issued a boil order. He recommended that residents call the Peoria Heights Waterworks office if they had any questions.

Trustee Goett had nothing to report.

Public comments were opened to the audience. Mr. Larry Kelch asked if there was information about an underground fight club at the schools. Chief Sutton stated he was unaware of such a thing, and there was a police officer staffing the schools as a School Resource Officer. Chief Sutton stated he would reach out to the school district and speak to them. Trustee Mariscal stated she had seen comments on the Neighborhood Watch site which alluded to such a thing. Chief Sutton agreed to look into the situation and report back to the Board of Trustees.

Mr. Anthony Kragel wanted to know how fireworks could be done in the future and wanted to reach an agreement to do an event. Mr. Kragel noted that the event was for families and not intended for people to act foolishly. He expressed the hope that the residents and the Board could reach an agreement to continue the fireworks for the community.

Mayor Phelan invited Mr. Cory Gorman, and Mr. Don Gorman, Supervisor of Richwoods Township, forward to speak about the STEM academy sponsored by Richwoods Township. Mr. Don Gorman explained the program, which is in its fourth year, was a week long STEM program for 5<sup>th</sup> - 8<sup>th</sup> grade students that focuses on science, technology, engineering, and math. He thanked the representatives from Pearl Technology, TriCounty Regional Planning Commission, Caterpillar, and Goodwill who had helped with the current academy. Mr. Don Gorman said the program is open to twenty-five students, and it reaches capacity early. He continued on to tell the Board that seven of the current attendees are from Peoria Heights Grade School. This year's academy focuses on programming for autonomous race car. The

vehicle is not yet publicly available, and Mr. Gorman was excited to explain that only developers and engineers had worked with the vehicles until local students began the program. There will be a public race of the vehicles at the end of the program at the Peoria Heights Grade School on June 21 at 9:00 a.m.

Hearing no further comments from the audience, Mayor Phelan asked if there was any old business to come before the Board of Trustees. Hearing none, Mayor Phelan moved onto new business.

Trustee Khazzam made a motion to approve Ordinance 2019-1594: Approving and Adopting Peoria Heights Business Development District No. 1 Commercial Exterior Beautification and Renovation Program. Trustee Goett seconded the motion. Trustee Khazzam turned the floor over to Mr. Kevin Shields, Chairman of the Business Development District Advisory Committee. Mr. Shields noted that the original grant façade program had expired at the end of the Village's previous fiscal year and highlighted the changes to the façade program for the current fiscal year which includes the addition of permanent landscaping. Trustee Carter questioned if the program would be reviewed annually, and Mr. Shields stated it would. The Board voted 6-0 to adopt Ordinance 2019-1594 approving the BDD façade grant program.

Trustee Khazzam made a motion to approve Ordinance 2019-1595: an Ordinance Approving and Authorizing the Execution of a TIF District Redevelopment Agreement By and Between the Village of Peoria Heights and GMG, Jr. Corporation (The Other Dawg Project). Trustee DeVore seconded that motion. Trustee Khazzam explained agreement was to allow the Other Dawg to recoup the costs of their move to their new location on War Memorial Drive. Mayor Phelan lauded the agreement as success story which would keep the business within Peoria Heights. Mr. Steve Kline, a consultant for the Village with the Economic Development Group, explained the development was designed to trigger reimbursement payments as tax revenues were earned. Mr. Kline noted that the agreement did not include any BDD funds as there was no BDD in the area at this point. Mr. Gary Schmidt came forward to speak on behalf of the owner of the Other Dawg as its legal counsel. He stated that the business was excited for a mutually beneficial arrangement that allowed the Other Dawg to relocate to a larger and more visible location. Mr. Schmidt explained the timeline of the move and the plans to include outdoor dining. Trustee Wisenburg asked if the "pay as you go" model protected taxpayer from liability if the business failed. Mr. Kline explained there were no general fund dollars to be paid as part of the agreement, and the payments were limited to new dollars. The agreement includes a provision that bankruptcy nullified the agreement. The Board voted 6-0 to approve Ordinance 2019-1595 authorizing a redevelopment agreement with GMG, Jr. Corporation.

Trustee Khazzam made a motion to approve the BDD Beautification Grant Application by Edge by Chef Dustin Allen pending resubmission. Trustee Goett seconded the motion. Mr. Shields explained the application was for a sign for the business's bar. The Board voted to approve the application by Edge pending its resubmission 6-0.

Trustee Khazzam made a motion to approve the BDD Beautification Grant Application by Heights Development Company pending resubmission, and Trustee Wisenburg seconded the motion. Trustee Khazzam explained the Heights Development had applied for a grant as part of its work to tear out a fountain and add a patio seating area. The Board voted to approve the application by Heights Development Company pending its resubmission 6-0.

Trustee Khazzam made a motion to approve a BDD expenditure for marketing Peoria Heights, and Trustee Goett seconded. Trustee Khazzam explained that the BDDAC and Mr. Mathisen requested \$30,000 in BDD funds toward the cost to produce a televised concert series. Mr. Mathisen approached the Board of Trustees to explain he had reached an agreement with

WTVP to air the concert series that had occurred at Pour Bros in Heritage Square. He explained the impact of the concert series and its potential in the future. Mr. Mathisen said the concert series was free to the public and that he had already raised \$30,000 of the \$60,000 cost to produce the televised concert series. He continued to discuss how the concert series was very Peoria Heights and community focused. Trustee Khazzam commended Mr. Mathisen for his work as a business owner and member of the community. She asked about revenue generation from the concert series and who benefited from any revenue raised. Mr. Mathisen noted that there was no revenue generated but he hoped to sell the series in the future and that the videos would be placed on YouTube for public consumption. Mr. Mathisen stated that use of the videos would be shared with the Village. Trustee Khazzam noted that the BDD had \$10,000 budgeted for marketing. Mr. Mathisen expressed his opinion that the requested cost was low for the impact of the concert series. Trustee Khazzam questioned where the future generated revenues would go. Attorney Walton commented that was a question of who owned the video copyrights. Mr. Mathisen said that LMV Productions owned the rights to the video because they did it on speculation. Trustee DeVore asked what the \$60,000 covered, and Mr. Mathisen explained the price covered the cost to produce the videos. Trustee DeVore asked if there was any written agreement regarding the copyrights for the videos and the idea for the series. Mr. Mathisen stated that there wasn't any agreement. Trustee Goett said he would like to see Mr. Mathisen obtain an agreement with LMV Productions. Trustee DeVore noted that with investors an agreement was necessary to protect everyone involved. Mr. Shields approached the Board of Trustees to state that there could be a license to use the videos or a purchase of the rights of the videos. Trustee Wisenburg expressed concern about the rights to the video and explained he felt it was necessary to know the costs to obtain the rights to the videos. Clerk Turner explained that the expenditure would require the Economic Development Group to write a redevelopment contract on behalf of the Village, and the issue would be brought back to the Board of Trustees for a vote at that time after a contract was written. Trustee DeVore made a motion to amend the motion on the floor. Trustee DeVore made the amendment to approve the BDD marketing expenditure on the condition that the Village of Peoria Heights obtained the copyrights and LMV Productions a limited license for use of the videos. Trustee Wisenburg seconded the motion. Upon roll call, the amendment to the motion passed 6-0. Trustee Khazzam made a motion to discuss amending the cost of the expense from \$30,000. There was no second. Trustee Wisenburg asked about the budget for the BDD. Clerk Turner explained that the BDD budget for the current fiscal year had a deficit because there had been a surplus the previous year from incompleting projects and unspent grant funds. The expenditures had been rolled into the expenditures of the current fiscal year. Clerk Turner noted that the expenditure was more than was budgeted and the increase to the deficit would not be covered by surplus funds from the previous year unless the BDDAC found savings elsewhere to offset the expense. Trustee DeVore asked if the BDD had spent its marketing budget the previous year and was told they did not. Trustee Mariscal stated that she thought the funds should be used for projects the businesses want. She stated that she understood it would create an unplanned deficit but as the funds were available they should be used. Trustee Khazzam offered an amendment reducing the expenditure from \$30,000 to \$15,000. There was no second. Upon roll, the Board of Trustees voted to approve the \$30,000 marketing expenditure from BDD funds on the condition that Mr. Mathisen obtain a contract with LMV Productions transferring copyrights for the video to the Village of Peoria Heights. The motion passed 5-1. Trustee Khazzam voted nay.

Trustee Goett made a motion to approve Resolution 2019-03: a Resolution Approving Village Staff Raises. Trustee DeVore seconded the motion. Trustee Goett explained that the resolution was to approve salary increases for the six nonunion Village employees. He continued on to say the Board had previously discussed cost of living raises for those employees and, subject to Board of Trustees' approval based on the Administrator's recommendation, a merit based bonus at the end of the fiscal year. Mayor Phelan noted the

resolution on the floor only included the cost of living increase. Chief Sutton stated the conversations had been ongoing since April, and the presented resolution had been amended to address questions from some of the trustees. The Village's consultant, Mr. Christian of HR Fit, approached the Board of Trustees and stated the proposed raises reflect the Village Administrator's recommendations for this year. Trustee Wisenburg stated that both increases were merit based. Mr. Christian replied that was a matter of terminology and explained the resolution reflected the traditional raise structure of the Village from the past. Mr. Christian noted that the Village was in a transition year from previous policies and fully implementing its future policies. Trustee Mariscal agreed that both inflation rates and union contracts would be reviewed for cost of living adjustment. Trustee Wisenburg stated that a total 5% increase was excessive. He referenced his own research with private major employers which cited 0-3% increases as standard. Trustee Wisenburg noted his concerns for setting such increases when the Village relies on sales tax, which might not increase at a similar rate, as the main source of revenue. Trustee Mariscal noted that the resolutions allowed for no increase if there was no money in the budget. Mr. Christian agreed that the policy didn't lock in the bonuses. Trustee Mariscal questioned if the pay would be a one time bonus or part of base salaries. Mr. Christian stated that the awards would be based on Board instruction. Trustee Goett stated that his understanding was it wouldn't be an increase in salary but rather a bonus based on Chief Sutton's recommendations. Trustee Goett commended Chief Sutton for being mindful of the budget. Trustee DeVore questioned awarding increases to union employees that outpaced the increases given nonunion employees in the same department. Mayor Phelan noted that governments typically gave similar amounts to their employees regardless of union status. He explained the raises would be a tool for the Village Administrator to incentivize employees, and the Village was a small organization that currently had fewer employees covering the same amount of work as a year ago. Mayor Phelan noted that the cost of the raises was very small and finished by congratulated the employees for their work in closing the budget deficit. Trustee Wisenburg noted that this the first year giving bonuses and, as such, it was unprecedented. Mayor Phelan replied it was not uncommon practice. Trustee Wisenburg asked if union employees would want the merit increases. Mayor Phelan reminded the Board of the length of the union contracts and stressed that all contracts would have to be negotiated in good faith. Chief Sutton noted that if there were no funds available then he wouldn't recommend the bonuses. The Board voted 5-1 to approve Resolution 2019-03. Trustee Wisenburg voted nay on the motion.

Trustee Goett made a motion to approve Resolution 2019-04: a Resolution Approving Village Compensation Policy, and Trustee Carter seconded. Trustee Goett explained the resolution was to establish a compensation policy which would allow the Board of Trustees to issue merit based bonuses at the end of the fiscal year. Chief Sutton explained it was a previously presented document with some changes. Chief Sutton stated that compensation changes are subject to Board of Trustee approval, and the resolution states that no employee should assume a cost of living adjustment or merit based increase. Resolution 2019-04 establishes a compensation philosophy for the Village of Peoria Heights and establishes a structure for accomplishing compensation increases without binding the Board to one policy. Trustee Mariscal questioned the language under pay actions that states promotions would receive a 5% increase in salary. Mr. Christian stated the language would ensure employees taking on more responsibility that they would have a minimum increase. Trustee Mariscal asked about pay ranges and expressed concern that the previous administration had decided to pay all employees the same rate regardless of qualifications. Mr. Christian stated the Village had a handful of positions and a broad policy was better for the number of employees the Village has. Without the turnover or the large number of employees, Mr. Christian believes pay ranges are not necessary. Trustee Mariscal expressed the opinion that she doesn't want new hires to get the same pay as employees with longevity. Mayor Phelan stated that conversation was ongoing and requested Trustee Mariscal work with Trustee Goett and Chief Sutton about

her concerns. The Board of Trustees voted 5-1 to pass Resolution 2019-04. Trustee Wisenburg voted nay.

Trustee Carter made a motion to approve the professional engineering services agreement with Hermann and Associates for the Samuel Avenue project, and Trustee Goett seconded. Trustee Carter invited Ms. Alicia Hermann of Hermann and Associates forward to speak. Attorney Walton noted that the site plan for the development had been approved which triggered the need for the Village to do some infrastructure work. Ms. Hermann stated that the professional services agreement would be for the work to design the alleys, curbs, sidewalks, storm sewer, and water main in the area. The work would be for the first block of Samuel. Ms. Hermann stated that there would need to be work on the elevations to help with drainage, and the Village engineers would look at parking for the proposed project. Mayor Phelan asked Ms. Katie Kim, the developer of the Samuel Avenue project, forward to issue an update. Ms. Kim stated that the financing is still being finalized, but, because the building permit had been submitted, that triggered the engineering portion of the contract. Ms. Kim noted that because there were still lots owned by other persons and as a result the street elevation wouldn't be changing a lot, but there would be transformative changes. Trustee Mariscal asked if Ms. Kim was still trying to purchase the remaining houses in the area and how many were unpurchased. Ms. Kim declined to answer. The motion to approve the professional services agreement with Hermann and Associates passed 6-0.

Trustee Khazzam made a motion to approve Chuck's Auto Sales Special Use quarterly review and renew the special permit for another quarter. Trustee Carter seconded. Chief Sutton stated that the property in question, 3920 N Boulevard, had been reviewed for compliance by the PHPD and was found to be in compliance. Trustee Mariscal asked for details on the "neat and orderly" criteria to remain in compliance, and Chief Sutton explained the history of the permit. He noted that while the property might not seem neatly and orderly because of the nature of the business its appearance had been greatly improved. The Board voted 6-0 to renew the special use permit for another quarter.

When Mayor Phelan asked for miscellaneous business, Trustee Mariscal asked Chief Sutton if there had been any more discussion on raising permitting fees. Chief Sutton stated that Administration was gathering fee structures from local communities, and he expected to have that information in a month. He noted the delay was because he planned to bring the fees to the Board all at once rather than individually.

Hearing no additional miscellaneous business to come before the Board of Trustees, Mayor Phelan moved on to accepting the Treasurer's report.

Clerk Turner read the Treasurer's report. As of the end of May, there was \$2,171,559.43 in Village controlled accounts, and there was \$899,919.16 in Water controlled accounts. Trustee Goett made a motion to accept the Treasurer's Report, and Trustee Khazzam seconded. Motion passed 6-0.

Trustee Goett made a motion to adjourn. Trustee DeVore seconded the motion. Motion passed 6-0. The meeting was adjourned at 8:20 p.m.

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Michael Phelan, Mayor

Stephanie Turner, Village Clerk

