

CITY COUNCIL

January 7, 2006

ROLL CALL - PRESENT:	Alderman Wollin	Alderman Moran
	Alderman Jean-Baptiste	Alderman Tisdahl
	Alderman Bernstein	Alderman Rainey
	Alderman Holmes	Alderman Hansen

A Quorum was present.

ABSENT: Aldermen Wynne

PRESIDING: Mayor Lorraine H. Morton

A SPECIAL MEETING of the City Council was called to order by Mayor Morton on Saturday, January 7, 2006 at 8:44 a.m. in the Council Chamber for the purpose of presentation of the draft of the 2006-2011 Strategic Plan and the 2006-07 proposed Capital budget.

City Manager Julia Carroll thanked all who helped develop the Strategic Plan; said creating the plan was the easy part and that implementation and execution of the plan in the City's culture will be crucial. Staff will need support to help the City achieve these 14 goals over the next five-ten years. Presenters included staff other than department directors who will play a large role in achieving these goals.

Rob Oberwise, Strategic Partners, commented on designing the plan; said this presentation was an opportunity for Council to hear staff thinking on implementation and did staff heard correctly what Council said. He called this the last "tweaking" and if something is in the wrong direction, they want to know. He gave an overview of the draft plan.

Goal #1: Develop and implement economic development strategies to create a strong and diverse economy for the City of Evanston. Finance Director Bill Stafford noted the transformation of downtown Evanston in the last five years has been spectacular and recognized in the national press. The intent of Council is to develop a more systematic economic plan to guide the future. Objectives are to develop strategies and policies for: a) downtown development, b) neighborhood development, c) business retention, d) business attraction, e) creative class attraction. This will be a collaborative process headed by the Economic Development Committee in concert with the Chamber of Commerce, Evmark, Inventure, Downtown Visioning Group and other stakeholders. A second Objective is to review the Zoning Ordinance in two phases. Phase one involves examining input from current work done on the review of the economic development process and making ordinance and business process impact changes as needed. Phase two would be a follow-up, once there is an economic development plan, take those recommendations and incorporate into the Zoning Ordinance. Another part of Objective B is to develop policies/ordinances concerning a) tear downs (already happening), b) new construction and c) condominium conversions.

Alderman Tisdahl asked for a definition of OPAL? Older Persons Active Lifestyle.

Goal #2: Create policies and programs that result in a well maintained, diverse housing stock. Community Development Director James Wolinski stated Evanston has always prided itself on the diversity of housing stock – with housing for the wealthy, middle-class and people of modest incomes. A voiced concern is maintaining the diversity of housing stock from the middle to the lower end, as condominium units and single-family homes continue to be built for those with more wealth. Objectives are to develop and implement a comprehensive inclusionary housing policy. Work has begun on policies/ordinances on teardowns. On new construction a white paper has been developed by the City Manager and staff on what is believed should be part of inclusionary housing policy, which has evolved over the past four-five years with the Housing Commission/Task Force and the P&D Committee. With condominium conversions there is an opportunity to create affordable housing. Many rental buildings being converted serve low to moderate income residents, who may be moved out with no place to go. If affordable units could be made, it would serve that public. Another objective is creating workforce housing opportunities. Currently HUD money funds housing rehabilitation for low income homeowners. However, there is a section of the population whose income is above HUD guidelines (80% of

median income) that need help maintaining their properties. Staff will look at creating a program with inclusionary housing funds not related to HUD guidelines to assist this part of the population to maintain their homes. The third objective is enhancing the relationship with regional housing authorities for the City's best interest. Evanston is one of the highest holders of Section 8 vouchers in suburban Cook County. Relationships with Cook County could be improved regarding maintenance and enforcement of the housing count and Cook County and City codes for property standards.

Alderman Rainey said it made no sense to involve Health & Human Services in the housing area; asked the meaning of success measure: hold meetings to address issues of identification process for tenant screening for County housing authority and dealing with problem tenants. She noted they deal with the Cook County Authority all the time and need to keep doing it, perhaps more formally. Human Relations handles the landlord/tenant ordinance; Housing Commission reports to the P&D Committee and now Human Services is involved--that made no sense. She questioned this and did not want the Housing Authority to screen tenants. Their job is to certify people for vouchers to maintain the list. A problem is fragmentation of jobs in this area. In response to Mayor Morton, Alderman Rainey explained the Housing Authority does not screen tenants by doing income/credit/employment checks. They maintain a list of persons who are qualified to receive subsidies from the federal government. Once a landlord has a tenant, the County certifies the unit for the tenant. The Human Relations Department and others have been after landlords to screen tenants because they have the contract with the tenant. If the tenant fails to pay rent or utilities, the Housing Authority can take away the voucher. City Manager Carroll said they should not be concerned about who is working on the goals because it would not be one person. A task force will be in effect for all goals. Ms. Carroll asked if staff missed something in the planning? Alderman Rainey said the Housing Authority does not understand how things are done here and is inconsistent in applying standards to units. A lot is based on who the landlord and tenants are. Ms. Carroll said that would be re-worked. Alderman Jean-Baptiste said responsibilities should not be shifted, but the department that has experience should be enhanced.

Alderman Moran suggested that an ordinance be developed on Lot Sub-Divisions, which the City does not have presently. A trend is to buy large properties and divide them.

Goal #3: Attract and develop businesses that create skilled trade and vocational opportunities. Assistant City Manager Judith Aiello said this objective is to *advocate* for job skill development and vocational training for skilled trades. The plan is to work with District 202 on vocational training efforts in conjunction with TIF funds; talk with unions to get more Evanstonians involved and work with the Service Provider Inter Network (SPIN) to discuss available resources and develop new strategies.

Alderman Wollin is employed by Oakton Community College and noted that the college has a new technological sciences addition with the goal of providing skill training for what is needed in today's workforce. She suggested that be added. Ms. Aiello explained that SPIN meets monthly to coordinate agencies such as Neighbors at Work, CEDA, the City, Youth Job Center and other non-profits that have some training money. Alderman Rainey asked what comes from these meetings? There is coordination of activities and staff hoped to make the organization stronger. Alderman Holmes noted that job training is just one focus. Alderman Jean-Baptiste suggested under success measures, that they need skilled trades and vocational jobs instead of new strategies to assist skilled trades, etc.

Goal #4: Create and maintain functionally appropriate, high quality infrastructure and facilities. Objectives are to prepare and implement a long-range and comprehensive building plan; a long-range infrastructure plan, including parking, streets, sewers, water mains, lighting and trees; update and continue to implement Parks/Forestry & Recreation's comprehensive long-range facility plan; provide Council with information to facilitate an informed decision regarding the futures of the Civic Center and Robert Crown Center and develop a lakefront master plan. Alderman Moran suggested that alleys be added to the infrastructure plan. Alderman Tisdahl asked if they were thinking of doing the alleys in a more ecologically sensitive way with permeable surfaces? Yes. Mayor Morton said maintenance of buildings is important and needs to be spelled out. Facilities Management Director Max Rubin explained that the City has a software program *Builder* developed by the Army Corps of Engineers into which components of all buildings are put into a database and prioritized by condition. He explained "Snapshot of Builder" a handout. Parks/Forestry & Recreation's comprehensive long-range plan will continue using suitable database software. Regarding decisions on the Civic Center and Robert Crown, Council received a summary of the Ad Hoc Committee report on the Civic Center and two memos from U.S. Equities, one on tax advantages and their review of the report. Mr. Gaynor will provide a report on the Robert Crown

Center in early spring. On the lakefront master plan, there will be a community-based steering committee to guide the project, develop goals for use in the RFP creation and a consultant hired with a public input process and conceptual options developed. In response to Alderman Wollin, the City has had *Builder* software for about 18 months and has done an inventory of Levy and Fleetwood-Jourdain centers.

Goal #5: Protect and optimize the City's natural resources with the City leading by example – a green City with green behaviors. Objectives are to review current City and department policies and procedures to determine the “gap” to green practices for the City and its citizens; develop a plan to improve water quality and recreational opportunities along the canal and a plan to provide “open” access to beaches. Ecology Center Manager Linda Lutz was excited about protecting the natural habitats that contribute to the economy and the livability of this area. A couple of regional initiatives have reached national prominence. One is Chicago's leadership in municipal environmental initiatives and the second is Chicago Wilderness Regional Initiative that focuses on preserving natural resources. The goal is to develop environmental consciousness and begin by looking at citywide practices; working with the Environment Board to review practices and determine what the gap is between current practices and how to best protect natural resources. They are looking at a resource utilization plan that focuses on the North Shore Channel that will address water quality issues in conjunction with adjacent communities and agencies. This takes into consideration the Ladd Arboretum, which is the largest woodland habitat in town. The North Shore Channel is one of the most important natural habitats in Evanston. A third action is to provide a plan for open access to Evanston's beaches. She thanked Council for supporting the Lake Michigan Ecosystem Partnership, which is important. Alderman Moran commented that the Illinois EPA had conducted a use attainability analysis on the North Shore and the important interface with the MWRD facility at Howard Street and potential changes. As long as they look at water quality along the canal, that might be vital to the MWRD discussion. Ms. Lutz said that report sets water quality standards and offered to send it to Council. Alderman Moran thought there was a more active advocacy role for Evanston to play.

Goal #6: Ensure that Evanston neighborhoods are safe, clean, attractive, and economically viable and their unique needs are responded to effectively and efficiently after actively sharing their thoughts, plans, and ideas, utilizing neighborhood resources as much as possible. Objectives are to define neighborhood units and develop an inventory of organizational resources; define neighborhood assets and needs and existing service gaps; review playground and tot lots signage, as well as develop an action plan to incorporate more multi-generational features in parks; evaluate and revise the Preservation Ordinance to create an improved balance between preservation interests and needs for development. Design and implement a combined review of planned developments by the Plan and Preservation commissions and develop a neighborhood training curriculum. Neighborhood Planner Susan Guderley stated that, in some cases, they need to look beyond ward boundaries because a neighborhood could be in two wards. She noted that Al Hunter, a sociology professor at Northwestern University, had been especially helpful in developing information on neighborhoods. Alderman Wollin asked about neighborhood training curriculum. Ms. Guderley explained that this is done to help neighborhoods organize around an issue. Alderman Moran noted that there is some lack of maintenance on playground and tot lots and suggested a model be developed for a “friends of the park” approach where neighbors get involved in tasks such as planting flowers sponsored by local businesses. He recalled such a model was developed by Northwestern University some time ago. Ms. Guderley said there are examples of these groups with mixed success and failure that they may want to examine. Alderman Jean-Baptiste suggested that they incorporate close collaboration with the ward alderman in this goal. Mayor Morton said a serious concern was who speaks for a neighborhood and to have evidence that they get input from the entire neighborhood.

At this time Alderman Rainey asked that they postpone the strategic planning overview and start discussion of the budget. Seconded by Alderman Tisdahl. Motion failed. Alderman Moran moved to extend the strategic planning overview by 15 minutes. Seconded by Alderman Jean-Baptiste. Motion carried. No nays.

Goal #7: Provide Youth with the opportunity to participate and work with the City Council, City Government, Boards and Commissions. Deputy Police Chief Demitrous Cook said Evanston has been rich in youth outreach initiatives. Objectives are to review data collection, as a result of the assessment of youth and young adult services RFP and develop recommendations to address service gaps. See where they can close the gaps in services to youth programs. They will evaluate programs internally and externally in other communities, such as Upward Bound at University of Chicago. They will partner with the “Y” to increase interest and participation of youth with City Government; will

partner with schools, YOU, Family Focus, other non-profits and develop a task force to make government more meaningful to community youth. A Youth Advisory Council will be established. Recommendations will be developed with involvement of the task force and Youth Advisory Council to aid in youth participation with City Council, City government, boards and commissions.

Goal #8: Leverage City transportation resources to provide an improved system that is integrated, responsive, understandable, efficient and meets the needs of all citizens. Public Works Director David Jennings noted that transportation has infrastructure elements, plus planning and service delivery elements. Under the multi-modal transportation plan, preparation is occurring already and this ties these into the multi-modal plan of bus, train, pedestrian, bicycle and the different populations that need to be served. An RFP will be developed. The second element is continuation of some planning elements already in the five year capital plan for resurfacing, traffic signals, pavement markings and parking facilities. The next action is to work regionally and locally to identify disconnects in the transportation system and develop strategies to make modal connections. In the transit area, it is to look at overlaps and gaps. In the pedestrian area, identify gaps in the sidewalk system. Alderman Tisdahl confirmed that curb cuts and wheelchair access would be examined. The third action is to implement the citywide bicycle plan. The plan includes both on-road and off-road segments. This is a cooperative effort between Public Works and Parks/Forestry & Recreation. They are in phase two (design phase), the "on street" portion, which includes pavement markings and sign installation. They are looking for grants for the "off street" part. Alderman Holmes asked that new aldermen receive a copy of the bicycle plan. Once they have final design approval, staff will bring it back and show plans in the wards. Alderman Moran said that parking needs to be included as it relates to the Metra and the El. He also suggested the City establish better relations with Metra and the CTA to enhance their interest as well. Alderman Wollin thought the Lakefront Plan included separating pedestrians from cyclists. Alderman Rainey asked about the Skokie Swift Stop. That will be included. Mr. Jennings stated there were meetings to develop the bicycle plan. Mayor Morton advised that neighborhood meetings need to be held about the bicycle plan.

Goal #9: Leverage local education resources to provide an improved system that will generate market-driven job skills for Evanston residents. Purchasing Director Bobbie Tolston-Brown said this goal works with Goal #3. and provides the opportunity to work with local businesses and Oakton Community College. Many organizations have vocational/job training and they want to bring some of those into the City. They will work with ETHS and other post secondary institutions to compile a list of data as to what they are doing, take that information and brainstorm with other groups. They will confer with federal/state legislators for system improvement and work with unions to find out how to bring some training to Evanston. Alderman Jean-Baptiste suggested they create market-driven skilled Evanston residents.

Goal #10: Create a collaborative and reciprocal relationship with Northwestern University. Health & Human Services Director Jay Terry stated that they have already had discussions about objectives being in interdepartmental task forces and trying to get organizational buy-in. In this goal, responsibility will stay in the manager/budget offices to get an organizational inventory of what is done now. Staff is involved in public safety, lighting, neighborhood impact, over-occupancy in housing with the university. The manager's office will schedule meetings and identify areas where they can grow. City Manager Carroll has encouraged staff to look nationally at best practices and analyze town/gown relationships that have worked in other cities to see if Evanston can adopt some of those practices here.

Goal #11: Create a collaborative and productive relationship with the schools, hospitals, business organizations, other not-for-profit groups and government. Assistant Director Health & Human Services Harvey Saver said the gist of this goal is to take a new look at public/private partnerships in a more structured way and take a systematic look at partners and what the City is doing with them. Does a potential project exist? Are there stakeholders that will support the project and will it make financial sense? The definition of success will depend upon where each organization sits. For the City it might be seen as delivering the maximum public infrastructure for taxpayers at the lowest cost. For potential partners to the City, their success might be where joint ventures produce value added to their services or areas of domain. One objective is to look at partnerships with schools for extended library hours. The Public Art Committee has a strong interest in getting more community participation in planning public art. Another objective is partnering with the Evanston Community Foundation and the Illinois Arts Council to implement the findings of the Working Together Report and strategic actions that will foster an enhanced arts community. The Working Together Report is a study of all artists and arts organizations assessing strengths/weaknesses and look at where there are opportunities to work together. Another

action is to compile a comprehensive maintenance schedule for existing public art and to secure the services of a consultant to develop a master plan for public art that will guide the City's approach to future public art projects.

Goal #12: Recruit, retain and develop the most qualified individuals for all City departments. Assistant Director Human Resources Debbie Sleet said the goal is to hire the most qualified individuals and retain them within the City. A recruitment team will be established; a calendar created of all job fairs and outreach to other associations. The employee orientation will be redesigned. They will develop and promote ways to reward and acknowledge employees. When people apply for a position and, if they are not hired, now they get a reject letter. They plan to evaluate applications and résumés and consider them for other positions. Funds are precious and they will develop programs that are competitive. A succession plan for all departments will be developed. They will promote professional development through ongoing training and education and improve feedback to the organization.

Mr. Oberwise suggested Council provide feedback electronically on the last two goals. They wanted Council's input before the January 24 public meeting. The overview ended at 10:30 a.m.

Capital Improvement Program

City Manager Carroll explained that the Capital Improvement Plan was put at the first budget meeting to get timing and issues on the table that are crucial to move forward if Council agrees with the adoption strategy. Alderman Rainey asked if there would be any general discussion of the budget and the manager's message? Ms. Carroll stated the plan was to present the capital part first, then have the big discussion on the operating budget. Alderman Rainey had concerns about debt service and many questions. Ms. Carroll noted that, as in the past, as Council has questions those have been answered at the following meeting or sooner in the Friday packet. There is simply a different order this year and no attempt to limit discussion. Ms. Carroll was concerned that they have not gotten their bids out on the street and moved this up to get consensus first on the capital plan. Debt service questions can be asked because staff is looking to borrow.

Assistant City Manager Judith Aiello referred to Budget Memo #1 06-07 capital budget revision and the budget book; explained that the current calendar has the Capital Improvement Program (CIP) prepared concurrently with the operating budget and with the CIP approved in February, which creates some issues. A normal process takes from 12-18 months before they get to construction. Due to timing, the City gets limited or no bids resulting in limited competition. There have been issues with meeting M/W/EBE goals. Because contractors have accepted jobs earlier in the season, the City gets higher bids. There is limited citizen participation in park planning due to summer schedules and bond issues may have excessive capitalized interest.

Alderman Rainey did not understand that if they switched from approving the CIP in February to May that it would make everything better; asked if capital projects would be funded twice? No. Ms. Aiello said all the planning would be done during 2006 so the City would be ready to go to the bond market in 2007. She explained that the two months make a difference and went through the entire process. By changing the two months, contractors get to the bidding process in the winter. Contractors like to know in the winter what they will do in spring and summer. Now they don't get to bid until spring and sometimes fall. Most large organizations do their bidding in the winter. To do that they need a different time frame. Ms. Aiello explained the City will go to the bond market on the typical schedule, have the five-year Capital Plan approved in May and go to the bond market in early 2007. The City will bond once in 2006 and once in 2007 when it is most advantageous. She called 2006 a transition year to get on the new schedule and not lose projects that must continue.

Ms. Carroll said because of the current time frame, the City borrows money and does not spend it until six months later. She wanted to get staff and all to get approvals from Council for the project, plan upfront, then go to bid. Currently, they fund projects early. This year fewer projects will be done and the process stepped back so that planning and execution are better and borrowing is closer to the date money is needed.

Alderman Bernstein asked how this affects the statutory requirement to pass a budget by March 1? Ms. Carroll said it does not affect the capital budget; the state statute requires the operating budget be adopted by the end of February. She noted the two have been tied together, but don't have to be. Ms. Aiello said the City used the new time frame in the past and it was changed when Mr. Anderson was city manager. Ms. Carroll explained the bonds will be issued as part of the tax levy in December as always. The authority for debt service has nothing to do with adoption of the operating budget.

Adoption of the bond ordinance gives authority to levy taxes. Alderman Rainey noted they have to set aside money to pay off the bonds and debt service in the budget. Ms. Carroll said in the first year of debt service, the interest is capitalized and that payment does not show up until the next year. That part will not be changed. What will change is when they get project approvals and when they borrow money. What they discuss during budget deliberations will go onto the 2006 tax levy for this construction year. Next year, when they do the next issue, it will appear on the 2007 levy. Ms. Aiello said a budget memo on the tax levy would be provided.

Staff recommendation: Prepare a five year CIP in January; Council would receive the CIP in April with approval in May. Bonds would be issued at the most advantageous time to minimize capitalized interest. They mentioned the increased contractor pool already and there would be an opportunity for more policy discussion with Council and to incorporate Strategic Plan Goals into the 2007 CIP. This would allow contractors more time to work with M/W/EBE. 2006 is a transitional year and staff will provide updates of projects when 2007 is presented in April.

Criteria for 2006 Capital Budget

- 1) Annual on-going projects
- 2) Projects where matching funds are required
- 3) Projects with urgent need
- 4) Projects requiring annual maintenance

Ms. Aiello went through the projects that are detailed in the budget book starting on page 533.

2006 Proposed Projects Parks and Recreation

Megown Park, 500 block of Hinman, comprehensive park/playground renovation funding \$350,000. GO Bonds.

Smith Park, Ashland and Lyons, comprehensive redevelopment funding \$400,000. CDBG and GO Bonds.

Robert Crown Center, annual required maintenance funding \$40,000 for systems repairs. Fire Alarm system funding of \$120,000 required to meet state requirements due to child care programs. Alderman Rainey asked if the fire alarm system could be transferred if Robert Crown is demolished? Yes. Parks will do a new five year plan to tie into the City's strategic goals and a decision will be made on Robert Crown Center.

Alderman Holmes asked about Mason Park. Parks/Forestry & Recreation Director Doug Gaynor reported Mason Park will be done in two phases and funds are in place for both.

2006 proposed projects for Public Buildings

Fire Station #5 has design work being done funded \$200,000. GO bonds Police/Fire Headquarters continuing renovation funded \$400,000. GO bonds and reallocated funds. Mayor Morton asked what happens to funds that are not used. The money draws interest and is recorded in the annual audit. Alderman Wollin asked about the \$1.4 million for police/fire? Ms. Aiello explained it is a phased project. A budget memo would be provided on what has been spent on the police/fire headquarters. Alderman Rainey was not happy with the budget format; recalled in the past they got a spreadsheet that laid out what had been spent for five years and how funded. Ms. Aiello said they would see this when the five year plan is presented. Ms. Carroll said staff would give the cumulative history on the projects.

Library Youth Service Expansion involves completion of the design phase and beginning of construction of the renovation and expansion of the youth services area for \$710,000 using GO bonds, a state grant and private funds. Alderman Jean-Baptiste asked where they were on this? Ms. Carroll explained they were asking for \$250,000 and recommended they do only the design in 2006 and delay the construction until 2007-08. Alderman Jean-Baptiste said a certain amount was committed for this project. The Library Board came to the Human Services Committee and asked for more money and the committee said no. Did what is proposed presuppose a larger commitment by the City? Ms. Carroll said \$1.5 million was planned for this project last year. However, preliminary cost estimates came in around \$3.2 million. The project was rethought and came to Human Services Committee with a cost of \$2.4 million. Council will be asked for more construction dollars, but not this year. They need to discuss whether they want to commit that amount to the project. Alderman Tisdahl recalled that aldermen wanted to discuss this project as part of the overall budget rather than in the committee and Alderman Holmes concurred.

Civic Center planning will be concluded in 2006.

2006 proposed projects for Information Technology

Information Technology for ongoing upgrade of the computer system, funding \$200,000. GO bonds.

Emergency Telephone System Capital for continuous upgrade of the 911 system funding, \$810,000 (E-911 Surcharge).

2006 proposed projects for Transportation

Alley paving, 50/50 annual program funded by \$450,000 GO bonds, \$150,000 CDBG funds and \$500,000 private share GO bonds.

Viaduct screening of Metra and CTA viaducts is funded by \$100,000 GO bonds. (One more year to complete.)

Traffic Signal system study by a consultant to examine intersections, \$50,000 GO bonds.

Traffic Signal upgrades for two intersections is funded by \$250,000 GO bonds (Central/Asbury and Central/Ashland).

Traffic Signal and Streetlight maintenance is annual replacement of poles and painting is funded, \$80,000 GO bonds. Mayor Morton asked about replacement of streetlights on McCormick? Mr. Jennings said that would be done after the street is repaved.

Streetlight upgrades is continuation of the program with one more year to complete, is funded \$500,000 GO bonds.

Block Curb and Sidewalk program is used with park renovations and whole block replacements where needed. \$175,000 total, funded \$100,000 GO bonds and \$75,000 CDBG.

Alderman Holmes asked if the traffic lights at Church/Dodge were already funded? Mr. Jennings said the equipment will be delivered next week and they should start shortly on that project.

50/50 Curb and Sidewalk program is funded \$100,000 GO bonds.

Capital Outlay for fleet replacement of vehicles \$2,041,000 funded by the Fleet Fund.

McCormick Boulevard Project is funded with \$1.4 million GO bonds. Additional funds are due to increase in bids received in December. Project has been re-bid.

Alderman Tisdahl asked if the City really wants to own McCormick Boulevard and, if not, do they want the state to continue to participate in its upkeep? Was it possible to have Evanston's state rep call IDOT and tell them Evanston does not want to own this street. Mr. Jennings said it was too far along and the only way to get the job done was to transfer ownership to the City. She was told calling their state rep is something they should try in the future. All agreements are structured so that the City would own the street after receiving funds according to Mr. Jennings.

Street Resurfacing, \$4,200,000 includes the 2006 approved program plus four additional streets being requested for approval at the 1/9/06 City Council meeting. Ms. Aiello stated the City would try to do as many streets as possible. Alderman Jean-Baptiste asked what they should expect in the next five years? Ms. Carroll noted that several years ago they found that \$3-4 million dollars was needed annually to maintain the streets. Staff will try to get that level of funding into future programs because, if not, they will continue to get further behind. She believed that streets and other infrastructure are an important part of economic development. If the face of the community is not maintained, the businesses willing to locate look at that in terms of the community's viability. Streets have been funded around \$1.7 million annually in the past, so she put additional emphasis in this area. She expected \$3-4 million each year. Funding will be \$3 million GO bonds and \$1.2 million Motor Fuel Tax.

Alderman Rainey wondered how often they have used funds other than Motor Fuel Tax funds for streets. If they had the other format they could see what was funded in the past and in the future. She said the Council was used to getting more information about the capital plan. Mr. Jennings said they could beef up the funding timeline. He explained streets were funded at about \$1.2 million annually paid for entirely by Motor Fuel Tax. About five years ago, when they did the first five year plan, they brought in a consultant to evaluate the streets who recommended spending \$3-4 million annually. At that point Council agreed to go up to \$1.7 million for several years. That was also supplemented by the Water & Sewer contributions. As those contributions go away there is a need to beef it up even more. It takes \$4 million annually to maintain streets at the current level and that is recommended. Alderman Rainey said a frustration of residents is that the street surfaces and repairs don't last; suggested the City needed to look at better ways of repaving streets so they last longer. In Europe this does not happen with similar weather. Mr. Jennings said a simple thing they looked at is more curb/gutter work when they resurface a street. The curb/gutter is an important joint that allows them to protect the sub-grade that also allows water to flow away. As they move through the program, they will see more curb/gutter

replacement. Mayor Morton was told that in other countries, where the streets last longer, that the depth is greater. Mr. Jennings said that McCormick will have an asphalt surface on top of an 8-inch concrete base. Asphalt mixes and construction techniques that are used are appropriate for this area. He was not sure about other places having streets with a longer life but would research it. Mayor Morton asked what the life of a street is? Mr. Jennings said it depends upon the traffic loads, volumes, weight, how bad the winters are, etc. Alderman Moran was happy to see more funds allocated for streets; noted the City had fallen terribly behind in street maintenance and to see 2-1/2 times more was a significant policy re-direction; complimented the manager and staff. Alderman Jean-Baptiste agreed and was not sure how much streets surveying is done for patching. When something is patched those streets should be checked routinely.

Alderman Wollin suggested that the City consider imposing impact fees that go toward street resurfacing. In the 1st Ward large trucks have deteriorated streets.

2006 proposed Environment Projects

Filter and Service Building expansion \$1 million, Water Fund

Security Improvements \$50,000, Water Fund

Garages No #4 and #5 and retaining wall repair \$75,000, Water Fund

Alum Tanks repair and recoat \$75,000, Water Fund

Mayor Morton asked if it was true that there is an underground storage tank on Northwestern University that is part of the City's water system? Yes. Does the City pay for it? Nobody knew. Mr. Jennings said the City owns the tank, which is under a parking lot at the University.

Supervisory Control and Data Acquisition System (SCADA). This is annual maintenance of monitoring equipment at the Water Division \$10,000 Water Fund

Water Main Engineering Services \$250,000 Water Fund

Zebra Mussel System Repair (48-inch water pipe into the lake) \$100,000 Water Fund.

Water Main Installations \$2.8 million Water Fund

Alderman Rainey noted a great service from the Water Division to aldermen is notification by email of broken water mains. Since they never received this before, she needed a comparison. Mr. Jennings said the numbers are typical because a lot of the system is more than 100 years old. As pressures fluctuate leaks are created. They have put together a plan to replace all the 100-year-old mains and do it in conjunction with street work.

Emergency Sewer Work \$75,000 Sewer Capital Fund

Sewer Lining part of ongoing improvement of structural integrity \$250,000 Sewer Capital Fund

Street Improvements done when doing sewer repairs \$550,000 Sewer Capital Fund

Engineering Services for Sewer Design and Construction \$117,000 Sewer Reserves Fund

Phase S82B Construction – Contract 1 \$8.25 million (Illinois EPA loan) (Orrington, Noyes, Emerson area)

Phase S82B Construction Engineering \$1,077,850 (Illinois EPA loan)

2006 Other Improvements

Capital Improvements Bond issuance cost is \$500,000

Department Services for the General Fund \$300,000

Contingencies for the unexpected or projects that go over budget \$200,000

Insurance Fund continuing commitment to establish an appropriate insurance reserve via the Water Fund Capital Improvements as was done in 2003 and 2004. \$2 million GO bonds.

Summary

The total CIP for 2006 is \$28.6 million. Ms. Aiello noted there is more funding for the environment and transportation than in the past. They tried to use as many funds as possible to not burden the general fund. The total CIP by fund for 2006 is \$30,146,090. Staff requested a change of the CIP calendar and approval the 2006 capital budget of \$10 million in GO bonds and \$20.6 million from other revenue sources.

Alderman Tisdahl thought the \$200,000 for state grants was low and was that typical? Ms. Aiello said that was a library grant and there are others in the operating budget. In the past there were more grants for police and parks and there has not been Build Illinois. Ms. Carroll said the City looks for grants continuously; noted that Public Works Director David Jennings and City Engineer John Burke make applications for federal funds. Alderman Jean-Baptiste asked what was spent last year on CIP. \$6.5 million in GO bonds with a total CIP of \$33 million. A budget memo will be prepared.

Alderman Rainey asked how \$3 million in GO bonds translates into interest? Mr. Stafford said \$100,000 per \$1 million. It would be lower than that because the cost of money is lower. Alderman Rainey asked what is debt service on \$8 million? It is about \$800,000. He said that this goes back to Council policy set three years ago of debt service growing at 4% a year. Alderman Rainey noted when expenditures are increased for streets, there is a cost. Adding \$3 million to street repair will cost taxpayers around \$300,000 more a year. Last year they issued about the same amount for bonds but more of it went to insurance. Now insurance issues are under control and that benefits capital improvements.

Ms. Carroll clarified that 2005 and 2006 actuals are an estimated number. The summary page says actual and the detailed pages say estimated actual.

Alderman Rainey moved that Council accept the new funding cycle and in addition that they look at how it works when they go into the next budget cycle. Seconded by Alderman Tisdahl. Motion carried unanimously.

Citizen Comment:

Sue Canter, 3151 Harrison St., Evanston Mental Health Board Chair, said they were concerned about the proposed cut of 10% (about \$82,000) to their budget. For 2006-07 the Mental Health Board is funding 28 programs for 19 agencies. Evanston is diverse with many people in need and most all of these dollars provide support to Evanston citizens. The services provided are critical for many people who live here. Some of the agencies assist families and individuals who are just making it. The absence or reduced support may increase the need for critical services such as fire, police or paramedics and would have a devastating effect upon many individuals in Evanston. Mental health agencies and many non-profits have struggled since 9/11. Donations are down and grants and other funding have been reduced. In the last few years agencies have dealt with fee-for-service to receive government funds. This means each hour of service must be tracked and reported to receive reimbursement. These funds used to be provided in a lump sum. This change in reporting means agencies spend substantial funds on computer systems to track and keep billable hours and train employees to use these systems. Most funded agencies spend a great amount of time on fund-raising to start new initiatives. A 10% reduction in mental health funds would be a critical blow to the services these agencies provide.

Gerald Gordon, 1228 Lake St., 39 year resident, has participated in many budget hearings; asked how the current year is going, have expenditures exceeded revenues? Is there a December operating statement and could he see it? Mr. Stafford will provide a nine-month report to Council within the next week. Mr. Gordon said there used to be a chart in the budget showing the number of employees and did not see that in the current budget. Last time when he discussed this with City Manager Roger Crum, he said the numbers had crept up. He thought it important to have a chart showing over the last five-ten years the total employee count. He would also like to see the number of City vehicles and can those be justified. Last week he was at a Ford dealer in Chicago where there were two Evanston police cars without engines that had been there quite a while. Are they needed? Are vehicles maintained properly and drivers trained in proper use of the vehicle? He read about a funds balance policy that requires a one-month balance of the total and the surplus goes to some other fund. He asked for fund balances and if they are appropriate. If not, give the taxpayers a break and refund them. He understood some of the TIFs will end in a few years. Could those contributions go into some of the pension funds, which he believed are too large. Can an incremental decrease to pension funds be used to reduce the proposed increase to property taxes. He knows they are working on the sewer component of the water bill and that should be resolved before the budget is complete. At the end of the budget year, he suggested reviewing the snow removal budget to get some relief.

Judith Treadway, 226 Callan Ave., noticed there were requests from departments for 13 positions and the City Manager indicated that 1.5 positions would be funded for a new position for professional development and training. She recommended enhancement of the Human Relations staff through utilization of the new professional development position. She said the SPIN group does not necessarily focus on jobs but delivers services on contracts and coordinates

their services so there is no duplication; makes referrals and does networking. She recommended that they create a job training team that includes citizens and appropriate representatives from Districts 65 and 202 and Oakton Community College (a trustee is an Evanston resident). She has spoken with him about the lack of access to this new job training program and suggested he serve on this committee. She said the vocational training at ETHS needs to be revitalized. The SPIN group needs to be involved because social services may be involved in an individual's development. She suggested the Police and Human Relations departments need to be involved. She asked what was going to happen to grounds at Fleetwood-Jourdain Community Center and suggested the City revisit an employee tax to offset some expenses in the City. There are too many governmental employees who don't live here and don't contribute to the tax base.

Alderman Rainey assumed personnel numbers were in the budget. The number of full-time employees (FTEs) has always been listed in the budget. When she searched FTEs on the 2005-06 budget there were hundreds of hits and in the proposed budget there were only five references to FTEs. The budget does not show the number of employees in each department and that is important. She had commented before about "actual" and wanted to see activity numbers. Ms. Carroll asked if personnel information was given in past budget drafts. Management & Budget Director Pat Casey said it had been done both ways, depending upon the publication schedule. When personnel numbers have not been in the proposed budget, they have followed up with a budget memo and that was what they intended to do. The departmental personnel count is new and will be added to the final budget. Traditionally, they have done a five year summary, but department by department personnel numbers were added for more clarity. Mr. Casey said in the current operating budget there is a departmental summary in each department, a summary at the end by department and a separate grand total. There are three summaries in the current budget that are not included in the proposed budget. That information will be provided in a budget memo at the January 21 meeting.

Junad Rizki, 2784 Sheridan Rd., commented that the strategic plan missed one of the most critical issues, which is crime in Evanston. He asked for a complete copy of the strategic plan because what he got had missing pages. When he started coming to budget meetings years ago he thought the City had a lot of fat, still has fat, but there is lean because the infrastructure is not taken care of. He asked if there is a report on the condition of the streets. Hearing that \$4 million is needed annually, there must be something to document that and wanted to see that report. The City is raising taxes again and many here cannot pay them. Everybody on Council and he can pay the taxes, but he estimated 10-30% of residents cannot pay taxes. His issue is that the City wastes money on employees who are not needed because they aren't doing much work and the City never gets rid of them. He alleged there is misinformation in the budget about how employees are used. \$20-25 million is listed for the Civic Center and he recalled that number was smaller. On the \$120,000 fire alarm at Robert Crown Center, the City will recover much less because of the costs of labor. He thought they could recover the panel and urged they not be unrealistic. He raised the question about programming at Robert Crown Center a year ago. There is child care at Crown, which is an ice rink and is a programming issue that is the same at the Civic Center when it moves. They don't know how they want to operate the City with employees and departments and will duplicate some functions in the Civic Center in another building when they may not be needed (such as the Health Department). The other troubling issue is the library project. The Library Board asked for approval to do a project, then came back and said they needed more money. Now they want to commit to do this project. Either cancel the project or give them the money. He thought taxpayers were getting a raw deal there.

Alderman Holmes reported there would be a meeting about the grounds at Fleetwood-Jourdain with herself, Mr. Gaynor, the Mayor, Fleetwood-Jourdain personnel and Family Focus.

There being no further business to come before the Council, Mayor Morton asked for a motion to adjourn and the Council so moved at 12:10 p.m.

Mary P. Morris,
City Clerk

A videotape recording of this meeting has been made part of the permanent record and is available in the City Clerk's office.