

**CITY OF MT. VERNON, ILLINOIS
CITY COUNCIL WORKSHOP MEETING
Monday, January 25, 2016**

The Mt. Vernon City Council met in a Workshop Meeting on Monday, January 25, 2016 at 4:00 p.m. at City Hall, 1100 Main Street, Council Chamber Room, 2nd Floor, Mt. Vernon, IL.

CALL TO ORDER

Mayor Mary Jane Chesley called the meeting to order. Roll call showed present: Council Members Jeff May, Dennis McEnaney, Donte Moore, Todd Piper and Mayor Mary Jane Chesley.

Also present were Interim City Manager Mary Ellen Bechtel, Finance Director Merle Hollmann and City Clerk Jerilee Hopkins. Various Department Directors were on hand to answer Council's inquiries.

VISITORS/CITIZEN REQUEST/ADDRESSES FROM THE AUDIENCE

No visitors spoke at the meeting.

REVIEW OF CAPITAL PROJECTS

Interim City Manager Mary Ellen Bechtel presented three spreadsheets prepared by Finance Director Merle Hollmann, as follows:

Attachment A — revenue from the ½% home rule sales tax with quality of life capital purchases to be paid for with 2012 bond sources;

Attachment B — revenue from 1% food & beverage tax, 2 cent diesel tax and 1% telecommunication tax with capital projects/capital purchases to be paid for with 2010 bonds AND revenues from 1% food & beverage tax, 2 cent diesel tax and 1% telecommunication tax with capital projects-capital purchases to be paid for with 2012 bond sources;

Attachment C — revenue from five 3% increases to water and sewer rates with public utilities – capital purchases to be paid for with 2012 bond proceeds AND revenues from five 3% increases to water and sewer rates with public utilities – capital purchases to be paid for with 2010 bond proceeds.

Please refer to Attachment A.

Hollmann explained items not highlighted represent the 2010 bonds, while Items highlighted in yellow represent the 2012 bonds. Bechtel reminded that projects using bond funds must be completed by December, 2017. The spreadsheets specify the following:

- Total allocated from 2012 bonds for entire project
- Grants, transfers from other funds, donations or interest income
- Total sources of funds (sum of previous 2 columns)
- Total to be spent
- (Over)/under entire project
- Approximate amount spent thru 12/31/2015
- % spent at 12/31/2015
- Money freed up if project is not done

Red indicates the projects that have not been bid, as follows: Industrial Park Infrastructure; Parks Improvements; Armory Improvements; City Hall remodeling; Lift station 14 force main; Veterans and 42nd street traffic signals; Pave Lincoln Park southeast rocked parking lot; Wilshire Drive sidewalks; YMCA infrastructure; North 27th Street; Broadway water main; and Main Street water main.

There was a lengthy discussion regarding the Armory improvements. The City was awarded a state grant of \$1,545,720.75 but has not received the grant funds because the Governor suspended disbursing grant funds. Discussion was had regarding an abbreviated renovation of the Armory if the grant funds are not received.

Armory Project	
Flooring	\$197,000.00
HVAC	128,800.00
Fire suppression	143,750.00
Interior Lead Paint removal and painting	172,500.00
Plumbing upgrades	315,100.00
Electrical Upgrades	178,250.00
3 phase electrical	75,000.00
Ceiling repair in main area	100,000.00
Subtotal	1,310,400.00
Tourism funds	332,000.00
Restricted funds (Excess sales tax)	278,548.00
Bond Funds	699,852.00
OMITS:	
PKG Lot/Sidewalk improvements	150,000.00
Exterior rooms flooring	55,200.00
Exterior rooms ceiling tile	143,750.00
Kitchen equipment	15,000.00
Basketball backstops	10,000.00
Exterior Cleaning and Repairs	202,400.00
Design Fees	272,576.00
Total	\$848,926.00

Discussion regarding needed City Hall repairs was held.

CITY HALL REPAIRS		
ITEM	EST. COST	COMMENTS
Basement Environmental		
Asbestos Survey	\$2,210.00	
Asbestos Abatement	\$32,000.00	Must be completed prior to mold remediation and addressing water infiltration causing mold issues. Asbestos abatement does not include dismantling the boiler system and unknown insulated pipe chases
Project Oversight	\$22,190.00	
Re-insulation of Pipe	\$7,500.00	
Mold Remediation	\$7,475.26	
Anti-Microbial Sealing	\$4,866.21	
Water Infiltration		
City Hall Basement	\$33,692.00	
Fire Station Basement	\$14,564.00	
Boiler & HVAC		
Boiler Replacement	\$76,580.00	This option replaces the existing boiler and utilizes existing lines. There is the unknown of the condition of existing lines that could increase costs.
Boiler Replacement and A/C addition to areas without	\$125,000.00	This option includes the boiler replacement and utilizing the existing lines and adds air condition to parts of City Hall that do not have it. (does not include station 1)
Replace existing HVAC	N/A	Most of City Hall has air conditioning units on roof, all are nearing their life expectancy and will need replaced in the future.
Electrical		
Complete rewiring	\$200,000.00	This is a rough estimate. There are a lot of unknowns with this and logistically it would be difficult to do through the week and maintain operations.
Miscellaneous		
Front Door Replacement	\$5,500.00	
West Entry Addition	\$116,000.00	Project is designed and was bid out, however lowest bid came in double estimate and budget amount. Adding an entry with doors on the north and south would address heating and cooling loss.
West Entry Awning	\$4,250.00	This is alternative was meant to address the deteriorating awning. While it does not address heating and cooling loss, it does upgrade the look of the entry with the new city logo.
Window Replacement	\$80,000.00	Most windows in City Hall are inefficient and inoperable. Many leak and do not open.
Roof Replacement	\$194,931.00	Existing roof is nearing the end of its life.
Plaster Repair	N/A	
Fire Suppression/Alarm	N/A	Does not meet current building codes.
Water Fountain	N/A	Building codes require public facilities to have a water fountain.
Carpeting	N/A	Engineering, Billing services, City Clerk and Human Resources
FIRE STATION REPAIRS		
Diesel Exhaust Removal System	\$60,000.00	
Raise Bay Doors	\$35,000.00	Current bays were not designed for the height of new trucks. Ladder truck barely clears existing doors.
Infrared Heating System in Bays	\$50,000.00	Fire trucks need to be in climate controlled environment. Removing existing boiler would eliminate current heat source.
Repair/Upgrade bathrooms	\$35,000.00	Bathrooms in the living quarters of the fire station are out dated and in need of repair.
Repair concrete on east bay apron	\$15,000.00	Concrete is in disrepair and has been cut and patched multiple times due to utilities install and repair.
City Hall Generator	\$50,000.00	This could serve a dual purpose, mainly to power fire station but also city hall during emergency situations.
TOTAL	\$1,171,758.47	

If Council decides not to complete the following five projects – Lincoln Park East improvements; Armory; Lincoln Park parking lot; Wilshire Drive sidewalks and YMVA infrastructure — \$3,646,047.82 will be available to be reallocated to other projects.

Please refer to Attachment B.

The only project outstanding on this spreadsheet is the North 27th Street improvement which does not include Old Union roadway construction. In addition, the South 27th Street roadway project from Jamison to Veterans is cancelled.

Hollmann confirmed there is approximately \$7.7 million dollars available to be reallocated according to the Council's direction.

Please refer to Attachment C.

There is \$162,472.08 remaining in the public utilities – capital purchases to be paid for with 2012 bond proceeds.

Bechtel presented the following schedule of additional projects:

3	ADDITIONAL PROJECTS TO BE CONSIDERED					
4						
5		Already Spent	Jan -Apr 2016	2016-2017	2017-2018	Remarks
6						
7	Fairfield Road Resurfacing	20,879	4,621	184,000		736000. State Funds
8	SRTS Marteeny & McCauley		10,000	194,411		154374. State Funds
9						
10						
11	City Hall Improvements	181,189		250,000		Basement and Boiler \$250,000.
12	Aquatic Zoo Parking Lot Expansion			103,840		City Labor
13	Klein Field Parking lot			70,455		City Labor
14	Lincoln Park BB Fencing/improvnt			40,000		Extending Fencing (33,000)
15						\$7,000 other improvmts
16	Lift Station # 14				2,000,000	
17	Force Main to #14	53,445			1,200,000	
18	SEWER 28th - Jones to Veterans				110,800	
19	SEWER Brehm Sink hole			60,000		
20	Sewer Dawson Creek			25,000		
21	Sewer Behind Old Good Samaritan			43,680		
22	Sewer S. W. Crescent			57,915		
23	Sewer Isabella to Pace			30,810		
24	Sewer Rackaway to Ward			27,625		
25						
26	Water S. 44th Street			200,000		
27	Water Reservoir line			89,375		
28	Water 11th Street *			54,000		
29	Water - 12th St. Broadway to Vet. *			369,000		
30	Water - Appellate to Tank *			240,000		
31	Water - Grand Alley - Newby-VMD *			306,000		
32	Water - Perkins - Shawnee to 26th *			474,000		
33						
34						
35	Shiloh - RR to Eagle Court			180,000		
36	Lake Terrace N.E. overlay			450,000		
37	Veterans and Wells Traffic Signal			250,000		Traffic Study required
38	Ambassador Road Bridge			200,000		
39	Richview Road Resurfacing			125,000		
40	Storm water - E. Last/N. Last/Rufus/Peek			150,000		
41	Storm water - Bethel Road			100,000		
42	Storm water - Brownsville/Harlan			174,000		
43						
44				4,275,111	3,310,800	7,585,911
45						
46						
47						
48	Need overlay after water replacement					

Bechtel noted that Public Works budgeted \$28,000.00 this past year for concrete for the repair and/or replacement of sidewalks and curbs. In addition, \$100,000.00 was budgeted from the MFT funds for overlays on streets. All agreed that a long-term strategy needs to be developed for these items. Long-term budgeting strategies are needed for all the City's infrastructure.

Bechtel noted several additional items need to be addressed: an in-house or professional assessment of all of the City's infrastructure needs; water rates need to be studied; digital meters to replace mechanical meters; upgrading telemetry system; consolidating facilities; video camera.

EXECUTIVE SESSION

Council Member McEnaney made a motion to go into Executive Session to discuss personnel pursuant to Section 2(c)(1) of the Open Meetings Act. Seconded by Council Member May. Yeas: May, McEnaney, Moore, Piper and Chesley.

ADJOURNMENT

Council Member Piper made a motion to adjourn. The motion was seconded by Council Member May. Yeas: May, McEnaney, Moore, Piper and Chesley.

The Workshop Meeting adjourned at 6:35 p.m.

Respectfully submitted,

Jerilee Hopkins
City Clerk

Attachment B

1/21/2016	TOTAL ALLOCATED FOR ENTIRE PROJECT	GRANTS, TRANSFERS FROM OTHER FUNDS, DONATIONS, OR INTEREST INCOME	TOTAL SOURCES OF FUNDS SUM OF PREVIOUS 2 COLUMNS	TOTAL TO BE SPENT	(OVER)/UNDER ENTIRE PROJECT	APPROXIMATE AMOUNT SPENT THRU 12/31/15	% SPENT @ 12/31/15
REVENUES FROM 1% FOOD & BEVERAGE TAX, 2 CENT DIESEL TAX & 1% TELECOMMUNICATION TAX							
GENERAL GOVERNMENT	\$ 2,000,000.00	\$ -	\$ 2,000,000.00	\$ 2,210,896.32	\$ (210,896.32)	\$	
CAPITAL PROJECTS-CAPITAL PURCHASES TO BE PAID FOR WITH 2010 BONDS							
GENERAL GOVERNMENT	\$ 290,000.00	\$ 4,000,000.00	\$ 4,290,000.00	\$ 4,670,704.39	\$ (380,704.39)	\$	
GENERAL GOVERNMENT	\$ 9,400.37	\$ 9,400.37	\$ 9,400.37	\$	\$ 9,400.37	\$	
GENERAL GOVERNMENT	\$ (15,442.00)	\$ (15,442.00)	\$ (15,442.00)	\$	\$ (15,442.00)	\$	
TRANSFER	\$ 556,822.34	\$ 556,822.34	\$ 556,822.34	\$	\$ 556,822.34	\$	
TOTALS	\$ 2,314,838.00	\$ 4,566,222.71	\$ 6,881,060.71	\$ 6,881,060.71	\$ 0.00	\$	
REVENUES FROM 1% FOOD & BEVERAGE TAX, 2 CENT DIESEL TAX & 1% TELECOMMUNICATION TAX							
CAPITAL PROJECTS-CAPITAL PURCHASES TO BE PAID FOR WITH 2012 BOND SOURCES							
GENERAL GOVERNMENT	\$ 1,500,000.00	\$ -	\$ 1,500,000.00	\$ 3,500.00	\$ 1,496,500.00	\$ 3,500.00	PROJECT CANCELLED
GENERAL GOVERNMENT	\$ 5,000,000.00	\$ -	\$ 5,000,000.00	\$ 4,028,417.82	\$ 971,582.18	\$ 2,257,613.74	
GENERAL GOVERNMENT	\$ 1,340,000.00	\$ 391,000.00	\$ 1,731,000.00	\$ 2,175,800.96	\$ (444,800.96)	\$ 311,187.04	14%
GENERAL GOVERNMENT	\$ 2,800,000.00	\$ 500,000.00	\$ 3,300,000.00	\$ 4,616,513.18	\$ (1,316,513.18)	\$ 436,513.18	
GENERAL GOVERNMENT	\$ 500,000.00	\$ 287,159.90	\$ 787,159.90	\$ 2,656,908.34	\$ 443,051.66	\$ 2,856,908.34	
GENERAL GOVERNMENT	\$ 500,000.00	\$ 112,617.49	\$ 612,617.49	\$ 22,699.75	\$ (22,699.75)	\$ 22,699.75	PROJECT CANCELLED
GENERAL GOVERNMENT	\$ (65,912.28)	\$ 89,777.59	\$ (85,912.28)	\$ 1,176,716.12	\$ (389,556.21)	\$ 81,108.00	
TOTALS	\$ 12,685,087.72	\$ 899,777.59	\$ 13,584,865.11	\$ 10,700,566.17	\$ 2,884,278.94	\$ 5,969,470.05	

Attachment C

DEPARTMENT	ITEM	TOTAL ALLOCATED FOR ENTIRE PROJECT	GRANTS, TRANSFERS FROM OTHER FUNDS, DONATIONS, OR INTEREST INCOME	TOTAL SOURCES OF FUNDS SUM OF PREVIOUS 2 COLUMNS	TOTAL TO BE SPENT	(OVER)/UNDER ENTIRE PROJECT	APPROXIMATE AMOUNT SPENT THRU 12/31/2015 @ 12/31/15	% SPENT
4/21/2016								
REVENUES FROM FIVE 3% INCREASES TO WATER AND SEWER RATES								
PUBLIC UTILITIES - CAPITAL PURCHASES TO BE PAID FOR WITH 2012 BOND PROCEEDS								
PUBLIC UTILITIES	Billing Services Folder/Printer Machine	\$ 5,100.00	\$	\$ 5,100.00	\$ 4,617.25	\$ 483.75	\$ 4,617.25	
PUBLIC UTILITIES	Tire for Public Utilities	\$ 6,500.00	\$	\$ 6,500.00	\$ 6,000.00	\$ 500.00	\$ 6,000.00	
PUBLIC UTILITIES	Mini Tractor for Public Utilities	\$ 58,750.00	\$	\$ 58,750.00	\$ 40,950.00	\$ 17,800.00	\$ 40,950.00	
PUBLIC UTILITIES	Unleak Park East Water Line (funded by DOL a/c 701)	\$	\$ 6,594.38	\$ 6,594.38	\$ 6,594.38	\$	\$ 6,594.38	
PUBLIC UTILITIES	34th St. Sanitary Sewer (Aquatic Center) (funded by Quality of Life (6/2701))	\$	\$ 67,929.00	\$ 67,929.00	\$ 67,929.00	\$	\$ 67,929.00	
PUBLIC UTILITIES	Brushy Water Main - 48" to 18th Main Street Water Main - 2nd to Appleton St	\$ 2,596,200.00	\$	\$ 2,596,200.00	\$ 2,393,665.37	\$ 202,534.63	\$ 2,393,665.37	78%
PUBLIC UTILITIES	Replace 8" Water Main - Conger 18th - 26th Street	\$ 170,000.00	\$	\$ 170,000.00	\$ 212,416.54	\$ (42,416.54)	\$ 212,416.54	
PUBLIC UTILITIES	Reline 10-15 Sewer Manholes	\$ 15,000.00	\$	\$ 15,000.00	\$ 14,998.00	\$ 2.00	\$ 14,998.00	
PUBLIC UTILITIES	UK 15000 18" Fire Main (PROJECT ON HOLD)	\$	\$ 53,445.10	\$ 53,445.10	\$ 53,445.10	\$	\$ 53,445.10	ON HOLD
PUBLIC UTILITIES	Replace 8" Water Main - Short Street (WEEKER SPORT MONY FOR STEVE HICKOY (7/14))	\$ 11,000.00	\$	\$ 11,000.00	\$ 11,000.00	\$	\$ 11,000.00	
PUBLIC UTILITIES	Telemetry for Water Towers (Internet Based)	\$ 43,433.00	\$	\$ 43,433.00	\$ 27,488.56	\$ 15,944.44	\$ 27,488.56	
PUBLIC UTILITIES	Replace 1 1/4" Water Main on Casey Ave. (Based on rock and fire hydrant, per Steve Macky 4/9/14)	\$ 17,100.00	\$	\$ 17,100.00	\$ 4,697.65	\$ 12,402.35	\$ 4,697.65	
PUBLIC UTILITIES	Richview Road Multi-Use Trail (24th - 27th) Water Line	\$	\$ 15,354.49	\$ 15,354.49	\$ 15,354.49	\$	\$ 15,354.49	
PUBLIC UTILITIES	High School Infrastructure - Ambassador Rd Sanitary Sewer	\$	\$ 44,041.14	\$ 44,041.14	\$ 44,041.14	\$	\$ 44,041.14	
PUBLIC UTILITIES	Other Debt Principle - Lump Sum Payoff of PNB & MAW CDC Loans for Dewatering Project	\$ 750,000.00	\$	\$ 750,000.00	\$ 48,094.29	\$ 701,905.71	\$ 48,094.29	
PUBLIC UTILITIES	Interest - Investments for 2013, 2014, 2015, 2016, 2017	\$	\$ 38,646.13	\$ 38,646.13	\$ 748,995.57	\$	\$ 748,995.57	
PUBLIC UTILITIES	Shortfall of Bond Proceeds from Original Allocation to Project	\$ (502,228.91)	\$	\$ (502,228.91)	\$	\$ (502,228.91)	\$	
PUBLIC UTILITIES	Grant received for Veteran's West/ Davidson South Sanitary Sewer Main	\$	\$ 485,000.00	\$ 485,000.00	\$	\$ 485,000.00	\$	
TOTALS		\$ 3,480,655.09	\$ 789,104.53	\$ 4,269,759.62	\$ 4,087,287.54	\$ 182,472.08	\$ 2,077,088.46	ok
		ok	ok	ok	ok	ok	ok	
	(RED PRINT INDICATES THAT PROJECT HAS NOT YET BEEN BID)	\$ 3,480,655.09	\$ off -\$397.63	\$	\$ 4,087,287.54	\$ off -\$597.63	\$	
REVENUES FROM FIVE 3% INCREASES TO WATER AND SEWER RATES								
PUBLIC UTILITIES - CAPITAL PURCHASES TO BE PAID FOR WITH 2010 BOND PROCEEDS								
PUBLIC UTILITIES	Replace Wagner Road Lift Station	\$ 100,000.00	\$	\$ 100,000.00	\$ 109,222.00	\$ (9,222.00)	\$ 109,222.00	
PUBLIC UTILITIES	Veterans/Wells Bypass Sanitary Sewer (under the Interstate)	\$ 2,550,000.00	\$	\$ 2,550,000.00	\$ 2,747,321.95	\$ (197,321.95)	\$ 197,321.95	
PUBLIC UTILITIES	North Davidson Water Line	\$ 42,000.00	\$	\$ 42,000.00	\$ 24,057.63	\$ 17,942.37	\$ 24,057.63	
PUBLIC UTILITIES	Replace Water Main - Conger, 12th thru 18th Street and 26th Street, Forest to Veterans	\$ 260,000.00	\$	\$ 260,000.00	\$ 274,496.47	\$ (14,496.47)	\$ 274,496.47	
PUBLIC UTILITIES	South Davidson/ WMO 22 Inch Water Main	\$ 300,000.00	\$	\$ 300,000.00	\$ 315,134.03	\$ (15,134.03)	\$ 315,134.03	
PUBLIC UTILITIES	South Davidson/ WMO Sanitary Sewer	\$ 1,700,000.00	\$	\$ 1,700,000.00	\$ 1,198,259.18	\$ 501,740.82	\$ 1,198,259.18	
PUBLIC UTILITIES	Times Square Wall Water Tower - West Elevated Tank	\$ 1,621,000.00	\$	\$ 1,621,000.00	\$ 1,778,387.61	\$ (157,387.61)	\$ 1,778,387.61	
PUBLIC UTILITIES	Transfer to Capital Projects Fund (to 2010 Bond fund \$556,822.34, to Restricted Capital fund \$230,715.76)	\$	\$ 46,946.99	\$ 46,946.99	\$ 787,538.10	\$ (740,591.11)	\$ 787,538.10	
PUBLIC UTILITIES	Interest - Investments 2013, 2014, 2015	\$	\$ 15,442.00	\$ 15,442.00	\$	\$ 15,442.00	\$	
PUBLIC UTILITIES	Excess of Bond Proceeds over Original Allocation to Project	\$	\$ 46,946.99	\$ 46,946.99	\$	\$ 46,946.99	\$	
TOTALS		\$ 6,538,442.00	\$ 46,946.99	\$ 6,635,388.99	\$ 6,635,416.97	\$ (27,027.98)	\$ 6,635,416.97	