

**Committee-of-the-Whole Minutes
February 20, 2018**

Mayor Prejna called the meeting to order at 7:30 pm.

COUNCIL IN ATTENDANCE: Aldermen Mike Cannon, Nick Budmats, Laura Majikes, Joe Gallo; Robert Banger, Jr., John D’Astice

COUNCIL ABSENT: Alderman Tim Veenbaas

STAFF IN ATTENDANCE: City Manager Barry Krumstok, Deputy City Clerk Ginny Cotugno, Assistant to the City Manager Lori Ciezak, Finance Director Melissa Gallagher, Fire Chief Terry Valentino, Fire Marshall Scott Mohr, Police Chief John Nowacki, Public Works Director Fred Vogt, Assistant Public Works Director Rob Horne, Business Advocate Martha Corner, and City Attorney Jim Macholl

1) Smart City Initiatives

Mayor Prejna: Mr. Krumstok, start off with the Smart City Initiatives?

Mr. Krumstok: Actually I’m going to defer that to Alderman Gallo who started on all this, and again as I mentioned at the City Council meeting, this would actually be beneficial for the City for putting the City of Rolling Meadows on really peoples radar and also it gives us the opportunity to really make it into what we want it to be, but as it states in the write-up the biggest thing is just setting up the Committee and we also do thank the representatives that are here today going to do the presentation too. With that I turn that over to Alderman Gallo.

Alderman Gallo: Thank you. I’m going to step up to the podium if you don’t mind. So first I want to say thank you for allowing me to bring the subject to the Council. Unfortunately the Department of Transportation member who was going to present, his wife was actually admitted to the hospital with the flu, so we scrambled today to try and find a replacement. He’s stationed down in Springfield so we looked for a colleague up in Chicago, but to no avail. The other good news is we still have the Autonomous Vehicle Association here, which we can speak about in terms of autonomy and one component to Smart City Initiatives. So what I’d like to do first is kind of break down, or define, what Smart City Initiatives are, what a Smart City is, and then give a little history as to why I would like to see this happen and then make a segue to Jerry who would then speak on behalf of the Autonomous Vehicle Association. How that illustrates within the broader picture of things. So the first thing is Smart City Initiatives are when City leaders, businesses, and residents work collaboratively to integrate technologies such as sensors, devices, and software throughout a community to create systems. These systems then coordinate the activities that allow us to better understand our output and usage of resources. It also helps us collect information and through these initiatives it promotes a City that welcomes businesses and new industries, which appeals to the philosophy of individuals and family members who want a decent quality of life, clean and sustainable environments, and a promising future. So a Smart City is then an urban area, like ours, that implements various types of electric data collection, sensors located throughout the City supplying information to manage assets and resources more efficiently. These sensors enable the City to analyze, monitor, and manage traffic transportation systems, our power plant nodes, libraries, schools, hospitals, public spaces, public safety, and any other area where cities provide services. Barry knows this best, but since August of 2017 I’ve been recommending that we establish a Technology Council, but not just any Tech Council, one that has the ability to grow into

the Northwest Suburban Tech Council and drive the initiatives to something beyond just our own communities and more toward Illinois Smart, which is a Smart City organization established to drive our State beyond the 21st Century because many of these technologies that we're implementing and deploying don't necessarily recognize boundaries or arbitrary City lines on a map and Rolling Meadows is, in essence, any City USA, but until we can get up to there I want to focus on a foundation of a Technology Council that consists of members who are backed with subject matter expertise and they're capable of discussing, digesting, and making meaningful, easy to understand recommendations for City Council, for staff, and for other departments such as the Planning & Zoning Board or Economic Development Committee, because let's face it, I couldn't understand everything that's out there in technology and we wouldn't expect any one individual to, but through this Committee we would be able to use them as the technical translator to bring it to a position where business decision makers can then see the value for their specific point of interest or focus. It's definitely a step in the right direction what we're doing where we applied certain technologies to optimize our City, but it doesn't make sense when we're only deploying individual technologies that are not interoperable with others that communicate and applications which affectively create smart systems or smart corridors. Also in the mobility sense, known as ITM's, Integrated Mobility Platforms, and at that point I'd like to talk about the mobility segment for the Autonomous Vehicle Association, Jerry if you'd come up? And I will leave you to introduce who you are and what you do and hopefully I won't butcher that on you.

Jerry Quandt, Illinois Autonomous Vehicle Association: Thank you Joe. And thank you very much, this Committee, for allowing me come speak this evening. My name is Jerry Quandt. I am the Executive Director of the Illinois Autonomous Vehicles Association. The Autonomous Vehicles Association was founded very, very recently. It was founded off the back of the notion that companies operating within the State of Illinois who are in the space of autonomous vehicles came together and realized they didn't know what they could do within the State of Illinois because the State hadn't really articulated what you can or can't do. We recognize that economically we're missing out on a huge opportunity as well, because we are a centrifugal force of technological resources in terms of human capital as well as companies and organizations who are operating in this space. And so the intent of the Association was to create a private side organization made up of the entire Eco System and we would complement and enable both the State government in their policy direction and making through expert opinion, expert witness, expert testimony, not necessarily lobbying, but more importantly we'd start to connect municipalities with those companies to create the opportunities for testing and driving the notion of systems. And let me talk just for a quick second on this concept of systems. We've heard a lot of news, I'm sure you've all read a lot of news, about cars that can drive themselves and they're very sexy and fun and exciting. And scary possibly because when you talk about an individual car just driving down the street autonomously it doesn't make sense in terms of a new mobility system. New mobility systems are ones in which an integrated mobility platforms are ones in which we can drive safety and efficiency through the entire mobility platform provided all the cars are connected to one another and connected to a system, right? So that's the intent. The Association and the State of Illinois is really trying to drive this notion of its not about putting cars on the road. It's about creating the backbone and infrastructure and the systems that are in place that enable that, so the core purpose of the Association is to establish thought leadership, identify and addressing both current and emerging issues related to the growth, and it is inevitable the growth and utilization of these throughout the entire transportation network. We're not just talking about the mobility of people. We're talking about the mobility of goods as well. And we think that goods and agriculture, especially downstate, is going to be very, very important. What are we going to do? Essentially provide a unifying voice throughout the State and back that up with qualified leaders in the industry to be the reference for government and non-government stakeholders and policy makers. Again, I'm going to reiterate we

will not be lobbying at all. That is not our intent. And then through our expertise we're going to provide thought leadership for the industry, government and most importantly the public. We have to bring the public along with this because at the end of the day they're the ones that really help define what gets done and what doesn't get done because they're going to create this as an issue, as a positive or negative issue, especially for policy makers. And ultimately we want to build Illinois as a national hub for all things AV. The way we're going to do that, most importantly, is through this idea of this focus on systems, right? Because for the most part you can build the backbones of the system without actually putting a car on the road, truthfully, and that's our intent. And that way what we can do is assure that we build these integrated system so that when cars are ready to go on the road without a wheel and without pedals, and without a driver behind the wheel, that we have a system and infrastructure that's built and ready to support that and see already in the State of Illinois, we're seeing four or five municipalities that want to take the lead and I can tell you right now I am pretty sure that those smaller municipalities are going to take the forefront and the lead on this vs. major cities like Chicago because of the amount of red tape, and more importantly the amount of challenges that the City of Chicago from a mobility of a standpoint create, exists in that environment. So we really are focused on smaller municipalities, suburban and downstate municipalities, that really want to own this sort of concept to bring them and help facilitate some of these bigger IFP's. Our value really is a cohesive industry ECO System made up of leaders. Our focus is to educate, to develop pilots, and drive adoption. I won't go through the details. I'll share this. This is obviously a document that will be shared with you guys so you can read it in a little bit more detail. Just to give you a little idea of what the ECO System is all about, it's not just about manufactures of cars like Rivian, like Ford, it's also about telemetric and Verizon and Sprint and Comcast and other telemetric companies that are going to be able to help facilitate and integrate the cross communication and vehicle to vehicle and vehicle to system and system to other system communications. It's going to entail and engage with logistics and infrastructure companies. It's going to engage with transportation networks. It's going to bring conveners to the table. We also engage with accelerators, labs, and universities, so Argon, University of Northwestern, University of Illinois, are all part of the sort of initiatives that we're trying to drive forward. It's engaging with the major insurance companies. We're very fortunate to have two major insurance companies sit within the State of Illinois. State Farm and Allstate. It is going to engage software and navigation companies. If I'm not mistaken you guys are already playing around with some of that stuff in the sense of House Alert and that software navigation companies. Here is another one that is located in the State of Illinois that is a big software navigation organization that is helping again 3D map all of our cities in real time. And then most importantly consumers and citizens, right? We want to make sure that we're engaged with consumer citizens groups that are interested and have the say. We're engaged with organizations from that respect of like the Active Transit Alliance of the Shared Mobility Use Association here in Illinois. So the ECO System is not just about vehicles on the road. It's really about the whole system and focusing on the whole system and so we as an Association are really focused on helping develop that, but what does that mean to you guys? And what does that mean for you guys? And how do you guys fit into this sort of revolution that's coming. And the challenge I sort of put out to municipalities when I start to engage with them, and I'm engaging with them both directly when we have a connection and through IDOT and with IDOT going out to a lot of the collaborative government organizations that sit in the regional government organizations. You really need to sit as a municipality and envision how this tech can involve your operations, first and foremost, because I think that's the one that hits your bottom line the most. And it's the easiest one to tackle because of the things that you directly control. So think about your operations and how could an autonomous vehicle perhaps enable and enhance the operations that you guys have. Reduce your costs, increase your safety. The second is define what needs you might have. Keep in mind when you have vehicles out on the road that are collecting data in real time, right, in a real place. It gives you a whole lot of information especially as a

municipality to do something about. So how, what needs might you have of this wealth of data that's captured from this new tech and what do you think you might want to do with that? And I challenge you to answer those questions because when we talk to companies and put companies together with municipalities, that tends to be the biggest gap that we see so far is municipalities have no idea what to do with the information and so one of the things the Association does is we've sat at the table with municipalities and with companies and helped bridge that gap and we'll continue to do that. And then last, and this is I think the most important of all these for a long term plan, is start to identify what mobility challenges your constituents face each and every day. Is it I can't get to work? Is it I can't get a job because the job's too far away and I can't afford a car to get a job to go too far away? My travel time to the City is too long so I'm not going to take public transportation because by the time I get to public transportation, get on public transportation, get in and out, I can't do it. I'm having troubles getting from here to a core shopping area. I'm having troubles getting from one business area to another business area. I'm having troubles and inefficiencies in moving goods throughout my town. Those are the sort of things that I would say as a segue and to leave you with are sort of the three main questions I would ask as you start down this path of what should we be doing? How should we be integrating this technology? How can we tackle this in a way that helps again drive efficiency, and most importantly safety? Where do we fit? I've sort of talked about it. We fit as the grease of the wheels between the private sector ECO System and municipalities and state agencies. Whether we're doing that in a connecting role or we're actually greasing the skids by talking and helping translate options into actions. So we'll do that and we'll also, we're here to celebrate all of the successes and help amplify some of the success that any municipality has. So last, I'll end with, what we're going to do is enable the continued transportation and mobility that autonomous vehicles are going to provide people, communities, government, and businesses in Illinois. If you have any questions I'm welcome to answer those now and if you need to contact me there's all of where you can contact us and follow us.

Mayor Prejna: First off are there any questions of this gentleman? Any clarification from anything that we've heard?

Mr. Quandt: Ok, thanks.

Mayor Prejna: Mr. Gallo?

Alderman Gallo: So what I wanted to illustrate there was just one of the pillars within Smart City Initiatives which is mobility and transportation. The Technology Council would focus on that area as well as some other core areas like infrastructure. Environmental or public safety and public spaces are other areas, but what happens with these systems that Jerry was talking about much like what we're doing with the pilot program in our first responders, when you have a device that alerts the population to exercise caution when an emergency vehicle is approaching, you are able to help control the flow and chaos that's on a street. Now when you take that system and you integrate it with a Smart Traffic Signal that also operates cellular and five lights down from where that emergency vehicle is, it's already being communicated with that emergency vehicle to either clear traffic or halt traffic and create whether you need more or less traffic depending on the situation, but these communications are already occurring in real time to make drivers safer, depending on clearing the right-of-way, or stopping vehicles from going through traffic intersections. So again the goal of this is not to focus on one specific instance for Smart City Initiatives, but understand that I think it's very important that we have a group of technologists that are capable of addressing these issues and helping the municipality understand how we can apply them to either reduce current costs within our economy here, or how we can go ahead and create revenues. I was explaining what we're doing with the House Alert System and how I'm working to get integrated traffic signals with

this organization called Venture Smarter and we should take note of them because just this afternoon when I had this conversation they would like to partner with the City or Rolling Meadows and provide us resources both intellectual property resources, resources in navigating with subject matter experts, and financial resources to implement for our City to use these revenues to make our City smarter and safer. So again my goal from this is to go ahead and request that in maybe a straw vote that I can go ahead and continue with creating this Technology Council. I would then go ahead and draft a Charter which is 90% complete. If I can get the approval to continue down this road then I would do that and identify some of the initiatives that we would concentrate on for 2018 and show how we bring financial value to the City and also be able to set the agenda for our neighboring suburbs as well. So, that's my request out of this.

Mayor Prejna: Any questions gentlemen? We have no one signed in so we can open up discussion here. Any questions for discussion? Mr. Cannon

Alderman Cannon: Thank you Mr. Mayor. I guess I would just ask one quick question and I don't need to have an answer right now, but I'm wondering, I'm assuming someone from staff is going to help lead this?

Mr. Krumstok: Staff would have a liaison to the group, whatever is eventually, and Alderman Gallo and I have talked about that so it will not be the City Manager.

Alderman Cannon: And I guess, would this be open to anybody in town or does it have to have specific...

Alderman Gallo: Absolutely, any members of the community are welcome to attend. There are certain prerequisites that I would like to see. Those who are interested maybe have a basic level of understanding of whatever technologies they'd like to be at the table for, but there are a group right now of about 15 residencies in Rolling Meadows that all focus in different areas like neuro-computing, which essentially, again not to go down this road, but what these neuro-optics do with photographs for example is if I were to go ahead and sell a house and I send the photos to a subcontractor to take pictures of the house to put up on a real estate place, what happens is these photos get fed into a neuro-network that can then tell me when the hot water tank that I just took a photo of within months will be going to pot and then I can go ahead if I'm an insurer is write the homeowners insurance policy accordingly. So if we have our cameras already in place, what happens is they monitor the infrastructure.

Mayor Prejna: Thank you. Mr. Cannon?

Alderman Cannon: Thank you.

Mayor Prejna: Anything else? Any other questions? Mr. D'Astice

Alderman D'Astice: What cost will the City incur by doing something like this? Because I read in here it says all these sensors and infrastructure, it seems like there could be significant dollars expended.

Alderman Gallo: The wonderful thing about Smart City Initiatives are when you show for example this pilot program right now that we're participating with the House Alert System, which is free of charge, I've actually garnered an opportunity to receive funding from outside organizations, both

private and federal, to promote and propagate the use of these technologies within the community so it's actually a revenue driver.

Alderman D'Astice: So there's no cost to the residents?

Alderman Gallo: At this time there is no cost to the residents, no.

Mayor Prejna: Further discussion? Go ahead Mr. Budmats

Alderman Budmats: If we get involved with this, this will be strictly let the technology grow or?

Alderman Gallo: We're actually behind quite a bit from a couple different perspectives, if we want to look at mobility in Illinois and autonomous vehicles of one area. Illinois has a legacy of being the transportation hub of the nation and we don't have any autonomy going on in this area and so what the State was going to illustrate this evening was that they are scrambling at a hurried pace to try to catch us up with other states in the action that are far beyond us and the technology in block chain, for example, for these centralized ledgers or smart contracts is already in fruition. I think we would be doing ourselves an injustice by not participating in this yet. The technology is readily available.

Mayor Prejna: Ms. Majikes

Alderman Majikes: So, as I'm reading this, so there are various types of sensors throughout the City.

Alderman Gallo: Yes

Alderman Majikes: How is it determined where they're put or how many is necessary?

Alderman Gallo: So, and the thing is I'm not a technologist in terms of the actual telemetry, for example, but I can tell you like for the House Alert System that we've deployed with the fire trucks, it is half the size of this water bottle, the device, and it's an IOT device which is Internet of Things, and so its cellular. These devices, what Smart City Initiatives do, or essentially start doing, is built on the existing technological infrastructure that's already available. We already have cameras around the community. If we were to implement the software, when those cameras are in a fixed position, if they're also focusing on a bridge, it's going to monitor the wear and tear on that bridge and send push notifications to, if it's a County owned bridge, to the County. If it's a City owned bridge, it's going to push notifications to us here. If a vehicle like the House Alert System, if an ambulance hits a pothole that data is going to jump back out and it can be pushed to Streets and Sanitation to Public Works and say there's a pothole at these GEO coordinates and then they have better response time and not that they would need it to have an excuse, but there's no excuse because the vehicle hit the pothole. We received a push notification and now there's no reason for somebody not to go out and repair that pothole, so it's a matter of using what's currently here and then going into private partnerships with other companies that have these devices.

Alderman Majikes: So we have no idea how you determine where they would be put or how many would be put out there.

Alderman Gallo: It depends on the initiative, like it depends on what you're doing. So not everything is actually a hardware issue either, so like I said, when it goes to government and finance

or smart contracts this is a use of block chain technology and I don't know if you're familiar with block chain technology, but that is just a software application and so that's completely intangible, but that has tremendous value for decentralizing and automating a process that could then free up personnel to do other things because of how the application works.

Alderman Majikes: One more question. So you said there is no cost to the residents at this time.

Alderman Gallo: Only because I don't know what initiatives we're addressing, but most of the time we can receive funding to pursue these and as a matter of fact from, the whole essence of a Smart City Initiative is to actually have it pay for itself through the value that it returns, and so I would make sure, and the council's goal is to pursue opportunities that are either in a P3 which is a public/private partnership and they would maybe foot the resource for the financial incurrences that we might have and they would receive secondary value based on the devices and information they are acquiring, right, so we would set it up in a way that it actually monetizing our community and we receive revenue from it.

Alderman Majikes: Thank you.

Mayor Prejna: Mrs. Majikes, anything else?

Alderman Majikes: No

Mayor Prejna: Thank you. Mr. Banger

Alderman Banger: Thank you. There's no cost just to form a committee and I'm all for that. And most of what you talked about is to me specifically I guess is nothing I'd know about so I would imagine that what comes out of the Committee would be translated into plain English for folks like me with associated costs and your intention would be to deliver that later on toward the end of this year with goals that you're looking to achieve in 2019 is that right?

Alderman Gallo: Yes

Alderman Banger: I'm fine with this. Thanks.

Mayor Prejna: Alderman D'Astice

Alderman D'Astice: And we're going to use staff as part of this?

Mr. Krumstok: Right now the idea is we'd have one staff liaison to this group.

Alderman D'Astice: And what does that mean?

Mr. Krumstok: It would be when this Committee is actually formed, when they actually have meetings, that liaison would be participating and reporting back.

Alderman D'Astice: Just at that. Because I know staff is pretty taxed right now and now we're going to have somebody do more and the residents have to pay for that so I'm concerned that by having somebody do that, that something else could fall in a crack somewhere else.

Mr. Krumstok: The liaison would not be doing that kind of work. It's just to be there as a staff rep and again not doing additional homework or additional work on that, so specifically and making sure it's much focused what they're actually doing at those meetings.

Alderman D'Astice: So only attending meetings.

Mayor Prejna: Mr. Gallo, your response?

Alderman Gallo: So the intent of having a Committee is to allow the subject matter expert of that Committee to focus on the initiative and staff is primarily there to sit in as it being a City-sponsored Committee. However, like Barry had mentioned before, we had a conversation at length about this and we do not want to see the City potentially become a bottleneck for progress in this case, nor do we want to tax staff with any additional undue burden so staff's role is to just attend the event, similar to any other committee, Economic Development, you name it.

Mayor Prejna: Thank you. Any other thoughts? So tonight you were asking for a straw vote so that they can draft a Committee Charter to officially organize this group? All in favor please raise your hand. One, two, three, four, five and 1 opposed.

Alderman D'Astice: No, I just didn't vote. I'm neither for nor against.

Mayor Prejna: Okay, thank you. Mr. Krumstok that moves us on to Video Gaming.

Chief Valentino and Scott Mohr left the meeting at 8:00pm.

2) Video Gaming

Mr. Krumstok: Thank you very much and I do know that there are some folks who've signed in to speak on this, but as the City Council knows at the January Committee-of-the-Whole meeting we actually had this and then we postponed this for the Chamber to do a letter and talk about this and that's actually in your packet. Chamber of Commerce's letter does support this as an economic stimulus and economic development tool. We've also had the conversation with Economic Development Committee and this is not the first time that we've had this conversation before the City Council and the Economic Development Committee again supported this revenue source at their February 6th meeting but they did remind people that they do look at it as a limited and restricted basis. For staff wise we are bringing it again because we've heard from the business community again about this, but we've also started to hear from other municipalities for rolling video gaming out, but also as part of the 2018 budget process we told all of you that we would be looking at revenue sources and additional revenue overall. So before you is really another discussion about Video Gaming. We do look at it. We have contacted our neighbors. We've done a lot of research on this. The majority of that research is very positive. And again it does help businesses. They've done some renovations. They've done some remodeling. They've actually been able to be used by owners of shopping malls to actually entice restaurants to come in. Again, you have to have the liquor license and all the other pieces. There is sharing to the municipality, but it also goes, some of that money goes back to the State of Illinois for certain purposes. Overall it's been positive. I can tell you that any negatives that I've heard have either been snatch and grab, which means that the safes were a little bit too close where something happened or it was potentially an inside job because they knew when it was cleaned out or anything else like that. But it's so rare that you even hear any negatives about this. It's really been positive feedback that we've

heard from our neighbors, obviously Hoffman Estates and Elk Grove Village, and the Village of Wheeling, just to name a few of them that we've actually had conversations with. There are a lot of controls that the State of Illinois has actually put in for video gaming. Their police are out all the time looking and monitoring some of this, but there are some restrictions that need to be followed. We are a home rule community so we can actually incorporate more and again staff has really just two specific questions for the council to discuss. If there are some other items that you would like us to research on this topic we'll be more than happy to. We believe that the research has shown this is positive. This is a good use. It is used for stimulus and it does help businesses and owners of shopping areas in the local area. And then if there is support to move on, then we would have the City Attorney draft an ordinance, but to move on with this process. So those are really the two questions that we have for the City Council and then as I said before we do know there are individuals who would like to talk about this subject. We do hear from businesses every so often. We only know of a few places that would actually be able to participate in this. If it's an item that you want additional information we can get that. But again the support letter from the Chamber is in your packet. It's the same support letter that the Economic Development Committee saw.

Mayor Prejna: Thank you Mr. Krumstok. Does anyone have any clarifying questions only at this time from council? Ok, seeing none, the first person on the sign in sheet is Mr. Chris Hesch.

Chris Hesch: First of all I'd like to thank the Board for their time. I'm Chris Hesch, an owner of AH Management Group and gaming. Our company has been located in Rolling Meadows since 1972. We're a family owned business that is a licensed operator that owns video gaming machines which we put machines in licensed establishments and service these machines. Video gaming has been legal for over 5 years in Illinois. There are over 975 communities, over 6,450 locations, and over 28,000 machines operating in establishments in Illinois. There have been minimal issues. Minimal problems in the communities that allow the machines. The Gaming Board does intensive background checks on anyone wishing to obtain a license. They are much more thorough than the State municipal background license checks. The Illinois Gaming Board officers are very prudent with their compliance checks. The agents are constantly out doing age stings, illegal gambling stings, and overall compliance of license gaming ownership. The municipalities can create their own ordinance to regulate the machines. You can do your own compliance checks. I believe the main attraction for Rolling Meadows to allow video gaming is to be business friendly. I guarantee there are people that love to bring a restaurant to Rolling Meadows, but if there is video gaming in a community nearby and Rolling Meadows does not allow it, well that business would have to really think about where to operate and open their restaurant. So to conclude, video gaming has been going for over 5 years and over 975 communities with very few issues. The State has very strict rules which municipalities can operate under or the municipality can adopt their own ordinances. Legalized video gaming will bring new business to town. The tough decision is a morality of having video gaming in your community. Many, many communities have already made the decision to allow video gaming. Each community can reverse their decision, but none have. A lot of people see this as nothing more than adult entertainment. The same as going to the horse track or an off track betting place or playing the lottery, but with much better odds than the lottery. So once again I thank you for taking the time to listen to my comments.

Mayor Prejna: Thank you for coming forward tonight. The next person on the sign-in sheet is Linda Ballantine.

Linda Ballantine: Good evening City Council and thank you for the opportunity to come before you today. I know you have received a memorandum from us. What I want to make sure is that you got a recent one. The original memorandum that went out to the City Council was dated on January

29th and the second bullet there was not stated correctly. As a result I had a new one drawn up on February 6th which is the one you should be reviewing that came from the Chamber. So basically I just want to again to emphasize that when the Chamber was asked to look into this by some of our Chamber members, we did an awful lot of research. I did receive 30 something pages from the Illinois Gaming Board along with additional papers from the State of Illinois about all the guidelines and regulations. I did try to condense it into seven pages before I gave it to our Board of Directors for review prior to a Board meeting and then I tried to condense it into a bullet form that you would have received. I understand there could still be some additional questions or concerns in regard to the memorandum that the Chamber sent acknowledging that we are supporting the Video Gaming, but under very strict guidelines that would pertain to economic stimulus and economic development within the community, but to go one step further we did state that if the Video Gaming is supported by the Chamber Board of Directors that a portion of the revenue that is received by the business that obtains a gaming license that a portion of that revenue had to go back to be used in one of three areas. Either they expand their business physically with an expansion. If they don't expand it they have to renovate it inside including whether its new tables, chairs, carpeting, new kitchen equipment, bathroom updates, that all of that is considered in that. The third parameter was that if they did not expand and if they did not renovate, that they had to add additional employment of employees. So those are the three areas of which we confirmed with those businesses that were interested and mentioned it to us, that those were our guidelines and they were totally accepted by them that they felt that was something they would have done regardless. So I just wanted to make sure you were aware that we did not take this lightly. We put a lot of time and effort into reviewing all of this and looking at all the State qualifiers and the State rules and regulations and then also we had experts come in to talk and speak on it so that they could answer any questions that our Board might still have before we decided to support it. At this time what I'd like to do is I was made aware that there were still a couple of possible questions or concerns in regard to the Video Gaming and if I could just answer a few of those hopefully it will help move things along. One of the things that came up was of a concern, rightfully so, that if someone appears to be intoxicated or is intoxicated is there a way to keep them from gambling and yes there is. It is one of the rules and regulations that says that license video gaming location is to prevent access to or play of the video gaming terminals by persons who are visibly intoxicated so they do address that. Another question that came up is about the qualifiers on video gaming terminals and whether cash is dispensed or not or people are playing with cash and basically the Video Gaming terminal does not include a machine that directly dispenses coins, cash, or tokens. Another question that came up was do the machines pay out coins or cash when you win. They only dispense receipt tickets that can be later redeemed for cash that is payable by the establishment that has the video games. Another thing that came to us is there a limit on how much you can win? Yes there is a limit. Basically it's capped at \$2.00 as the maximum that you can bet per hand and that for any single hand you cannot win more than \$500.00. It's capped at \$500.00. The other questions that came up, I just want to make sure I address everything real quickly, can a municipality have a local license fee and is there a maximum a fee can be and basically because you are home rule, as a home rule municipality, you do not have a fee amount that's limited to you. However, the fee must have a rational relationship to the cost incurred by the City. Another question that came up that we're trying to answer is can municipalities limit the number of video gaming licenses establishments, again because you are home rule yes you can. That the City has the ability to regulate the number of video gaming establishments so you can put parameters on that as well. One other thing that came up that was a concern, and again rightfully so, was the question of where is some of the money going to and is there anything that is allotted in the area for compulsive gambling and yes there is. There is a section within the Illinois Video Gaming Act that specifies that 25% of the fees collected from the Act shall be paid to the Department of Human Services for administration of programs for the treatment of compulsive gambling. This includes the 25% if you're asking where

this comes from, this includes all non-refundable application fees and it includes all renewals for all license as well as the annual video gaming terminal fees, which means you have to get relicensed every single year, so you first apply and that money is non-refundable and there's 25% of that and each year going forward when you get a license renewal then 25% of that also goes into that Fund.

Mayor Prejna: Ms. Ballantine, you're approaching the 5 minutes.

Ms. Ballantine: That's fine. So I think I've answered hopefully any of the additional questions that were brought before us. Thank you.

Mayor Prejna: Thank you for coming forward. Mr. Glenn Adams

Glenn Adams: Good evening, I'm Glenn Adams and I serve this community on the Economic Development Committee and regretfully due to a work commitment I wasn't able to make it to the February 6th meeting. However, one of the things that I want to do here is come here tonight and let you know that I do support this video gaming initiative. One of the things that we've seen in our own community and you see it with a lot of communities around us there's an awful lot of vacant storefronts, vacant restaurants, and we've had a lot of discussion. As a matter of fact when it comes to restaurants we've spent the past 4 or 5 months having discussions about putting together some kind of an incentive program to try and entice restaurants to come into the City and having the video gaming as a potential option over here for these establishments it's something that we could utilize as an enticement to make it easier to bring these businesses into our community. So I strongly support this and one of the things that we just heard from our first speaker over here not only would it benefit the restaurants, but it benefits a business that's already here in the City. So strongly encourage the City Council to move forward and allow for video gaming. Thank you.

Mayor Prejna: Thank you for coming forward Mr. Adams. The final speaker tonight is Mr. Bill Apostolov. Thank you for coming forward.

Bill Apostolov: Thank you to the Board for hearing me out today. My name is Bill Apostolov and I'm the property manager for the Squire Court Shopping Center on Euclid and Plum Grove and we're all for allowing business like gaming in Rolling Meadows. It's been tough leasing up vacant space. I know I've been managing our center for over 5 years now and we've also spent, last summer we spent a good amount of money redoing our entire façade in the hopes of enticing new businesses to come in, a new roof, new stucco, and unfortunately that happened in July. We haven't gotten any new tenants and we have gotten calls from potential tenants looking to open this kind of business and we've had to unfortunately tell them it's not allowed yet. So despite our best efforts we've had a little bit of a rough time leasing up some vacant space so we're all for it. We also own a steak house in Burbank, Illinois which does allow gaming. So we are familiar how it affects an existing business and I can tell you in the 4 years that we've had gaming in our business there, there have been no issues and in fact its driven up business and to speak to Linda's point, we did actually re-carpet and get tables and chairs in our restaurant from additional revenue received and that wasn't even required by the Village, so it's a good opportunity, I think, all around and personally I think if somebody is going to a gaming establishment that lives in Rolling Meadows, you might as well have that revenue stay within the City. Thank you very much.

Mayor Prejna: Thank you for coming forward tonight. Are there any questions for discussion? Mr. Cannon

Alderman Cannon: Thank you Mr. Mayor. I think for people who have been watching us and this council for a number of years know where I stand on this issue. I've been for this for a long time. Not only do we have one of the largest purveyors of this equipment as a solid business member of our community already, I look at this as an opportunity to fill many vacancies like our last speaker spoke. Squire's Court is in my Ward so I'd like to see it out there because I'm a little selfish, but on a bigger picture I really think this is good for the City. The financial aspect of our City, the people that represent us tell us on a regular basis because of the things the State of Illinois is doing to us, any way we can increase revenue without taxing our residents would be a good thing. I just really feel like this is an opportunity for us to try to get some more revenue. Many people in our town already use these types of outlets, but they don't do it here, so I'd like to see it stay here. No one is forced to come and spend their money here so it's obviously an opportunity for people to spend money on entertainment as they see fit. And again we would probably build four or five locations fairly easily I think, if we look at what other cities have done. Elk Grove Village is an example. If you go down Meacham Road they have three facilities within two blocks in one area and they all must be doing well because they still stay open. So, again, I'm all for it. I think the thing I would ask Mr. Mayor, like we did with the Dominick's site, I really would like to hear what everybody has to say, including yourself. Just hear what our positions are on it. Because I think it's important that the people in the City know where we all stand on issues that are important for the whole City.

Mayor Prejna: Well, just so what we clarify that after the Dominick's issue. No one here has to say a word. They can just simply vote.

Alderman Cannon: I understand that.

Mayor Prejna: And you could make that request but no one needs to go forward. They can simply vote. They don't need to....

Alderman Cannon: I understand. I just think it's important that they speak their piece so people know where we stand on issues because people when they run for office make statements and I think at least this way people know where you stand when you run for office. That's all. Thank you.

Mayor Prejna: I hear what you're saying but we're going to keep the politics out of it and running for office out of it. This Committee-of-the-Whole as you come forward, and if you wish to vote yes or not, you do not have to give your reasons why and continuing to bring that up is not what the City Council was about. So, any other questions? Ms. Majikes

Alderman Majikes: First, thank you Mayor because I don't like to be put on the spot. Second, when this was up before I was against it, but times have changed. I've changed and I'm fine with it. I just have a question about, some areas that I have driven by that have this that I'm guessing we could somehow put in the ordinance for it or whatever, you'll see a huge banner that just says Video Gaming. It looks very tacky. Can we tone that down? Can we have a little bit of control over that? Obviously I want it to be advertised and the businesses to be allowed to let people know it's there and stuff, but literally I've driven by some areas down Barrington Road and seen this big banner that just says Video Gaming and it's like, okay, that kind of looks a little....

Mr. Krumstok: There's actually two parts of that. Obviously we do have a sign ordinance that would be administered so that's one tool and then actually as we draft the ordinance, meaning the City Attorney, drafts the ordinance he can also tweak that section that actually talks about verbiage for video gaming signage, but again we do have sign ordinances that we actually have our inspectors look at too.

Alderman Majikes: I just wanted to make sure. Thank you.

Mayor Prejna: Thank you Ms. Majikes. Mr. Banger

Alderman Banger: Thank you. As Alderman Cannon mentioned, there are a few of us that have been pretty solid on this so I'll be cancelling out his plus vote, however, if this does go forward I agree with Alderman Majikes. There are some joints out there that just look awful because they have banners and the flappy guys. Also, I'm always for the most part opposed to passing things with strings attached, so if we do want to do video gambling, my preference would be don't pass something and have strings attached so that they have to do, so businesses have to spend money on something that they might not want to or that they may be tying up resources that they need to spend on other businesses for places that have multiple locations. So, just some words of advice if this does go forward. Thank you.

Mayor Prejna: Thank you Mr. Banger. Any other comments? Mr. Budmats

Alderman Budmats: I don't know if this is an appropriate question, but would it be possible to ask our Police Chief if he has an opinion about the effect on crime in our community as a result of this

Mr. Krumstok: He can actually tell you his Elk Grove experience too.

Mayor Prejna: Chief do you want to come up please?

Chief Nowacki: Good evening Council, thank you. I do have some experience working for a Village that did have video gaming. Like I said, several locations there and over the years that they had it I was aware of only one incident where we had an attempted break in to one of the machines, but no other like associated crime with the locations or anything like that.

Alderman Budmats: Thank you.

Chief Nowacki: Any other questions?

Mayor Prejna: Any other questions for the Chief why we have him up here? No, yes Mr. Macholl.

Mr. Macholl: Thank you. I would just like to add, I don't know how you could put forth an ordinance that would require a business to make improvements, hire additional employees, re-carpet, whatever you're going to do. You just can't do it, so if they want to do it voluntarily they can do it, but you can't put that in an ordinance as far as I'm concerned.

Mayor Prejna: Mr. Budmats

Alderman Budmats: We could ask that they have a minimum size in square footage for their facility so that we don't have a shoebox size business with five video gaming terminals in it where it's like 750 square feet.

Mr. Macholl: Well, the State requires a certain, the State requires first of all that it be segregated from the rest of the establishment and it requires a certain amount of square footage. But certainly the City is a home rule municipality but it's largely governed by the State. We don't have a tremendous amount of control so I just don't want you to think that that's the case.

Mayor Prejna: Thank you. Mr. Budmats, any further questions? Nothing? Mr. Gallo

Alderman Gallo: I just wanted to echo the sentiment of my Ward which is that although we don't have a lot of commercial space we do have a lot of residents who would be inclined to frequent some of these establishments and as well if we did have the opportunity in the community to increase our commercial property or use of that property I think it would make it more enticing for commerce to come that way so I would be in favor of it.

Mayor Prejna: Thank you Mr. Gallo. Mr. D'Astice

Alderman D'Astice: Thank you Mr. Mayor. I have been in favor of this for a long time. I'm very happy to hear that we've had I count two businesses, one who services and sells this equipment who would benefit from this. The gentleman as a property manager of Squire I think you've had several inquiries that you had to turn down so I think that's a positive thing. I think that the Rolling Meadows Chamber of Commerce Board of Directors supported this after a lengthy meeting and I would thank them for this and Mr. Adams is the Chairman of the Economic Development Committee. He didn't have to come out tonight, but obviously this is important to you as a representative of the Economic Development Committee, so I thank you for that. So to me this will bring additional revenue to the City. It's an economic development opportunity. It's a stimulus for us to get more business. This has been a win/win and I'm just sorry that's it's taken us this long to get this kind of support from the community so I will be voting in favor of this.

Mayor Prejna: Thank you Mr. D'Astice. Any other questions, comments? So to move forward we need to have, Mr. Macholl would draft an ordinance correct?

Mr. Krumstok: Yes, we just need the straw vote to move ahead for the ordinance.

Mayor Prejna: We need the straw vote. The question is, is there support to move ahead with the draft ordinance for video gambling? Raise your hand please. 4, opposed? We do have a majority.

Mr. Krumstok: Thank you.

Mayor Prejna: And for an ordinance to come forward do we have a possible time table? A month?

Mr. Krumstok: March

Mr. Macholl: Yeah, we probably should shoot for the second meeting in March.

Mayor Prejna: Okay

Mr. Macholl: If that's okay?

Mayor Prejna: Thank you Mr. Macholl. This brings us on to the Natural Gas Tax.

3) Natural Gas Tax

Mr. Krumstok: We do thank everybody that came out for the video gaming. They don't have to sit through the rest of the COW if they really don't want to.

Mayor Prejna: If you really want to be excited by the Natural Gas Tax you can stay if you want.

Mr. Krumstok: Obviously the next item is a continuation of the discussion that we had at the last COW meeting about Natural Gas. There were some other questions and some other comments that we actually have. We do thank you for having this presentation again and discussion. We do want to reiterate from the first discussion that we had and typically what we've estimated is between 40 and 60 dollars for a typical home for this. We also present a 2018 budget if we actually had it so you can see its about 33,000 dollar savings in some of the stuff that we actually have. But also we want to reiterate this is something that many municipalities have been using for their local roads. We do look at this as the difference between vehicle stickers and Natural Gas when you look at the estimates and actually talking to our vendors and also looking at our system, if you round up a little bit its roughly 3 cars per location so that would be \$90.00 so that would be below that. Not to put anybody on the spot, but we do know from a larger home about 7,000 square feet and this has two furnaces, one boiler, when you run that number, I'm rounding up again, it's about \$140.00, but when you look at the number of vehicle stickers this individual and home is actually paying for it was \$150.00, so you would actually have about a \$10.00 savings in this process. We do know that there will be some seniors that obviously with the senior discount that they've been receiving would be paying a little more, but we believe overall the majority of the residents will see the benefit of this and does allow additional money to be going into the Local Roads. It does put more of that burden obviously into the businesses, larger businesses that do use more natural gas, but we do feel again this is a good benefit. It would actually take vehicle sticker process away from Finance and all of the administration headaches that we have in the Police Department when we go out and we're ticketing and actually dealing with enforcement of the stickers. Obviously we've mentioned before if we did get approval from the council to move ahead with this, we hope that you would allow us to work on the ordinance. Bring it back quickly to the City Council and then get it to Nicor to actually start implementing it. It's going to take 4 to 6 months once we give the ordinance to Nicor to actually institute it so what we would actually say is any money that was actually collected in 2018 would go to the Local Roads Fund and actually when we prepare the 2019 budget we would have additional money so we could do additional roads and everything else. So we look at this overall Natural Gas is just, it goes hand in hand with the Electric Tax. We have the Electric Tax for a period of time. We do look at this as the elimination of vehicle stickers in 2019 with the full implementation for that full year of that Natural Gas Tax. It also is another way of hopefully increasing the amount of revenue that we have in Local Roads, but also it's a stable amount instead of always the fluctuations that we have and I will tell you on the administrative side if you've never been down in Finance or dealing with PD when we get all the individuals who are angry about vehicle stickers, who forget it, and then they get a ticket from it. It would actually allow staff to actually be a little more customer friendly when we have residents who are not exactly the happiest with this. Again, I turn this over, that's my intro, remarks. I turn this over to Finance Director Melissa Gallagher just to go over some of the other pieces they asked for. Thank you.

Ms. Gallagher: Thank you Mr. Krumstok. Really I'm going to add just a few items. Again, as discussed, the City is really looking into alternative ways and means to go ahead and see what we can do to enhance revenues and that's what this is about. In addition the City is facing challenges from the State of Illinois as we've heard from briefing from Northwest Municipal Conference. One

of the things we're trying to keep an eye on is diversifying revenues and also looking outward. By way of background as Mr. Krumstok mentioned we implemented through the City Council, the City implemented an Electric Utility Tax back in 2009. That generates about 1.3 million to the General Fund. Typically when municipalities implement that tax it's also coupled with a Natural Gas Tax. One of the things that we did when we were researching this, we went out to municipalities via survey, electronic survey, and most of what happens with a Natural Gas Tax is most do replace their vehicle sticker program with that and then they also enhance that with funding for roads and other capital projects. As mentioned in a previous council meeting on January 23rd, Alderman Budmats had mentioned as well, that many people that come into the City of Rolling Meadows do not pay a vehicle tax or vehicle sticker, wheel tax, and they are using the roads so this would be one way where we could fairly adjust that to all the users of the roads across the City. Again, how the Natural Gas Tax works, it is a penny per therm and as Mr. Krumstok mentioned typically if you're looking at, just to round numbers, at a 1300 square foot home, it's about \$38.00 and he did mention of course the business we calculate about \$140.00 per year if you take 7,000 square foot of space. Staff is, again, recommending looking at this globally in terms of 2018. It takes about 4 to 6 months. We've heard it can take 4, 3, it could take 8 months. We want to try to get this going as soon as possible because it does take some time. The overall goal is to achieve additional ways to make things more efficient here at the City and by replacing vehicle stickers with this, that is one way to do that and then it also creates a lot better customer service with our residents and businesses. I would like to add that by initiating in 2018, then we would be on board for 2019 and moving ahead for the road program that way and trying to generate additional funds. So that's all I have. If you have any questions?

Mayor Prejna: Any questions? Mr. Gallo

Alderman Gallo: Mr. Krumstok, can you please repeat what might happen for our senior population, or the aging population?

Mr. Krumstok: So the senior population, again they get a senior discount on one vehicle so instead of the \$30.00 that is typical, that's the \$15.00, so if they have one vehicle, and most of them still drive two, so instead of that \$45.00 that they're going to be paying, that's where, again, it goes back into if they only had one car, that \$15.00 might bring them above that amount, but if there's two cars there's the potential that they might be paying \$40.00 in the Natural Gas and they're paying \$45.00 on the overall vehicle stickers so then they still made off. It's just that one vehicle, one senior that would be potentially, but overall the majority of the residents again what the analysis shows is three vehicles so that \$90.00 is really for the majority of the residents.

Alderman Gallo: Okay. If we were to discover that it was maybe unduly putting undue pressure on our aging population or seniors, is there anything we could do going forward to rectify that just so if they weren't to be one to suffer? Is there anything?

Mr. Krumstok: There's nothing that we can do because when Nicor administers it, it's uniform and universal.

Alderman Gallo: Okay.

Mayor Prejna: Thank you Mr. Gallo. Other questions or discussion? Mr. D'Astice

Alderman D'Astice: Thank you. Current City stickers expire when? Is it the end of May?

Ms. Gallagher: No, June 30th

Alderman D'Astice: June 30th. So we are, you want to tell everybody in the City that you have to buy a sticker for a year and then 4 to 6 months later we're going to get charged, we're going to charge, you want to charge them a gas tax too, so they're paying twice. I have to tell you I'm opposed to that. I'm opposed to the fact that you say most seniors have two cars. Most that I know have one car and I think this is going to put a burden on them. I read that we may eliminate stickers or we might eliminate them, or we'll eliminate them in 2019. I didn't read anywhere where it says this is exclusively for the roads because that's what the sticker revenue goes to. So that has to be a part of this if you want, if I even want to consider voting for this. And finally, if we only put \$400,000 to Road Fund now from stickers, why are we upping this an extra \$100,000 to make it \$500,000? So there's a lot of questions here that, the first one is double taxation. Stickers for a year unless you're going to charge people only for 6 months and then start the gas tax 6 months later, but it's either one or the other. There's no way I'm going to approve double taxation on our residents, especially our seniors. That's ridiculous. I'm not going to go that way.

Mayor Prejna: Mr. D'Astice, who would you like to start off answering?

Alderman D'Astice: Whoever wants to.

Mayor Prejna: Mr. Krumstok or Melissa?

Mr. Krumstok: Well the first part is when you do look at the 2018 budget it does show \$500,000 in revenue from vehicle stickers and that's where the 500 or 5 per them is actually shown, 5 cents per them.

Alderman D'Astice: And your comments say \$400,000 less for roads.

Ms. Gallagher: So we also, if I can interject too, we do consider staff time and that's not in this. That's not in the Road Fund, but it is something that does factor into it and it's not a deduct here because it's not in the Road Fund, but I did want to mention that and as Mr. Krumstok mentioned, its \$500,000 because the vehicle stickers are \$500,000.

Alderman D'Astice: Right.

Ms. Gallagher: So truly when you factor all of the Police time, staff time, it's really around \$400,000 net to the City.

Alderman D'Astice: And I'm fine with that, but then my question is why are we charging the residents \$500,000? If we're only going to get \$400,000, then why not make it \$400,000?

Mr. Krumstok: Because we're making sure that the Local Roads is still at that \$500,000 amount that is at the budget now.

Alderman D'Astice: So are you saying that should we go ahead and propose an ordinance that all the money collected from this Natural Gas Tax will be used exclusively for the Road Fund and the ordinance is written that way.

Mr. Krumstok: That's how we worded it as we've talked today.

Alderman D'Astice: So that still leaves us with the double taxation.

Alderman Budmats: I'd like to address that. That's not exactly true. If it's going to take us 4 to 6 months for this to come into play, that means around June when nobody is heating their home is when the bills will really hit and there is no heating bills in June.

Alderman D'Astice: 4 to 6 months from now.

Alderman Budmats: From now is June, July and nobody heats their home in June and July. They heat their home in December, so next June and July when people would have been paying their vehicle taxes, they won't be paying anything, so there will be a bubble in December, in January of this coming year where people will be paying, and yes they have paid for vehicle stickers, but next June and July they won't be paying a huge Natural Gas Tax and they won't be paying for vehicle stickers.

Alderman D'Astice: But they're paying for it in November, December, January, February and March and the City stickers they just purchased in July.

Alderman Budmats: I agree with you and in July they pay nothing because they're heating next to nothing.

Alderman D'Astice: But I'm paying stickers for a year, but this gas tax is going to hit me four months from when we approve it.

Alderman Budmats: If we approved it today, it's really going to hit the citizens in December of next year, because.....

Alderman D'Astice: December of this year.

Alderman Budmats: December of 2018 is the first time we're ever going to really see any income from this because that's the first time there's going to be an appreciative therm use.

Alderman D'Astice: But May sticker is still good for December, January, February, March, April, May and June, seven more months.

Alderman Budmats: Right, and then we won't collect, next summer we won't collect the tax.

Alderman D'Astice: I understand, but I already paid it, so it's double taxation.

Mayor Prejna: Gentlemen, we can go in circles. Mr. D'Astice, if you object to this, then simply say you want vehicle stickers for 6 months and that resolves the problem, correct? Rather than go around and around....

Alderman D'Astice: Okay, I want vehicle stickers until December when the gas tax would hit.

Alderman Budmats: And do we halt the sales then in December, is that what you're saying?

Alderman D'Astice: The sales are all done now.

Alderman Budmats: Right, stop selling them in December?

Mayor Prejna: Hold on

Mr. Krumstok: We still have people come in for vehicle stickers January, February, and March, obviously, so we still have trickle down so the majority of them are purchased in that June period.

Mayor Prejna: So I guess the question would be for staff if we're going to do the transition, what is the transition if we're going to sell vehicle stickers for just 6 months vs. a year? Is there a challenge for staff to do that?

Mr. Krumstok: No, because staff is still transitioning and again 2018 we're out with getting the decals already, or the stickers already. We're already in process for that, so again our staff wise we're still saying its \$30.00, majority of them, for 2018 because the budget for 2018 is looking for that full amount that's proposed. So as far as we're concerned we're still saying sell the stickers. We would sell the stickers then whatever happened in, whenever that eventual amount comes from Natural Gas, that would go into Local Road and again in 2019 budget then we would have part of that budgeted.

Mayor Prejna: Okay. Further questions? Or have all your questions been answered Mr. D'Astice?

Alderman D'Astice: I have no further questions. I am opposed to this for all the reasons that were already stated.

Mayor Prejna: Thank you. Does anyone else have any further comment or questions? Mr. Banger

Alderman Banger: Thank you. Unlike gambling I've kind of changed my opinion on this. Mr. Budmats had articulated a lot of reasons why this, if you want to do mental gymnastics, this makes sense in terms of a user tax. Ms. Gallagher mentioned that also. There are a lot of people that are using our roads that aren't paying for stickers currently. I hate calling this revenue enhancement because it's just replacing a tax or a sticker with another tax or fee for therm usage, but it ends up taking money instead of out of this pocket, it takes it out of the other pocket so I'm actually in support of this. My very, very big picture wishes for staff would be transition this in as quickly as possible and then despite this talk about double taxation, if you are figuring that our senior discount stickers are \$15.00 and if you're calculating one car for a household, I'm sorry but \$15.00 is, I get it, that's a double tax, but its \$15.00 if you're calculating one car per household. So, I don't know if I would give staff direction to complicate matters by doing anything in terms of a rebate back for stickers being phased out early. Just stop stickers next year at the June date and make this happen in the 3, 5, or 8 months that it will take Nicor to put it in action. So, I'm totally in favor for this. Thank you.

Mayor Prejna: Thank you Mr. Banger. Any other questions? So is there support to move ahead with drafting an ordinance for a Natural Gas Tax? All in favor please raise your hand. 4 in favor. Opposed? 1 opposed, 1 no vote. So staff will move ahead with an ordinance for Natural Gas Tax. Mr. Krumstok that moves us on to the Sunset/Brookwood Sewers.

4) Sunset/Brookwood Sewers

Mr. Krumstok: Public Works Director Fred Vogt is coming up to the podium. If he sounds a little like Mickey Mouse, he is losing his voice and its coming back slowly, so give him a little benefit of the change of voice. He was whispering last week. But again we are back before the City Council with all the other pieces to bring back the Sunset Drive/Brookfield Lane area for direction from the City Council after additional work has been done.

Mr. Vogt: Thank you Barry. Bear with me, I'll make this brief. My voice will change over the course of the next five minutes. But anyway, as Alderman Cannon knows, last spring we met with a number of homeowners in the area. The majority of them were in favor of getting more information and specifically to include, not just public improvements, but also to look at the private laterals and even the abandonment cost for septic systems. It's taken us awhile to work with an engineer to get that information. We've done a lot of field recognizance. We've talked with a number of residents and wanted to allow council to know that we've got this information which is on page 3 in your report, the spreadsheet that pretty much identifies the public costs of up to \$800,000. The private improvement costs, which depending on where the septic system is, could be anywhere from \$15,000 to \$25,000 per lot. If we add all of that together in terms of a project cost, and in the spirit of past Special Service Areas where the City has paid half of the cost, we came up with a cost per lot of about \$1700.00 to \$2100.00 a year if put in for a 20-year period as a Special Service Area. If council is comfortable with the concept of considering doing private improvements with public improvements, staff would then work with our engineer and set up another public meeting, distribute information, and be available to answer questions specific to the costs, methods of construction in a Special Service Area. That can take several months. I'm not here to explain the Special Service Area now, but it would take a majority of the homeowners to support it in order to have it established. Staff believes that if a majority of homeowners support it, it would take away those past questions of how can we make people connect because if they're going to be for it over a period of years, why would they not want to connect to the sanitary sewer system? So that's our presentation at this point. If you've got questions I can answer them as best as I will try to. I would hope that you would see to let us move forward with this and get some more information to the residents and have some more dialogue with the residents about costs. Thank you.

Mayor Prejna: Are there, Fred I feel bad even asking, does anyone have any questions that maybe they could ask Barry and then Barry could translate to Fred? Alderman Budmats

Alderman Budmats: Would this eliminate, or would this effectively eliminate all of the septic systems in Rolling Meadows or are there other pockets, or areas, where they still remain?

Mr. Vogt: There would still remain some homes on Brockway Street south of Old Plum Grove and then homes on Grove Road and a small area called Plum Blossom Lane. That particular area of Grove and Plum Blossom could be served by gravity sewers upon development of the Loeber Farm in Schaumburg which appears to be coming back again, but it would probably reduce by 50% the number of homes that we have on septic.

Mr. Krumstok: And Brockway actually we have a sewer line down there if they want to actually connect to.

Mr. Vogt: Most of Brockway has a sewer line available right now, but not everybody is connected to it.

Mayor Prejna: Thank you Mr. Budmats. Mr. Cannon

Alderman Cannon: I too, Mr. Mayor, feel guilty even talking, but Fred knows exactly how I feel about this. Obviously this is in my Ward. We've met with the people. Fred did a great job presenting the situation to the people at that time so I think that the people who are interested are very aware of what's going on. So I think it would be nice to bring it to the next step. I don't really have any big questions or anything Fred, but I guess the one concern I have is I've been in there a lot lately because I'm trying to get an idea of some things in my own mind. You have in the write-up that the street now is 33 feet wide and a normal street is 66 feet wide.

Mr. Vogt: That's true of Sunset.

Alderman Cannon: It seems like we'll have to take a lot of trees out to do that.

Mr. Vogt: We would have to take trees out if we didn't get the right-of-way because we put the watermain in the existing 33 feet right-of-way 10, 15 years ago. We would hope that by getting the additional right-of-way we could install the sewer in a way similar to the way that we did with the watermain where we avoided the mature trees. It would be part of our engineering design.

Alderman Cannon: Okay, well I look forward to having the conversation with these people again. I think you've done a great job bringing it to this level. I know it's not easy work and it's not rewarding since you really don't come to a conclusion for a long time yet so thanks for all the hard work you and your staff have done on this.

Mr. Vogt: You're welcome.

Mayor Prejna: Anyone else have any questions before he loses his voice? Mr. D'Astice

Alderman D'Astice: Yeah, Mr. Krumstok can answer this one. What are the procedures now? As I'm reading this there are 21 homes and for us to do this it's going to cost, there's an \$800,000 cost to the City plus an additional I don't know how much on the private side? And how many homes have to sign up for this because if everybody doesn't sign up then we don't get our, the City doesn't get their money back. So does there have to be 100% commitment from the people? Are we looking for 50%? What's the next thing to do besides going back and telling people it's going to cost you x amount per year?

Mr. Vogt: The minimum we would view is one over a simple majority because to set up the Special Service Area requires people to not oppose it. If we had 21 homes, and 11 would file an opposition, we couldn't proceed, so we would have to have at least 11 homeowners support it. I believe City Council could probably view it anyway they wanted and either mandate that all 21 participate and hook up, but I would say at least one more than a simple majority would be logical because why would they support a Special Service Area, be wanting to pay a fee every year on their property taxes, and then not get the service.

Mayor Prejna: Thank you Fred

Alderman D'Astice: So 11 is the minimum number, but the City could say in order for us to spend \$800,000 plus whatever, everybody has to sign up for this? Is that....

Mr. Vogt: You could opt to set that up.

Mayor Prejna: Hold on, Mr. Macholl needs to jump in on this one.

Mr. Macholl: If we set up a Special Service Area, in order to reestablish that process, if more than half the owners of those affected parcels object, they can object and defeat the whole Special Service Area. If less than half should object along with less than half of the voters in that area should object, the Special Service Area would go through and then it would be in place for all the lots.

Alderman D'Astice: Okay, so it's all or nothing.

Mr. Macholl: Correct.

Mr. Krumstok: 11 yeah.

Alderman D'Astice: No, it's all or nothing.

Mr. Macholl: It's all or nothing based on a majority of the property owners and registered voters in that affected area.

Alderman Cannon: So our money would be covered John.

Alderman D'Astice: So 11 say yes, they're all in.

Alderman Cannon: We're covered.

Alderman D'Astice: If 10 say yes, we don't do it. Okay

Alderman Cannon: And they're well aware too that the discussion Fred had, he told them outright if they don't approve this it's going to be 20 years before we look at this again. It's not a threat.

Alderman D'Astice: Right because we've done this before in other areas and we've gone through all the gyrations and have never got a majority saying let's sign up. We get the onesie's and the twosie's here and there.

Mr. Vogt: A condition of the streets is why we feel this is important now to get this done in the next couple of years. If it doesn't happen in the next couple of years we really will be faced with no choice but to resurface the streets

Mayor Prejna: Thank you. So Mr. Krumstok we just need a straw vote that we're moving forward.

Mr. Krumstok: The same thing, and we're just looking for the straw vote to continue our discussions and with the residents and overall, some of the additional work we need to do, but again we just would like the straw vote to move on with the residents.

Mayor Prejna: Thank you, so we're just looking for a straw vote for staff to move forward. All those in favor please raise your hand. That's unanimous. You have direction.

Mr. Vogt: Thank you.

5) 2017 Economic Development Update

Mayor Prejna: That moves us on to the Economic Development Update and Mr. Krumstok I believe you will be doing that?

Mr. Krumstok: We'll make this really quick and obviously we did this before the Economic Development Committee like our usual so in February we do this discussion before the Economic Development Committee and then we bring it to the full City Council like we've been doing for past years. Obviously to keep residents informed there were 55 new businesses that started in the City of Rolling Meadows. 8 of those were home occupation. One is actually a second location where they've already been in the City of Rolling Meadow. Obviously last year we started the discussions by Ward for those 55. There were none in Ward 1, sorry Alderman Cannon, there were eight in Ward 2, two in Ward 3, five in Ward 4, two in Ward 5, and 37 in Ward 6. And then there's one in Ward 7 and that was actually a home occupation I can tell you that much. So also looking at 2017 and looking at the snapshot, just to highlight a few businesses that actually moved into the City of Rolling Meadows. Obviously AJ Gallagher, Arthur J. Gallagher and Company at 2850. During 2016 everybody saw 15 and 16, you saw that building being constructed. They actually moved in the roughly 2100 employees into the 2850 Golf Road. Anytime Fitness at 3256 Golf Road, the Shopping Center down the block here they actually moved in. Arlington Dermatology at 5301 Keystone. Career Builder Employment Screening, LLC, they're actually in the Atrium Building. They actually had a very nice ribbon cutting that the majority of the City Council actually went to. They're actually in the Atrium Building as I stated before. Illinois Institute of Foot and Ankle, 4215 Kirchoff Road moved into Rolling Meadows in 2017. U-Haul Company of Illinois, that's at 5201 Tollview Drive. They moved into the City of Rolling Meadows. Obviously the City Council gave them some special use too, but at the same point in time they've actually helped out the Police Department when we did the Fill the Humvee. They actually donated a vehicle for that food drive. And then obviously the last one that we have on the list is Village Bank and Trust, a Wintrust Bank, at 1635 Algonquin Road. When you look at 2018 some of the items that the City Council has already seen, but is in process. 5600 Apollo, that's actually one of those items that the incentive, the resolution that the City Council passed that they went before Cook County. That is School Health. If you go by that area the building is already demoed. They are starting to fulfill their permit process and by hopefully October that building will be in process. 1921 Algonquin Road, that's the new Dunkin Donuts that was in the old Japanese Restaurant. The City Council has seen that before. If you drive by there, there's actually fencing around that location at this point in time. 2765 Algonquin Road, Fuller Car Wash. Obviously the City Council gave a special use for that too. They are in for permits still. 3405 Algonquin Road, that's the Holiday Inn going to be changing to an Aloft Hotel, hopefully opening in mid-2019. They're still in working with the architect. We've not seen their permits yet. And then 1450 Golf Road, if you saw that the Mug closed down, that's right by Panda Express, that's going to turn into a Jersey Mike's Subs. They're actually in for permit review at this point in time. And then the final recap that I mentioned was when we reached out on January 22nd to the Lexington Properties, it was reported that 52 of the 54 homes had been sold. 46 of the 52 have closed. And I know discussion with them in February, I forgot the date that we had the discussion with them, that's why it's not on this and it's also to keep it consistent with what we presented to Economic Development, they actually said one more was sold so you're talking about when the Lexington Properties originally came to us and talked about a 3 to 5 year build out, they're almost done. Everything is constructed. It's just getting the last one sold and also the final closings that need to be done. But with that, like we said, this is the Economic Development Update that we have for 2017 and looking at the future for 2018.

Ms. Majikes left the meeting at 9:00pm.

Alderman Majikes returned to the meeting at 9:02pm

Mayor Prejna: Thank you Mr. Krumstok. Is there any questions, any discussion on this?

6) Letter to Congressional Group on Post Office

Mayor Prejna: The final item this evening, this one I'll take. It's rather simple. The Post Office has been closed for some time in the City of Rolling Meadows. And I know it's an uphill battle. We've had some support from, I've had the opportunity to meet some of our congressional members and some of our representatives and we do have some citizens that have moved forward. There's one, Mr. Whitney, in the audience, to form a citizen's committee to get petitions and letters to the Post Master to see if we can come forward with a Post Office, so the only thing that we're coming forward to council tonight, again I know it's an uphill battle, is to take a straw vote to send a City Council supporting letter to the United States Post Office. Any questions, comments? Mr. Cannon.

Alderman Cannon: Mr. Mayor, just as a kind of a sister thought to this process, I have a relative of mine who has a business down in Florida. He's in the card business like Hallmark. He has a substation inside his store so maybe if we could point out to them that maybe there might be an opportunity. I don't know what the gentleman that owns Joelle's, I don't really know him myself, but I don't know if he'd be interested in something like that but it definitely drives a lot of traffic to a retail store. They wouldn't have to rent a new place then. Just as a thought. Thank you.

Mayor Prejna: Thank you and it's a good thought. We'd just like to get a post office back in downtown Meadows. Any other thoughts, questions? We just need, so the only thing we're asking for tonight is a straw vote to just send a letter from all City Council asking the Post Master to help us bring back a Post Office in the City of Rolling Meadows. All in favor raise your hand. That's unanimous. That's all we have. Motion to adjourn? All in favor? Opposed? By unanimous consent the meeting was adjourned.

The February 20, 2018 Committee-of-the-Whole meeting adjourned at 9:06pm.

Respectfully submitted by Ginny Cotugno, Deputy City Clerk