

Minutes Special Township Meeting

STATE OF ILLINOIS

LAKE COUNTY

TOWN OF NEWPORT

THE ELECTORS OF NEWPORT TOWNSHIP met at the office of the Town Clerk at the Village Hall on January 18, 2017 for a Special Meeting called by the Township Board of Trustees in accordance with Section 35-5 of the Illinois Township Code, 60 ILCS 1/35-5 for consideration of and action on a Resolution authorizing Newport Township to grant an electric transmission line easement option to American Transmission Company LLC for the property described on Exhibit A hereto and depicted on Exhibit B for property located in Newport, Illinois, and giving the Township Board the power to enter into an easement agreement related to said property.

Township Board Members Present: Debbie Spurgeon, Township Clerk

Call to Order: Spurgeon called the Special Meeting of the Electors to order at 7:00 p.m.

Pledge of Allegiance: Spurgeon led the assembled electors in the Pledge of Allegiance.

Clerk's Opening Remarks:

This Special Township Meeting has been called pursuant to a vote by the Township Board. The purpose of tonight's meeting is stated on the agenda. In a minute we will choose a Moderator, who will be asked to facilitate the meeting in an open and impartial manner. All registered voters received a ballot when you checked in. Each voter must place their own ballot in the box, the ballot box will remain stationary and in full view of the electorate throughout the proceedings. The clerk confirmed to the audience the empty ballot box, noting board members present tonight other than herself are here as electors not officials. All present are asked to be respectful of others during the process and everyone who wishes to speak will have an opportunity to do so.

Nominations for Moderator:

Nominations for Moderator from the assembled electorate are requested. A motion to nominate Mike Dolan is made by Susan Zingle and seconded by George Pavlich.

Spurgeon inquires if there are other nominations from the floor. A motion is made by Stan Williams, seconded by Greg Johnson to nominate Jim Zegar.

Hearing no further nominations, the nomination period is closed.

A show of hands for the nomination of Mike Dolan is followed by a show of hands for the nomination of Jim Zegar. Jim Zegar is elected as Moderator of the Special Township Meeting by a margin of 5 votes (41-36), is sworn in, and states his intentions as moderator.

Neil Palmer, representing ATC outlines the electric transmission line project and how the project has progressed to this evening--through meetings with Township Supervisor Randy Whitmore throughout 2016, open houses held by ATC, and a selection of a preferred route. The preferred route line runs from Russell Road, south, parallel with the Union Pacific Railway line and is intended to connect with a Commonwealth Edison line located at Rte. #173, which continues south to Libertyville. The ATC line will run immediately west of the existing Commonwealth Edison line. ATC intends to build a sub-station at Route 173 and have acquired the property on the north-east corner of Route 173 and Delany Road. Illinois requires the filing of a public convenience and necessity certificate application with the Interstate Commerce Commission, the people who regulate public utilities. ATC filed an application in August of 2016. In October, 2016 they notified landowners who will be immediately affected. At the same time, ATC filed for an alternative route, which essentially follows the other railroad which comes through the township, the CN Line. The ICC approved ATC's preferred route in December 2016.

The township owned property which is ~2,500 feet long and which ATC's line is proposed to run through, requires an easement by ATC. ATC will then erect either large steel or rust poles (dark brown poles which are allowed to rust). The easement will give ATC the right to build, operate and maintain the line. It also puts certain restrictions on the use of the land by the township going forward. Neil Palmer says ATC made an initial offer to the township and the offer was countered, which ATC accepted (totaling \$278,100). This concludes remarks by Neil Palmer who indicates he will take questions.

Randy Whitmore, Newport Township Supervisor says he has been working with ATC for some time and has negotiated the best possible deal. Whitmore says the preferred route project will be esthetically pleasing and the alternate route would not be. He says this will help Newport Township – if the resident's want a building, we'll build a building and if the taxpayers want their money back, we'll give it back to them. He calls the project a no-brainer.

Public Discussion:

Jerome Berens--- Inquires as to the per acre price for the easement. Whitmore responds it is equivalent to \$40,000 per acre.

George Pavlich—Notes the township used taxpayer money to purchase the land, amounting to \$420,000 about 15 years ago. He says the easement essentially cuts the property in half, rendering each side unusable and wonders why the township doesn't sell the property and give the money back to the taxpayers. He asks how the current proposal makes sense since the property is ~350 feet wide and a quarter mile long and the proposal includes a 110 foot easement with power lines. Essentially the township is left with little useable land. He feels the township taxpayers should be getting \$420,000 since the property becomes much less useable.

Randy Whitmore interjects that he suggests putting up a town center on the property, eliminating the need for the township to pay rent, which amounts to ~\$3,500 / month.

Pavlich asks Whitmore where the money for the town center will come from, stating this is why a building wasn't built years ago.

Unidentified speaker---Asks about the alternative route poles shown in the exhibit running south of Route 173.

Neil Palmer indicates no poles will be going south of 173 in the preferred route proposal.

Mike Dolan—Mike Dolan comments that Illinois State law requires an independent appraisal be done and it be open to the public for review. He asks whether an independent appraisal was done.

Beth Hartford --- Township code requires any township leases on real property shall be determined by a state licensed appraiser and shall be made available for public inspection. She asks, when and where was this done.

Keri-Lyn Krafthefer, attorney for Ancel, Glink, Diamond, Bush, DiCianni & Krafthefer, PC says this isn't a lease, it's an easement.

Hartford says you're essentially leasing the land.

Mike Dolan --- Asks if the payment is one lump sum or a payment over time. According to Neil Palmer, ATC, the payment will be in one lump sum.

Susan Zingle--- Whether it's an easement or a purchase or whatever, it seems that the original negotiating point would have been to have an appraisal of the property by an independent, licensed appraiser. She asks whether that was done.

Randy Whitmore says he went to Jerome Berens, the township assessor, for a fair market price.

Neil Palmer says ATC used a market study to begin their offers to landowners.

Ken Furlan—Asks why we have an easement agreement without any parameters and says he's never seen this type of arrangement before. Furlan continues, essentially you're going to give them the easement and then with ATC in a position of power, try to negotiate what you can put on the property.

Neil Palmer says he has a copy of an explicitly detailed proposal. Furlan says he would like a copy, but notes it's of limited value since the vote is taking place tonight.

Susan Zingle--- Are there any plans to go further south? She has heard rumors they intend to go as far south as they can. Neil Palmer, ATC, says there are no plans to go further south of Route 173 in the ten year and beyond plan.

Unidentified speaker---Asks about what happens if the electorate votes no.

Neil Palmer, ATC, says there is no alternative that they (ATC) will go away. They don't know what they would do, but they would look at alternatives and look for another route.

Debbie Spurgeon--- Asks if ATC has approval for the project on the Wisconsin side of the line.

Palmer says no, ATC does not have approval from Wisconsin. They will begin the Wisconsin process shortly and it usually takes about a year. The Wisconsin agency will have the knowledge that the ICC has approved the Illinois portion.

Mike Dolan---The property was originally bought for \$420,000 and let's say ten years down the road the township chooses not to build a building on this site, the value on the property with a transmission line now on it will be significantly less. He additionally asks how the payment package to the township and attorney is structured.

Neil Palmer, ATC says the payment package includes \$40,000 per acre for rights to use and operate which totals \$266,600. Additionally, it includes \$4,500 for 3 structures at \$1,500 per structure, and \$500 for brush clearing.

Tom Hartford--- Asks what the current on the existing lines is.

Neil Palmer of ATC says the Commonwealth Edison lines are 138 kV lines.

Tom Hartford inquires as to the power the ATC lines will carry. Palmer says they are double the current carried by the existing Com Ed lines.

Corey Kirschhoffer --- Says there was never a big plan for the property anyway, the property will never be sold and says we should take the money.

Susan Zingle --- The Wisconsin Energy (Zion) peaker plant property is over 100 acres and wonders why ATC didn't try attempt to put the switching substation there rather than taking a business parcel from the Village of Wadsworth off the tax roll.

Dan Dziekan--- Says so they're going to pay us \$270,000 for a piece of property we paid \$420,000 dollars and we're still talking about this?---Dziekan doesn't see what the argument is about.

Unidentified speaker--- Says the previous speaker obviously does not have land that abuts the property where the transmission lines are going. He says he actually read the ATC proposal and they have the right to leave all their crap on his land including the trees they cut down. He thinks the proposal is absurd, poorly structured and does nothing to protect the township residents who live along the proposed line.

Another unidentified speaker--- Asks if Com Ed asked ATC to bring the line down to Rt 173 for them. Neil Palmer responds yes sir. The speaker asks how come the residents have never seen these documents. Neil Palmer of ATC, responds, documents? The resident says his question is essentially if ATC has a contract with Com Ed. Barbara Mikolajczyk, ATC, says they are in a partnership agreement with Com Ed.

Palmer says they cannot connect to the existing Com Ed lines because these lines use an incompatible voltage.

Beth Hartford--- This gathering is a relatively small sampling of the township, wouldn't this question be better put to a referendum of the entire electorate at the April election.

Randy Whitmore says no. Beth Hartford calls this a prime example of disenfranchising a large group of people.

Unidentified speaker--- Asks if there is any way Com Ed will abandon their existing lines in the next ten years.

Neil Palmer, ATC says it is highly unlikely. Power is sold and traded every second of the day. More or upgraded lines are likely.

Debbie Spurgeon--- Asks if it is conceivable the lines could be buried?

Neil Palmer, ATC, says yes, but it is very expensive and is only done in the heart of cities. It would never get approved when there is a cheaper alternative.

Public comment is ended by the Moderator.

Ancel Glink attorney Keri-Lyn Krafthefer summarizes the township resolution. Copies of the proposed resolution are available at the meeting tonight. A motion to approve or disapprove is needed.

Ben Dolan—If the electorate approve the ordinance tonight, can the township board later vote to disapprove.

Keri-Lyn Krafthefer says no. The electorate has the power unless there is some problem with the agreement, they could vote that down. Likewise, if the electorate does not approve, the board cannot later vote to approve.

Motion to approve the easement made by Dan Dziekan, seconded by Glen Bushelman.

Voting Commences:

Voting occurs with residents placing their secret ballots into the ballot box at the front of the room.

Tally of Voting Results:

Judges Tom Hartford, Toni Edmonds, Mike Dolan and Andrea Whitmore came to the front to tally the votes in front of the public. Ballots are counted and recounted with each judge verifying the results, overseen by Attorney Krafthefer and the clerk.

For the question, “Shall the voters of Newport Township give the Newport Board the power to enter into an easement agreement and take action on a Resolution authorizing Newport Township to grant an electric transmission line easement option to American Transmission Company LLC

for the property described on Exhibit A hereto and depicted on Exhibit B for property located in Newport, Illinois?”

The vote is announced:

YES 41

NO 10

The question is approved.

Adjournment:

The Moderator requests a motion to adjourn the Special Township Meeting at 8:12 p.m. Motion to adjourn by Randy Whitmore, seconded by Ron Miller.

Voice vote: Ayes, all; Nays, none. Motion passed.

Dated the 18th day of January, 2017.

s/Debbie Spurgeon

Debbie Spurgeon, Township Clerk