



**CITY OF HIGHWOOD**  
**MINUTES OF THE SPECIAL MEETING OF THE CITY COUNCIL**  
**CITY COUNCIL CHAMBERS - MONDAY, APRIL 26, 2010**

**1. Call to Order**

Mayor Pecaro called the meeting to order at 7:00 p.m.

**2. Roll Call**

Present: Mayor Pecaro; Aldermen Bruni, Cahnmann, Falberg, Fiore, Murphy-Pieri, and Sepulveda

Absent: Aldermen Harpster and Linari

Also present: M. Burke, City Clerk; P. Lenzini, City Treasurer; G. Jackson, City Manager; A. Marrin, Assistant City Manager; R. Pieri, Deputy Fire Chief; J. Ponsi, Director of Public Works; S. Hannon, Director of Finance

Not Attending: L. Rossi, Chief of Police

There being a quorum present, the Mayor announced the meeting to be in session.

Alderman Fiore made a motion, seconded by Alderman Sepulveda to allow Alderman Linari, who had made a timely request, to participate by phone because she was not able to attend due to illness. Vote:

Yes: Aldermen Bruni, Cahnmann, Falberg, Fiore, Murphy-Pieri, and Sepulveda

No: --

Absent: Aldermen Harpster and Linari

Result: 6 Yes; 0 No; 2 Absent. The motion passed and Alderman Linari joined the meeting by telephone.

**3. Pledge**

Everyone present rose to say the pledge of allegiance.

**4. Approval of the Minutes**

None scheduled for review

**5. Review and approval of bills**

Ms. Hannon distributed the list of bills to be paid that were reviewed by the Finance Committee at their meeting on April 24. She directed the council to the last page of the list that showed the bills about which the Finance Committee had questions.

Items noted included:

Bleck: The Finance Committee recommended that this should not be paid as the charge was for Bleck to search their own files for information they had presented.

DeMuth: Mr. Ponsi explained that this bill is to go to deMeo. It relates to work DeMuth did to fix work previously done incorrectly by deMeo. Mr. Ponsi said that deMeo was aware this was coming.

Houseal Lavigne: The Finance Committee requested a schedule of invoices received, payments made, and invoices outstanding to date. There was some confusion about this account because a check written and sent in January had the wrong address and was lost in mail.

Lauterbach & Amen: There are still outstanding issues related to the audit that Lauterbach & Amen have not responded to the council on; these need to be addressed and all errors need to be corrected before this bill can be considered; Alderman Murphy-Pieri and Ms. Hannon will have a letter to Lauterbach & Amen reviewing the situation available for council review at the May 18 meeting. The Finance Committee will prepare the RFQ for a new audit firm. It was also noted that the September Lauterbach & Amen bill includes a charge for sending a person to Highwood to address certain issues and make the required corrections; the council requires additional information as to what type of work was done and what corrections if any were made. Alderman Murphy-Pieri said she was still concerned about Lauterbach & Amen being both our accountants and our auditors.

Smith and LaLuzerne: Alderman Murphy-Pieri asked that the Fire & Police Commission's process for authorizing work by their attorney be explained to the council.

Sto-Cote: Ms. Hannon reported that she needs to determine who authorized the order, as Mr. Ponsi didn't know about it.

BU Comm: this invoice relating to clearing static on the 911 line was found this week; it should be charged to the 911 Fund.

Lolli – ~~This will be held at the Mayor's request since he has not reviewed it yet~~ The Mayor requested a copy of this bill to review.

Questions on bills:

- Alderman Murphy-Pieri asked for an explanation of \$4,000-\$5,000 of charges relating to FOIA requests; she noted that assistance is available free through the Attorney General's office.

- Alderman Falberg said that he wants all Raysa & Zimmerman bills to be held pending a detailed review of another earlier bill that included: \$594 for the semi-annual review of executive session minutes and several meetings with the Mayor. For at least one of these meetings, the Mayor said that he didn't think he spent that much time with Mr. Zimmerman. This led to a discussion about what was included in the Raysa & Zimmerman retainer, specifically were meetings on the days that Mr. Zimmerman was here anyhow for staff and/or council meetings not supposed to be charged for.

- Campanella: the council approved the bill for \$40,163.39 for payment. However, it was never written so funds are required to pay for this expense.

**Motion to approve the bills as presented except for the following:** Bleck - \$224.50, Lauterbach & Amen - \$3,950, Raysa Zimmerman - \$7,703.37, Sto-Cote Products - \$2,956.87 and the duplicate listing only for Burris - \$1,236 and Houseal Lavigne - \$1,085.00. The bills are to be paid when funds are available.

Motion: Alderman Falberg

Second: Alderman Cahnmann

Vote:

Yes: Aldermen Bruni, Cahnmann, Falberg, Fiore, Linari, Murphy-Pieri, and Sepulveda

No: --

Absent: Alderman Harpster

Result: 7 Yes; 0 No; 1 Absent. The motion passed and the bills listed will be paid when funds become available.

Mayor Pecaro requested that:

- In the future, Ms. Marrin should direct all FOIA questions to the Attorney General's free hot-line and
- A list of FOIA's received since January 1 be available for prior to the next council meeting (May 4) and that a discussion of those FOIA's be included on the agenda for that meeting.

## 6. Public Input for Items Not On the Agenda

none

## 7. Committee Reports

### 7.1. Finance Committee – Treasurer Lenzini

The Finance Committee met for six (6) hours on Saturday to review the outstanding bills in detail. The next meetings the committee has scheduled are:

- Thursday, April 29 to review and approve the RFP for a new audit firm and present the RFP to the Council for its approval at the May 4 meeting and
- Saturday, May 1 from 8 a.m. to 10 a.m. on revenue.

## 8. Action Items

### 8.1. Motion to approve a contract between the City of Highwood and TDS for a municipal phone system.

Tabled. There are still a lot of outstanding issues that need to be addressed before this can be voted on, including:

- Does Highwood need a system or a service;
- What contract length is appropriate; and
- Working with department heads to determine if they can manage effectively with fewer phone sets.

### 8.2. Motion to approve Annual Budget for fiscal year 2010-2011

Tabled by Mayor Pecaro until the Finance Committee completes its work on the budget.

### 8.3. Motion to approve Ordinance 10-O-\_\_\_\_\_ : An Ordinance Establishing a Line of Credit

Motion to approve an ordinance authorizing taking out a \$500,000 line of credit at 3% by Alderman Falberg and Seconded by Alderman Fiore.

Discussion:

- Mayor Pecaro said that he heard one municipality was able to obtain a line of credit at 1.5%;

- the line of credit is to be used to pay over \$350,000 in bills authorized for payment by the council plus between \$80,000 to \$137,000 (amount to be determined based upon proper allocation of expenses between the funds) to repay the TIF for funds used to

pay for general fund expenses

- \$200,000 is owed to Highwood in state income tax receipts leaving \$300,000 not covered by any identified revenue stream;
- the line of credit being negotiated is with The Bank of Highwood.
- Alderman Murphy-Pieri said she wanted to know how the \$300,000 would be repaid;
- Dennis Baker, 29 Prall's Loop, expressed concern over whether the planned line of credit is the most effective way to meet the city's needs. He suggested that a revolver loan for 3 years that allowed re-borrowing of previously borrowed but since repaid amounts;
- Alderman Falberg asked Ms. Hannon to check with the bank that had offered the loan at 2% if the City would move all its accounts to that bank.

Because of the need for additional information, this meeting will be recessed and the discussion will be continued when the council reconvenes on Wednesday, April 28 at 7 p.m.

Mayor Pecaro thanked Alderman Sepulveda for facilitating a phone call to him from Congressman Kirk. The Congressman told Mayor Pecaro that he didn't know that the state owed us money; he also told the Mayor that Congress had provided funds to the States to avoid this type of situation.

## 9. Old Business –none

## 10. New Business

Mr. Ponsi informed the council that the rest of Sheridan could be completed for about \$65,000 if the work is done now as they are doing a section of Sheridan and have the equipment in place. It was noted that it is likely to be 3 times more expensive if the work is done separately.

Highwood currently has \$973,381 in the TIF Fund, counting the \$137,008 owed to the TIF Fund by the General Fund:

Cash in Bank 3/31/10	\$904,019.23
Due TIF as of 4/26/10	137,008.53
Expenses 02/03/10 - 4/27/10	(13,592.51)
Public Works Labor/Overhead Est.	(54,054.00)
Total	\$973,381.00

Mr. Ponsi said that they were planning to grind the road next week and that a decision had to be made before that was completed. Ms. Marrin is to present all relevant information about planned road projects to the council when the meeting continues on Wednesday, April 28 so that a decision can be made.

## 11. Executive Session

Mayor Pecaro announced that the council needed to go into executive session under exceptions 2(c)(1) personnel and 2(c)(11) probable or pending litigation. Alderman Murphy-Pieri so moved, seconded by Alderman Sepulveda. Vote:

Yes: Aldermen Bruni, Cahnmann, Falberg, Fiore, Murphy-Pieri, and Sepulveda

No: --

Absent: Alderman Harpster

Abstain: Alderman Linari

Result: 6 Yes; 0 No; 1 Absent; 1 Abstain. The motion passed and the council went into Executive Session at 8:10 p.m.

The council returned from Executive Session at 8:55 p.m. Alderman Sepulveda made a motion, seconded by Alderman Murphy-Pieri to reconvene. Clerk Burke called the roll.

Present: Aldermen Bruni, Cahnmann, Falberg, Fiore, Murphy-Pieri, and Sepulveda

Absent: Aldermen Harpster and Linari.

There being a quorum present, Mayor Pecaro called the meeting back into session at 8:56 p.m.

## **12. ADJOURNMENT**

Upon a motion to recess the meeting and to reconvene Wednesday, April 29 at 7 p.m. made by Alderman Murphy-Pieri and seconded by Alderman Sepulveda and passed unanimously by voice vote, the meeting was recessed at 8:57 p.m.

Respectfully submitted,

/s/ MBurke

Marcia Burke, City Clerk

Reviewed and Accepted by the City Council with the correction shown on May 4,  
2010