

**MINUTES  
CITY OF ST. CHARLES, IL  
GOVERNMENT OPERATIONS COMMITTEE  
MONDAY, OCTOBER 7, 2013**

**1. Opening of Meeting**

The meeting was convened by Chair. Turner at 7:18 p.m.

**2. Roll Call**

**Members Present:** Chair. Turner, Ald. Stellato, Silkaitis, Payleitner, Lemke, Bancroft, Martin, Krieger, Bessner, and Lewis

**Absent:** None

**Others Present:** Mark Koenen, Peggy Forster, Chief Lamkin, Chris Minick, Chief Schelstreet, Peter Suhr

**3. Omnibus Vote**

Budget Revisions – September

Motion by Ald. Bessner, second by Lewis to approve omnibus vote as presented.

**Voice Vote:** Unanimous; Nays: None; Chrmn. Turner did not vote as Chairman. **Motion Carried.**

**4. Mayor's Office**

- a. **Recommendation to approve a Class C2 liquor license for A'Salute Inc., 2400 E Main Street, St. Charles (former East Side Pub).**

**Mayor Rogina:** This did not come before the Liquor Commission. This is simply a transfer of title and a request for a new license and change of the name for the establishment. The recommendation here is to approve a Class C2 license for A'Salute Inc., 2400 E Main Street, St. Charles. The perspective owners are here tonight if you have any questions.

**Ald. Krieger:** Have they completed their BASSET training?

**Chief Lamkin:** No they have not and will have to do that before they can open.

**Mayor Rogina:** Prior to issuing the license that will have to be done.

**Ald. Krieger:** Yes, but I'm puzzle if we are transferring a license. How long have they had a license without BASSET training?

**Mayor Rogina:** No they have not had a license there. East Side Pub is there and has been in business for quite a while in the Foxborough Plaza. These folks are new.

**Chief Lamkin:** We take license applications to Council for approval obviously subject to them completing the BASSET training.

**Ald. Lewis:** Doesn't everyone have BASSET training, all servers and bartenders.

**Chief Lamkin:** Everyone has to be BASSET trained and all that will have to be carried over as well. It's their responsibility.

**Chrmn. Turner:** So in order for this to be approve, we will not approve it until BASSET training is completed and certified by the Chief.

**Mayor Rogina:** That is correct. This would be approved subject to BASSET training. That's always been applied.

**Chief Lamkin:** You're granting approval, subject to them completing the training and Tina holds it until they give her a copy of their certificates.

Motion by Ald. Stellato, second by Silkaitis to recommend approval of a Class C2 liquor license for A'Salute Inc., 2400 E Main Street, St. Charles (former East Side Pub).

**Roll Call:** Ayes: Lemke, Bancroft, Bessner, Lewis, Stellato, Silkaitis, Payleitner; Nays: Martin, Krieger. Chrmn. Turner did not vote as Chairman. **Motion carried.**

**b. Recommendation to approve a reclassification of a liquor license from a Class A5 to a Class C4 for Acquaviva Winery LLC, 214 W Main Street, St. Charles.**

**Mayor Rogina:** For background on this, at the last Liquor Commission meeting held, Mr. Brandonisio, who is the owner of Acquaviva Winery, came before the Liquor Commission making a request of other business. He would like to see his winery located on W Main Street to have the opportunity to serve martinis. So he is asking for a different license because that would not qualify under an A5 license as he currently has. He is asking for a C4 license. We were blunt with Mr. Brandonisio and said that I did not believe he would get an approval to open with an expanded bar with a 2:00 a.m. license which goes along with a Class C4 license. We came up with the idea that he would be the only one applying for the C4 license. There is no other licensee in this town that has a C4 license and therefore we were in a position, knowing the Council would at least somewhat consider the issue of closing at midnight. Mr. Brandonisio also stated that he had no desire to be open past midnight. We could hold him to that by simply amending a C4 license, first by changing it to a midnight closing vs. a 2:00 a.m. We would first have to state by amending the Class C4 license for a midnight closing and if that would pass then I would respectfully ask that you make a motion to approve Mr. Brandonisio's request to have his winery open to have martinis. As a footnote I, as Mayor, have been very pleased with what's happened over there in that particular part of town. That is to say that the awning work and signage that has been put forth there shows a lot of hard work and effort toward making our town look nicer than it already is and that is courtesy of Marco Jewelry and Acquaviva.

**Ald. Stellato:** I would make that motion that we amend the C4 liquor license with a close of midnight and second by Lemke for purposes of discussion.

**Ald. Lemke:** Are there other C4 licenses that would be affected if we modified?

**Mayor Rogina:** No, we modify the C4 license per the motion here tonight moving from 2:00 a.m. to midnight – this is the direction I think the Council has been wanting to take for a while. So here's an example that we are doing exactly that and he will close his establishment at midnight.

**Ald. Lewis:** Is there entertainment allowed with this license?

**Mayor Rogina:** No.

**Ald. Bessner:** Is this a combination license of C4 and A5?

**Mayor Rogina:** It is not. It is only a C4 license and that is defined in your packet. It does allow him to sell wine, have wine tastings, and sell a bottle of wine out of the store. It also allows him to sell martinis.

**Ald. Lewis:** Can you buy wine in other stores past 10:00 p.m.? So you'll be able to go in and buy wine at his store? I think we are going a little farther to allow him to sell package liquor until midnight.

**Mayor Rogina:** You're right and this is a decision you have to make.

**Tina Nilles:** This license C4 is the same license that was created for Brix Wine N Cheese and she did exactly this same thing where I could go in have a martini, a glass of wine, and ask to purchase a bottle of sealed wine out the door.

**Ald. Lewis:** I guess I didn't realize that and in their establishment they were open until 2:00 a.m. So you could go in and buy a bottle of wine at 1:00 a.m. and take it out where nowhere else in the City you can do that?

**Tina:** Correct and that was the only license that was allowed to do that. Then Brix Wine N Cheese closed down and this license was no longer in use, but it wasn't taken out of our code. It is still a valid license available if you so choose to approve this.

**Chrmn. Turner:** The only difference is this one will be a midnight closing and not 2:00 a.m.

**Tina:** We would make an amendment to the code to change the time from 2:00 a.m. to midnight and then we would make a motion to approve this change.

**Ald. Silkaitis:** Has there been any problems with this establishment at all?

**Chief Lamkin:** No problems there.

**Ald. Lewis:** What bothers me is still buying the package liquor up until midnight; if there is any way that can go with the rest of the city code as what those hours are – is it 10:00 or 11:00 p.m.?

**Tina:** All Class A licenses are packaged liquor and they have to stop selling all liquor at 10:00 p.m. I don't want to go into semantics here but you are saying package liquor and that broadens it out to all types of alcohol. Mr. Brandonisio will be selling just bottle wine.

**Mayor Rogina:** The purpose of his establishment in the beginning is a winery; so it makes sense that individuals who go in there and sample the wares are in a position to buy a bottle and leave with it.

**Mr. Chuck Amenta, 173 St. Germain Place, St. Charles, member of Liquor Control Commission:** I wanted to make a quick point that the Acquaviva store is not a regular retail liquor store where they are selling any brand of wine; it's a specialty store where he will be selling his brand specific to his wines in his winery not necessarily brand X off the shelf.

**Mayor Rogina:** Many of you already know Mr. Brandonisio's success of his winery in Maple Park and he chose to come into St. Charles to expand his business. As Liquor Commissioner I am happy to say we are lucky to him here in St. Charles. He is in need here for us to provide some assistance with respect to what he is selling. The alternative would be to say no and then we would have an empty space there. I do want to emphasize that working with you as Mayor we are moving in the right direction.

**Ald. Martin:** The second line in the description for Class C4 licenses states may authorize sale of alcoholic liquor in outside sales areas provided such sales are in conjunction with food service. What type of food service is there at Acquaviva?

**Vito Brandonisio, 214 W Main Street, St. Charles:** What we give is crackers, bread, lunch meat, bruschetta, and things of that nature going along with the wines we are serving at this present time. That is what we will continue to sell.

**Ald. Martin:** Is that considered a food service under the ordinance?

**Tina:** Well, my understanding is Class C licenses are predominantly alcohol with some food oppose to B licenses (restaurants) which is predominantly food with liquor and that is how our code has been standing for several years. Class C licenses serve a light menu.

**Ald. Lemke:** There was also a question about outside seating area and do you plan to serve in the outside seating area until 12:00 midnight?

**Vito:** Yes.

**Chrmn. Turner:** If there's no more discussion there's a motion and a second on the floor to change the Class C4 liquor license to 12:00 a.m. closing.

**Roll Call:** Ayes: Lemke, Bancroft, Martin, Krieger, Bessner, Lewis, Stellato, Silkaitis, Payleitner; Nays: None; Chrmn. Turner did not vote as Chairman. **Motion carried.**

**Chrmn. Turner:** Now there is a second motion to grant a Class C4 liquor license to Acquaviva Winery.

Motion by Ald. Stellato, second by Bancroft to approve a Class C4 liquor license to Acquaviva Winery at 214 W Main Street.

**Roll Call:** Ayes: Lemke, Bancroft, Bessner, Stellato, Silkaitis, Payleitner; Nays: Martin, Krieger, Lewis; Chrmn. Turner did not vote as Chairman. **Motion carried.**

- c. **Update on Liquor Control Commission discussion regarding drive-up window for package liquor sales and recommendation from Government Operations Committee to direct city staff on the next steps.**

**Mayor Rogina:** As Commissioner I come here tonight with no recommendation from the Commission because of the fact as it states in the Executive Summary, two of the members of the Commission voted against this proposition and one vote yes. I as Liquor Commissioner am in support of it, but I will speak tonight in support of it allowing equal time to speak against the issue. You as a Council have a full understanding of the issues at hand.

As Chrmn. Turner indicated the Lundeen's are making a request to, in effect, change City Code 5.08 Alcohol Beverages – Item Q which prohibits drive-thru sales of liquor. You would have to change that first to allow that to occur and then, of course, give them the opportunity to have a drive-thru at the new establishment on Main Street. At the Commission meeting the Lundeen's made a very solid argument in favor of a drive-thru. Particularly they impressed with a couple of items that stood out. 1) The idea for customers that are either elderly or disabled to have an opportunity to ease their purchases. We are not talking about anything illegal here. We are talking about liquor which we sell in our community, we allow people to go into bars, taverns, and restaurants to consume liquor, so there is nothing out of order here. 2) A purchase at a drive-thru is really no different than the purchase of an individual coming into the store. You can ask them if they are in a the same position, worst position, or better position to identify somebody who is under the influence of alcohol. What I heard at the Commission hearing is that they certainly can. I also talked with the Police Chief in Sycamore and the summary Chief Lamkin put together indicates that they have had absolutely no problems in Sycamore.

From a business standpoint, I hope we as a City Council can encourage our business to grow. Do we have proof they will grow their business by adding a drive-thru? I don't know and I find it hard to believe that we would not do that. That is your decision. Lastly, our image or perception problems as some believe in; do we have an image problem downtown? I would contend we do and are working diligently as a council and mayor to try to eradicate this image problem downtown. I like to separate that from this particular proposal. Whenever our image is tarnished or smeared I think we should take action as a council. I don't think we should act upon perceived image problems – problems we think might hurt our image. We should let the market dictate that. We are drawing conclusions through our banks, burger shops, donut shops, and prescription drug shops. I think it is very adequate to add liquor to the list.

Finally what about this setting a precedent? This is what I think people are more concern about. It's not the Lundeen's. They have been a good merchant in our community for a long time. It's about this drive-thru concept, it sets a precedent, and all of a sudden we will be besieged by that. I've talked with Chief Lamkin and the City Administrator and I'm convinced you have the right to take this on a case-by-case basis. Here I think the anecdotal evidence suggest that these people are worthy with the experience behind them to do this well. Some other individual may come before us and say they want a drive-thru and may not have that experience and we may say no to them and have that right to. I would bring all of that to you attention.

**Chuck Amenta:** I think we are looking at two issues. First is the change of the ordinance. If we separate that from the specific topic of Lundeen's and the location, I think the topic of changing the ordinance is one that we should consider. I also ask you to consider to yourself that if this location was west of Rt. 64 or somewhere not in the location that is being consider would that change your thought process of whether we should or should not allow this change to the ordinance. Furthermore, if we are going to have a liquor drive-thru in St. Charles, who better to lead the way and show us how to do it properly, and who have proven that they have a very tip-top operation in St. Charles as well as in Sycamore. Mayor Rogina spoke with the police chief and I spoke with the mayor in Sycamore who said nothing but great things of the Lundeen's as owners of the drive-thru. With those considerations in place I think we should think about at least changing the ordinance and address all the other things separate from that.

**Ald. Lewis:** I received several emails this week that were in support of the position I took at the Liquor Commission meeting of not being in favor of a drive-thru liquor window. I disagree that it's the same product as a bank or a McDonalds. It's a legal product but one that has restrictions with it. It's also not zoned and don't feel we should change the zoning and don't believe we should change the City ordinance. It's not just the ordinance changing it is zoning also.

**Mayor Rogina:** I don't think that's an issue in this particular discussion. The zoning issue is a separate different issue completely that is dealt with in a separate venue.

**Chrmn. Turner:** The mayor makes a good point because we won't even go there if we don't pass this; so it's not up for discussion yet.

**Ald. Lewis:** I've given this a lot of thought, been asked a lot of questions, and I still stand by my decision that I made a month ago to not support a drive-up liquor window in the City of St. Charles.

**Ald. Payleitner:** I concur; my email was supportive of my vote against it. Right now I am not convince that we need additional convenience to purchase a control substance as a business model. Ald. Lewis made that point as well. I commend the Lundeen's on their well established, well run business, and I visited the Sycamore store. If ever there was to be one – it looks great; but I don't see if for our town. I don't see it the same in picking up your prescription with a sick kid in the back seat and you're not going into the store. It's not the same thing. As far as elderly and disable, we have several grocery stores that have licenses that you can pick up your liquor as well. As far as the perception argument goes, I don't think the timing is right for us right now to jeopardize an "iffy" reputation on liquor issues. I think that would happen in making this ordinance more lenient.

**Ald. Lewis:** Could I ask some of the senior council members if they have any recollection to why an ordinance was passed to not have drive-up liquor windows?

**Ald. Martin:** It is totally unthinkable to have such an item as a drive-up liquor store. It was never considered that we not have it. I was around when we had the first drive-up food restaurant and we had the same issues – it doesn't fit – this doesn't work. Mr. Mayor I take issue when you say this is not a zoning issue. The location they are proposing to put this drive-up has residential adjacent to it.

**Mayor Rogina:** Mr. Chairman, may I reiterate my stance here that the scope of this conversation should not include zoning because that's a separate issue and Ald. Martin very well knows that and he knows there is a process for that and that we'll face that process on the zoning issue at a later time. If this comes to pass there is no guarantee that the Lundeen's will get the drive-thru anyway by the zoning. That's a separate issue and I would like to separate these two items.

**Ald. Martin:** When we've had issues such as this the zoning has come first before the proposal.

**Mayor Rogina:** If you vote this down you won't need to go through that process. That's the point. If in fact it passes then they do have to go through the process; so that's why I think we have the order in the way we've done it.

**Chrmn. Turner:** I have to agree with your Honor. Why go through the zoning and planning process...

**Ald. Martin:** You can all agree with whoever you want to. That's my opinion.

**Ald. Silkaitis:** First I want to acknowledge that I've known Dave Lundeen for 50 years and Julie for over 40 years. The Lundeen's have operated their business in St. Charles for 37 years and wish to expand their customer base with a drive-thru window. I have some concerns with this concept, but over the years they have been good neighbors. Look at their operation in Sycamore which I've been there myself, they have had no issues with the drive-up as the Mayor has stated. If we grant this request there can be provisions in the ordinance that can deal with any violations of this ordinance. With regards to setting any precedence, we the City Council can have control over who can have a liquor license and a drive-thru. We can have an ordinance that if you have any number of violations – you cannot have a drive-thru. I think we should grant this request knowing that the City will be watching closely for any violations. Back in the days when I approve the first drive-thru for a pharmacy, I had my issues of that. I still don't see the point of a liquor drive-thru, but they are the business owners and are going to spend their money to do it – it is going to make money for them, I hope. I don't see an issue and if they do have problems, I'll be the first one to say, sorry but you have to close it.

**Ald. Lemke:** Is there a period in time that we can grant this for a year? Another scenario is I'm not clear what the hours are?

**Mayor Rogina:** They are licensed as a packaged liquor store that demands a closing at 10:00 p.m.

**Ald. Lemke:** And the same would apply with those drive-thrus?

**Mayor Rogina:** Yes.

**Ald. Bancroft:** So what we are trying to do now is to decide whether we are going to direct staff to craft an ordinance?

**Mayor Rogina:** Correct, the first step is to direct staff to draft an ordinance to allow for a drive-thru and then you would vote on that change and then to grant them a drive-thru. That would be in place before they could ever open a drive-thru.

**Ald. Bancroft:** Then it comes down to the intellectual exercise of what does that ordinance look like, because a yes/no right now seems premature. I'd like to see the language and what the elements are. I have even gotten some emails on this. I'd like to see the substance of what is being proposed by staff first before passing on it. I've known the Lundeen's for quite some time as well. It's not a credibility issue with them. It actually has nothing to do with them. It's more what do we authorize next?

**Ald. Payleitner:** My understanding is we just eliminate Item Q – correct? We're just pulling that out?

**Ald. Bancroft:** I would be surprised if that is all it was.

**Mayor Rogina:** Counsel – we have an ordinance that prohibits this.

**Atty. McGuirk:** The ordinance presently prohibits drive-up packaged store arrangements. If that's out, then they would have the ability to at least seek the approval to have it. Now they would still have to meet all the other zoning requirements.

**Mayor Rogina:** So a vote to eliminate that particular ordinance would give them the opportunity and then if you were to vote to allow them to have the drive-thru – that would stand.

**Ald. Payleitner:** So it is in fact just pulling Item Q?

**Ald. Lewis:** By pulling Item Q it opens it up for everyone?

**Mayor Rogina:** I made that argument earlier that anyone could come for a request and you have the right to deny that.

**Ald. Bancroft:** I don't understand why if we can just prohibit it outright we couldn't regulate through this ordinance with an okay that isn't the zoning. I don't understand why it's got to be that simple of it's a yes or no; either that's in or that's out. I'm looking at the language for Item Q "No license issued under this chapter authorizes the sale, gift or delivery of alcoholic liquor utilizing curb service, drive-through window, or any other similar methodology. All such sales, gifts or deliveries are prohibited."

**Tina:** When this current code was modified approximately 4 years ago, this was put in mostly for curb service because Meijer was establishing this in some of their other cities where I could call in my grocery order and order alcohol and it would be packaged and delivered out to my car. So we initiated this piece of code to eliminate that and broaden the whole scope to eliminate any possibility of having liquor brought out to your car.

**Julie and David Lundeen, 708 Somonauk Street, Sycamore, IL:** We are third generation businessmen here in St. Charles. David began his business in 1977 with the purchase of Bernard Liquors in the Valley Shopping Center. We expanded to the east-side store and eventually expanded west to Sycamore and DeKalb. We are asking for the City of St. Charles to allow us to utilize a business model that incorporates a drive-thru window at a new express location at 1315 W Main Street. We've run this business model successfully without a single incident for nine years at our Sycamore store. The reason we feel a drive-thru will work there is exactly because it is an express location under 2000 square feet. It is not meant for people to walk in and look for a fine wine. It is an express location. According to the St. Charles Comprehensive Plan we are business stakeholders in this town, having served this community for 37 years, and we are striving to evolve our business to meet with current economic times by utilizing this business format. We would like to clarify that we are not part of the downtown. The Comprehensive Plan clearly places us in the west Main corridor that connects to the western edge of downtown which is 5<sup>th</sup> Street to Randall Road. The plan also states that 14<sup>th</sup> Street to Randall Road is mapped as a higher density, commercial area than the span from 5<sup>th</sup> Street to 13<sup>th</sup> Street which is a more mix of residential and commercial use. An integral part of the Comprehensive Plan is to maintain a strong commercial base in this corridor. Comments have been made that if perhaps this lot was on Randall Road it would be different and we ask why? Why can't we continue to serve the residences of the west corridor and the commuters that we have had for 37 years? Why can't we give them a service they want? Why do they have to go to Randall Road to get a service that we want to provide? Finally in accordance with Chapter 3 of the Comprehensive Plan under Goals and Objectives, we have sought public input and have brought forth 600 signatures of residents and customers that are in specific support of a drive-thru window at that location. Any questions?

**Ald. Krieger:** I have also received a number of emails and phone calls, and I have yet to meet a parent who is in favor of this. They're concern that this will make it that much easier for their not quite 21-year olds as well as those that are 21 years old to grab a bottle and go. I have not received any support. In some of the schools east of here, St. Charles is considered to be the liquor haven of the northern portion of Illinois. I had someone explain to me that they hope we pass it because then they wouldn't have to stop. They could just whiz in, get their booze, and head back to the city. I'm afraid they'll drink on the way back. Nothing personal.

**Julie:** I understand your concerns but someone drinking in the car is no different than someone who walks into the store, purchases it, gets in their car, and drives off. I can't convince you. We do are due diligence, carding, there is no whizzing in and out.

**Ald. Krieger:** Well it's an added convenience and sends our image down another notch. We just don't need it right now.

**Ald. Bessner:** What percentage of sales do you make in your Sycamore location out of the drive-thru roughly vs. overall sales?

**David Lundeen:** On any given day its about 17% - 35% of sales.

**Ald. Bessner:** That's pretty substantial. Secondly, going off of Ald. Krieger's point, how do you differentiate between the possibilities of a 21-year old or older being outside, coaxed into buying some alcohol for someone else vs. not being able to see that in a car having 19 year olds. During the time you've had your drive-thru in Sycamore have you learned anything, seen anything, put different practices in place based on observations?

**Julie:** That was a new business model when we went to Sycamore. Sycamore has had a single drive-thru liquor store since the 1950's. It was not a new concept to them. Do they allow everyone to have it? No, it's very restrictive and depends on the layout, etc. We have cameras through the drive-thru. You are very close to that person. This is not McDonalds where you come in and place your order through a box and you just pick it up. You come to the window, we open the window, we are right there with you. We all are TIPS trained, as well as all of our cashiers are trained, and we actually see more into your car than if it is out in the parking lot. We find that no minors come through the drive-thru because they know perfectly well the same thing. If there is a car load of teenagers, we see that. They are better off staying in the back corner of the parking lot and trying one at a time to come in or go to a grocery store. This is what I don't understand that it is okay in the grocery store. Liquor has evolved. It is not even separated. There is wine in the meat department. Liquor is everywhere and that is okay. They have to make sure that it doesn't get into the hands of minors and that is our responsibility as license holder. If we fail then we don't get to keep our license.

**Ald. Stellato:** I'm struggling with the four "P's" the first being perception, precedent, what do we do when we have problems, and probationary period. Most of those are going to be taken care of tonight. I wanted to listen to a way that we could craft a new ordinance and cover most of the points I just mentioned. Unfortunately that is not going to happen and that makes me concerned. The perception – I understand about Sycamore. Let's face it, there are not drive-thru liquors in St. Charles, Geneva, Batavia. The perception is that we are going to be the first community to do it. You have to understand that no matter what it is, any community is going to struggle with that. Nothing to do with the Lundeen's name, I've known Dave for years. The perception is if we allow this to happen and everything goes okay; over time the perception changes, people start to embrace it. I understand that's a route we can go; but when we get down to things like precedence, and we are setting a precedent, we have to deal with a lot of other issues. I thought this ordinance would allow us to say, with a little more teeth, that this is the only exception we are giving. We are going to try a probationary period and see how it goes and see if there are any problems. If there's not - then we can go ahead and write the ordinance for the next person. I know we have the right to deny anybody or remove their license, but I also thought we could put that in the ordinance. If you do something wrong in that establishment, what would that mean to do something wrong and allow us to pull your license that's different from somebody who serves indoors. What if you served to someone in a car who drives away and gets into an accident? How do we know if that is caused by you or not? I don't know how to

measure that – I can't quantify that. So what happens there? I thought this was going to be covered tonight by discussion on how we would write an ordinance that would give us more teeth and make me feel more comfortable to help with the perception and go through what we do if we had problems. Perhaps we would have a probationary period and don't have to worry about setting a precedence because it's case sensitive. I'm very disappointed that all we are doing is removing Item Q. This has nothing to do with the Lundeen's. This is just our discussion internally. I was misled. I thought there was something more that was going to be happening here. I thought we were going to draft a new ordinance or a new class of liquor license.

**Ald. Bancroft:** Is this to us to direct that?

**Ald. Stellato:** Yes.

**Atty. McGuirk:** The thought tonight is to direct staff to examine what's the impact in removing Item Q, does it impact on other portions of the ordinance. We have not gotten to that point. The concept is does it have support? If it does, the staff can look at those things and craft an ordinance and see where this impacts on the classifications or other aspects of the ordinance, but it hasn't gone that far. It's just in discussion.

**Ald. Stellato:** Okay, if you can make me comfortable than I am in your camp – there's no problem there. And how you make me comfortable with this is that administratively you have to design some wording that gives some safeguards that I know personally I can be comfortable with. If we can direct staff to do this, I am all in favor of moving it to that position.

**Ald. Bancroft:** Regarding removing Item Q, if you have a car load of people, is the driver the buyer automatically? What if the passenger next to them is over 21? There is a whole litany of questions that can come up by the fact they are in a contained vehicle. I asked Lundeen's this question and they actually police themselves. I got comfortable with their approach and you might want to ask them the right way to aid in some of those safeguards. It's not just deleting Item Q because that is not going anywhere.

**Ald. Stellato:** If we had in there that everyone in the car was carded, every single person was carded, which I know that is what you do – you have high standards; I would want that in the ordinance. So if anyone else wants to do this later on – it's already in there and that gives me comfort.

**Julie:** Perception – I can't answer that for you. There's a perception that if you are in a car, you get more liquor faster, you don't. We always protect. We want the perception of our business to be stellar. We take holding a liquor license very seriously. We own a liquor store in a college town at NIU. It is not easy, but we hold ourselves very accountable and if you were to call out to DeKalb's police department, you would find we are always the ones who take an extra step. We don't want alcohol in the hands of anyone who is either a minor or impaired at all, but can I guarantee you that somebody would buy something and drive off – no more than I can guarantee that someone would walk into my store tomorrow and drive out and drink and get in an accident. We do our due diligence. We would be willing to go along with anything that would help us out.

**Ald. Stellato:** What Ald. Bessner brought up – what have you learned. You have that invaluable experience and we need that put into an ordinance that says here are the standards now. If anyone in the future wants to open a drive-thru, they need to follow your model.

**Ald. Lewis:** I want to go on record that this is not about you. You do have a business on the east side of St. Charles. Would that be something you would want to have there also – a drive-thru. If it increases your

sales and is such a convenient way to shop, it's what your customers are asking, why wouldn't you do that there?

**Julie:** No, because that location doesn't fit. I wouldn't have one at our DeKalb store. It has to go case by case. Our Sycamore store works beautifully. We have no issues and we have many elderly and handicapped people who stop by for not just liquor.

**Ald. Lewis:** I wouldn't support this on Randall Road either, so it doesn't make any difference to me. Ald. Stellato, regarding carding everyone in the car; if I had a 13 year old grandchild in the car I could not go through the drive-thru?

**Ald. Stellato:** I have not thought that far. This is the first time we talk about this tonight.

**Mayor Rogina:** Based on conversation here tonight, there would be nothing wrong to have staff present an ordinance for your consideration. Looking at the executive summary I am asking for a motion. Perhaps I implied that but at the same time what transpired here tonight as Mayor, is what I wanted to see – open, frank dialogue on both sides of the issues; and I think we achieved that tonight and gained some things. I would like to see the staff be in a position to present an ordinance per Ald. Stellato and Bancroft's requests.

**Chrmn Turner:** My interpretation of this item is that you are here to request the Committee to give you direction on this?

**Ald. Payleitner:** I would like for us to proceed cautiously. This isn't the time to make our liquor ordinance more lenient and right now that looks like what we are doing. If we start adding in the components that Ald. Stellato and Bancroft are talking about, are we making it too difficult to police as well? We don't want to make it a nightmare for enforcement either.

**Ald. Bessner:** This could come to us as a council/committee and we could decide on a case by case basis, but when we get to the point to changing the ordinance to allow for this use, could we put a moratorium of 4 or 5 and no more than that in the City of St. Charles.

**Mayor Rogina:** I wouldn't want to say yes without referring to legal counsel on that. My suspicion is that we could.

**Ald. Bessner:** I don't think we should just limit it to one, but if we were to get to that point, so that we don't create what could be seen perception wise or reality wise down the road to have 30 or 40 different drive-thrus; could we limit it up front to only 3 or 4?

**Atty. McGuirk:** We could draft an ordinance that would limit the number or provides a process for determining a number.

**Ald. Martin:** Should the Council decide to proceed with this, can we create a new package class license including drive-thru service and limit it to one?

**Mayor Rogina:** Again, you can decide pretty much what you want to, but tonight my hope is that you let the staff at least present something you can chew on at another committee meeting.

**Atty. McGuirk:** You've raised a lot of issues tonight and we would have to study and research this, but off the top of my head I think we can limit it to any number you want.

**Ald. Martin:** I would like to know how many drive-thru establishments there are in Kane and DuPage counties, even northern Illinois?

**Ald. Lewis:** I did some research on line and saw where there were about 40 in the state of Illinois, unofficially, and what I've read in the newspapers most communities were not supportive of drive-thru windows.

**Ald. Lemke:** In drafting this ordinance I would argue there are two things that need to be considered. One is a special ordinance for package liquors and drive-thru but a drive-thru for packaged liquors would be a special use. That's a separate element in the zoning, so if that in fact does come to us, we don't go on 5<sup>th</sup> Avenue five blocks north of downtown.

**Mayor Rogina:** For the staff's understanding are you suggesting they come back with an ordinance that would very well play into the next round which is the resilient piece?

**Ald. Lemke:** Not necessarily in this ordinance, but certainly with a recommendation that would say here's what we do with the liquor ordinance and we also feel that a second change should be made that limits special use for a liquor drive-thru.

**Chrmn. Turner:** To sum this up and go forward on this it would be best to have a new ordinance not just a modify ordinance. A lot of things have been said here tonight that should be addressed. We shouldn't say we are going to allow or disallow this request until we actually see an ordinance.

**Mayor Rogina:** From a procedural standpoint if there is a motion here for staff to create an ordinance of this particular situation and it passes, I think that is where it stops tonight and there will be no further action until that ordinance is created. I will support and agree with on that.

**Chrmn. Turner:** That is the way I would like to see this go. I have two issues. First regarding setting a precedent, we granted drive-thrus for Jewel Walgreens, etc. for pharmacy pickup. We did not grant one for Meijer. They requested one and we turned them down. So to say you have to grant one, you have to grant them all – that's not true. Everything is going to be taken on an individual basis. As far as perception goes, I'm looking at either you walk into a store and buy a product or you go to the drive-thru and buy your product, the result is the same – it winds up in the car. So if you want to go with image that's fine, but the reality is no matter how you do it – it winds up in the car. So should we take a vote for staff to draft an ordinance for drive-thru liquors?

**Ald. Payleitner:** For clarity – a yes vote will be to go and direct staff to rewrite the ordinance? A vote no would say keep it as is?

**Chrmn. Turner:** Correct.

Motion by Ald. Silkaitis, second by Stellato that we direct staff to research a drive-thru for a liquor store with input from the Lundeen's from their knowledge of running a drive-thru liquor store.

**Roll Call:** Ayes: Lemke, Bancroft, Bessner, Stellato, Silkaitis; Nays: Martin, Krieger, Lewis, Payleitner. Chrmn. Turner did not vote as Chairman. **Motion carried.**

**5. Finance Department**

**a. Recommendation to approve estimated amount of 2013 Property Tax Levy in the amount of 21,814,158.**

**Chris Minick:** Enclosed in the packets tonight is a request to set the preliminary estimate of the property tax levy for the City. Each and every year we need to make an estimate of this annual property tax levy. This begins the process of formally levying the taxes. The amount we estimate becomes the basis that is published in the newspaper for the Notice of the Public Hearing. I would note that approval of this estimate does not lock us into any particular tax levy amount. We are free to choose the amount as we go through the process. It simply sets the estimate and allows us to place that estimate into those publication notices. After this estimate is approved, staff will make a complete presentation of the status of the tax levy request to Government Operations Committee, publication of the levy amount and notice of the Public Hearing will be made with the Kane County Chronicle. We will hold that Public Hearing in December and will then present the ordinances for formal approval a December City Council meeting. The levy must be in place and on file for each of the individual counties prior to the final Tuesday in December, which this year is New Year's Eve. What happens next in January is the City will abate the debt service levies as part of the tax levy process. Then in late March, early April we finalize the levy once we get the final information from both DuPage and Kane counties. The amount of this year's tax levy estimate is \$21,814,158 and that represents an amount of 6.4% below the amount that we estimated as the levy in 2012. The operating component of the levy is being held consistent at approximately \$12M for the sixth consecutive year. This is the amount of the governance and finances portion of the City's day-to-day operations. This is the portion of the levy that the City Council has the most discretion in settling the amount for. The debt service levy is declining by approximately \$1.5M to \$9.3M; that is approximately a 14% decline over the amount of what was estimated for 2012. As I mention we do need to include this amount in the levy estimate; however we typically abate this amount by passing a series of abatement resolutions in January/February each year. This means we remove that \$9.3M from the property tax levy and it does not appear on the property tax bills that our residents pay. We do, on an annual basis, make the debt service payments from the general revenue of the City. Special Service Area taxes are a portion of the levy; it is a very minor portion that only affects specific geographic areas of the City. That is increasing slightly for purpose of the estimate. To recap we are requesting a levy estimate in the amount of \$21,814,158 which is 6.4% lower than the prior year and staff does recommend approval.

**Ald. Stellato:** Just would like to say great job to staff and everyone in the room deserves a pat on the back.

**Chrmn. Turner:** This is your sixth year at this figure and we all know that the City costs have gone up at least 1 to 1-1/2% a year and you always come in with a little bit of surplus at the end year and I agree with the Council and think you did a great job.

Motion by Ald. Stellato, second Silkaitis to recommend approval of the estimated amount of 2013 Property Tax Levy in the amount of 21,814,158.

**Roll Call:** Ayes: Lemke, Bancroft, Martin, Krieger, Bessner, Lewis, Stellato, Silkaitis, Payleitner; Nays: None. Chrmn. Turner did not vote as chair. **Motion carried.**

**b. Presentation of Monthly Update regarding City's Financial Results for July 2013 and August 2013 – Information Only.**

**Ald. Stellato:** Before we get started, we've had some discussion about doing these reports quarterly instead of every month. All the information is there and depending on what time of the

month or year we look at this report it goes up and down. This is a suggestion that I wouldn't mind if we did this report quarterly.

**Chrmn. Turner:** If it's at the Council's wish we could go forward with having a quarterly report after this one (all confirmed).

**Chris Minick:** Okay, I will do them after the 3<sup>rd</sup>, 6<sup>th</sup>, 9<sup>th</sup> month and after the 12<sup>th</sup> month of year to maintain on a quarterly basis. The next quarterly report I'll do will be October 31 results that will be presented in November.

Tonight reports are July and August 2013. I will concentrate on August since that supersedes the July numbers.

**General Fund:** Currently we forecast \$726K deficit based on \$40.6M in revenue and roughly \$41.3M in forecast expense. In the trend we are seeing this fiscal year, revenues are continuing to underperform our expectations and are a little stagnate in underperforming in a couple of cases in comparison to the prior 2012 amounts especially in sales taxes and hotel tax revenues. Our share of the income tax revenue that we get from the state of Illinois is significantly above our estimates of prior year amounts. Our total revenue amounts are trending 1.5% below budgeted expectations for the year. Our expenditures continue to trend lower than budgeted amounts particularly in personal and contractual services; and offsetting that revenue shortfall we do expect that the expenditures will end the year approximately 2.6% below budget for the fiscal year.

**Electric Fund:** Currently we have a \$1M projected deficit at August 31 based on \$56.2M in revenue and about \$57.2M in anticipated expenses. User charges are trending 0.7% above budget at this point with total revenues forecasted to end the year approximately 1% above budget. Total expenses are anticipated to end the year at 1.3% below budget and all categories of expense are currently trending at or below their budget amounts for the fiscal year. Also in the Electric Fund most of our power charges are currently trending about \$250K or roughly 0.6% below budget expectations at the end of August.

**Water Fund:** We have a \$5.2M deficit forecast based on \$5.4M in revenue and \$10.6M in expenditures. A key thing to remember in the Water Fund is there has been a significant delay in a couple of projects which we accomplished or completed some bond issues for in the prior year. We actually issued debt and anticipate that about \$1.2M of those expenses are going to be covered by debt issuances that actually happened in FY12/13. The revenues don't show up on the revenue side of the equation because they occurred in a prior year but the expenditures are showing up in this particular fiscal year thereby inflating the deficit by \$2M. User charges in the Water Fund are down nearly 12% from the prior year. Consumption in the Water Fund has declined by approximately 18.5% as compared to 2012 due to that being so hot and dry which accounts for the difference. We had a more, wet and cooler summer in 2013. We are currently expecting revenues to end the year at approximately 5% below budget expectations; however our total expenses are trending 1% below budget as well and all categories are trending at or below budgeted amounts.

Wastewater Fund: We have \$15.5M in revenue forecast and approximately a level of \$18M in expenses resulting roughly in \$2.5M deficit forecast at the point in time. User charges are approximately 4% above the prior year amounts and are trending about 1-1/2% below the budget amounts. Expenses are trending 0.6% below budget amounts with all categories forecast to end the year either at or below budgeted amounts.

**6. Executive Session**

- Personnel
- Pending Litigation
- Probable or Imminent Litigation
- Property Acquisition
- Collective Bargaining
- Review of Minutes of Executive Sessions

Motion by Ald. Lemke, second by Bessner to enter into Executive Session to discuss Property Acquisition at 8:37 p.m.

**Roll Call:** Ayes: Lemke, Bancroft, Martin, Krieger, Bessner, Lewis, Stellato, Silkaitis, Payleitner; Nays: None. Chrmn. Turner did not vote as Chairman. **Motion carried.**

Motion by Ald. Bancroft, second by Martin to return from Executive Session at 8:44 p.m.

**Roll Call:** Ayes: Lemke, Bancroft, Martin, Krieger, Bessner, Lewis, Stellato, Silkaitis, Payleitner; Nays: None. Chrmn. Turner did not vote as Chairman. **Motion carried.**

**7. Additional Items**

None.

**8. Adjournment**

Motion by Ald. Lemke, second by Silkaitis to adjourn meeting at 8:45p.m.

**Voice Vote:** Unanimous; Nays: None. Chrmn. Turner did not vote as Chairman. **Motion Carried.**