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**City of Mt. Vernon, Illinois
Regular City Council Meeting
Monday, January 7, 2013
MINUTES**

The Mt. Vernon City Council held a Regular City Council Meeting on Monday, January 7, 2013, at 7:00 p.m. at the Rolland W. Lewis Community Building, Veterans Park, 800 South 27th Street, Mt. Vernon, IL.

Mayor Mary Jane Chesley called the meeting to order.

The Invocation was given by Ruth Davis of the Jefferson County Ministerial Association.

The Pledge of Allegiance was recited.

ROLL CALL

Roll call showed present: Council Members Ron Lash, Dennis McEnaney, Todd Piper, David Wood and Mayor Mary Jane Chesley.

PRESENTATION OF JOURNALS

The Journals for the December 17, 2012 Regular City Council Workshop and the December 17, 2012 Regular City Council Meeting were presented to Council for any additions, deletions or corrections. **Council Member Piper made a motion to approve the Journal as presented. Seconded by Council Member Lash. Yeas: Lash, McEnaney, Piper, Wood and Chesley.**

APPROVAL OF CONSOLIDATED VOUCHERS FOR ACCOUNTS PAYABLE

Approval of Consolidated Vouchers for Accounts Payable were presented to Council for Approval. Council Member McEnaney asked City Manager Ron Neibert for an update on the following: Item #1 A & K Railroad Materials - \$45,675.24 — Rail switch for Continental Tire Rail Spur and Item #2 Bendetto Guido (Via Rail) - \$7,240.00 — Engineering services for Continental Tire Rail Spur. The switch will be installed in the next few days on the west side of the property. It is anticipated to be completed by the beginning of February, 2013. Item #3 C B & I - \$39,577.50 — work on West Elevated Tank. This is the final payment on the elevated tank. The Branding Committee will be choosing the logo design to be painted on the tank. Item #7 FGM Architects - \$11,573.56 — professional services on the Aquatic Facility and Item #23 Shores Builders - \$427,951.53 — Aquatic Facility construction cost pay application #1. Despite the bad weather Shores Builders is still working. Item #9 Henry, Meisenheimer & Gende - \$84,680.03 — South Davidson and Veterans sewer extension (\$2,131.39) is about 85% complete and hoping to open the road in mid to late spring; Lift station 14 force main replacement (\$1,102.79) is

waiting on the Army Corp. of Engineers because of crossing wetlands; West Elevated Tank (\$1,061.43), Veterans and Davidson roadway extension (\$30,516.76) is still under construction. The main road pavement is complete. There is minor sidewalk work to be finished then clean-up and landscaping; 42nd Street road reconstruction (\$9,352.43) is still under design and on track for 2014 construction; South 34th Street Veterans/Harlan road reconstruction (\$28,543.87) is still under design. The IDOT traffic study is complete and Lindsey Lenker with FGM stated they will meet with the City in the next couple of weeks to move forward on the project. North 27th Street and Old Union road reconstruction (\$11,971.36) is in the design phase and new City Engineer Brad Ruble is meeting with FMG in the near future. Item #11 Jason James Cleaning - \$2,650.00 — monthly cleaning service at City buildings. This is a new cleaning contract and indications are that they are doing a good job. They clean City Hall, Municipal West, and the Public Work/Public Utilities Offices. Item #14 Jefferson County Sheriff's Office - \$3,377.50 — November prisoner housing. Police Chief Mendenall stated that the City pays the County for housing prisoners in the County jail ranging from \$2,000.00 to \$3,400.00 per month. Item #21 Rhutasel & Associates, Inc. - \$7,117.70 — North 34th Street and Central project is on schedule. Item #26 Traffic Technical Support - \$1,991.75 — autoscope rackvision for traffic lights. These are replacement traffic sensors.

Council Member Piper confirmed that landscaping has stopped on all the sidewalk and roadway projects because of the bad weather. Neibert anticipates the weather conditions will improve enough to resume landscaping in late February and March.

Council Member McEnaney made a motion to approve the Consolidated Vouchers for Accounts Payable in the amount of \$1,455,595.83. Seconded by Council Member Wood. Yeas: Lash, McEnaney, Piper, Wood and Chesley.

BIDS & QUOTES

There were no bids & quotes.

CITY MANAGER

9th Street Streetscape

City Manager Neibert presented for Council's consideration a Request for Permission to Seek Bids for the 9th Street Streetscape. Cyndy Mitchell, Director of Downtown Mt. Vernon Development Corporation noted that the scope of the project will be on 9th Street on the east side from Main to Jordan and on the west side of 9th Street from Broadway to half way down the block before Jordan Street including the intersections at Broadway & 9th and Jordan & 9th Streets. The work to be done will consist of trees, grates and lighting similar to existing lighting, but no furniture or trash receptacles. Brick work will be included on the sidewalks up to the buildings. Basically, the streetscape will resemble previous work done on Main Street except for no furniture or trash receptacles. The Courthouse block is not included. The vacant space beside 9th Street Grill is not included. The grant prohibits parks or green spaces.

Neibert expects to present the bids to the City Council at the first meeting in February, start construction in late February or early March and be completed within 90 days. Neibert will check with the Architect to confirm that a 120 day deadline for completion is in the bid specifications. All businesses within the construction area will be notified by the City as to the timeline for the project.

Neibert advised that in the future for each infrastructure capital project the City will draft and then distribute flyers to residents and businesses affected by the project. Information as to the scope of the

project, project schedule and project map showing the extent of the project. He will resend the architectural plans to the City Council for their information.

Cyndy Mitchell commented that during the last Streetscape project, DMDC utilized the "Hard Hat Gazette", a newspaper that was distributed to downtown businesses describing the project and containing a Q & A portion pertaining to the downtown project.

The total cost of the streetscape project will be \$423,979.90. The State will pay for 80% of the project for a total of \$339,183.92 and the City will pay for 20% for \$84,795.98.

Council Member Wood stated that City Manager Neibert drafted a maintenance plan to be under review by the Council. Wood requests that the maintenance plan be distributed to the City Council prior to the meeting at which the Council will vote for the 9th Street Streetscape. He indicated that he is very reluctant to spending a large sum of money until there is a plan established to take care of not only this streetscape, but also the others that are in place.

Council Member McEnaney confirmed that the maintenance plan will be handled by the Public Works Department in the future.

Council Member Wood made a motion to approve the Request for Permission to Seek Bids for the 9th Street Streetscape. Seconded by Council Member Lash. Yeas: Lash, McEnaney, Piper, Wood and Chesley.

Reallocation of Funds

City Manager Neibert presented for Council's consideration a Request for Reallocation of Funds for the 2012/2013 Budget. None of the adjustments have an impact on the working fund balances and are all in response to funds for services provided by donations, drug seizure funds, or anti-crime funds received through alternative sources.

Council Member Wood made a motion to approve the Reallocation of Funds for the 2012/2013 budget. Seconded by Council Member McEnaney. Yeas: Lash, McEnaney, Piper, Wood and Chesley.

CITY ATTORNEY

Electric Aggregation

City Attorney Leggans presented for Council's consideration Second Reading on Ordinance Authorizing the Submission of a Public Question to Adopt an "Opt-Out" Program for the Supply of Electricity to Residents and Small Commercial Retail Customers. City Attorney Leggans noted there are two changes to dates in the proposed Ordinance. In section 2 the date January 7, 2013 has been changed to January 21, 2013 since it is obvious that the Ordinance could not be filed at the County Clerk's Office today. The other change is the date of passage and approval which was changed from December 17, 2012 to January 7, 2013.

City Manager Neibert stated that the Opt-Out Aggregation Program requires that a referendum be passed by the voters in the April 9, 2013 election. If it passes, residents and small businesses will automatically be included in the aggregation program, unless they choose not to participate, or "opt-out." Ameren's Utility customers who are located within the municipality's geographical boundaries and are either: Residential customers receiving electric service from Ameren Illinois on electricity service

rate (DS)-1 and Small Commercial retail customers consuming 15,000 KWH or less annually on a calendar basis (such as home barbershop or small insurance office). Residents who get their electricity from Tri-County Electric are eligible to vote, but are not affected by the rates. It is expected that other municipalities in Jefferson County will join in the aggregation program after passing a referendum. This allows a larger buying group for electricity with lower rates that are passed onto residential and small business customers.

The following question will be placed on the April 9, 2013 Ballot: *Shall the City of Mt. Vernon have the authority to arrange for the supply of electricity for its residential and small business customers who have not opted out of such a program?*

If the referendum passes in the April 9, 2013 election, Affordable Gas & Electric (Jeff Haarmann's company) will represent the City of Mt. Vernon and Jefferson County incorporated villages of Bluford, Waltonville and Belle Rive (Bonnie, Ina, Woodlawn, Dix pending approval) as well as the unincorporated areas of Jefferson County.

AGE will work to educate consumers prior to the proposed Referendum as follows:

- Facebook – AGE's website
<http://www.facebook.com/pages/Vote-Yes-for-Lower-Electricity-Rates-in-Mt-Vernon-and-Jefferson-Co/425638217502978?fref=ts>;
<http://www.agellc.com/services/>;
- Dedicated Aggregation Education Hotline Phone Number (618) 207-3450;
- Newspaper, radio interviews;
- Municipal newsletters, Public hearings;
- Community meetings, Chamber of Commerce, Local high school sporting events.

Council Member Piper made a motion to approve Ordinance No. 2013-1, with changes, Authorizing the Submission of a Public Question to Adopt an "Opt-Out" Program for the Supply of Electricity to Residents and Small Commercial Retail Customers. Council Member Lash seconded the motion. Yeas: Lash, McEnaney, Piper, Wood and Chesley.

Rezoning

City Attorney Leggans presented for Council's consideration Second Reading on Ordinance Rezoning Property Located at 17697 E. IL Hwy. 15 from the Zoning Classification AG to R-2. The Petitioning party is John Dalton. There were no objections at the Zoning and Planning Commission Meeting, and it was unanimously approved by the Commission.

Council Member Lash made a motion to approve Ordinance No. 2013-2 Rezoning Property Located at 17697 E. IL Hwy. 15 from the Zoning Classification AG to R-2. Seconded by Council Member McEnaney. Yeas: Lash, McEnaney, Piper, Wood and Chesley.

TIF Agreements

City Attorney Leggans presented for Council's consideration First Reading on Ordinance Approving Tax Increment Redevelopment Agreements with the Granada Center for the Performing Arts and Kip J. Bauer and Katrina Bauer.

The Granada Center for the Performing Arts requested to replace the roof on the main auditorium. This application was reviewed and recommended for approval by the City TIF Advisory Board and they recommended a grant of approximately \$90,000.00 to be paid over four years for this project.

Council Member Piper commented that this is a substantial investment made by the Granada which is good for downtown. He suggested that a City Project Manager be assigned to that Board to help manage the Granada's projects. He also requested to see the Granada's master plan for future renovation.

Council Member Wood suggested that Agenda Item No. 9-D be read into the minutes so both items may be considered together.

City Attorney Leggans presented for Council's consideration a Resolution Approving Revolving Loan Application with Beit Mashach Property, LLC.

Kip J. Bauer and Katrina Bauer are remodeling the structure at the northeast corner of 9th Street and Broadway. The first floor will be remodeled and used for an art studio and the second floor will be remodeled as living space. This is a \$205,000.00 project. The TIF Committee recommended approval of approximately \$108,000.00 grant to reimburse the Bauer's for the renovation project. Mr. and Mrs. Bauer will also take out a \$30,000.00 loan from the City's revolving loan fund to be used for building acquisition cost.

Council Member Wood expressed his concern about the City being in the lending business. The City tends to have too great a risk when the City extends loans, no matter how good the cause is, to renovate or generate jobs. Wood asked Neibert to explain how the City will be protected against risk of loss. Neibert explained that typically the City takes a subordinate position to the private lending institutions with the City's revolving loan funds. In cases where loans go bad, the City rarely sees a small fraction of what they actually loaned given that the bank has the first position. In this project, the bank is funding the renovation portion of the project which is \$108,000.00. Once the project is completed, the bank loan will be guaranteed by a \$108,000.00 income stream from the City's TIF fund payable over a period of time. Because the bank loan is secured by the TIF revenue, the City will have a first position on the \$30,000.00 loan. The City will have a first lien position on the building if the Bauer's default on the loan. Council Member Wood commended City Manager Neibert for his efforts to protect the City's assets and suggested in the future City loans be handled in a similar method.

Kip Bauer addressed the Council. He noted that his wife has been selling her own artwork for some time. His business background is in retail sales management. They are hoping to open the art gallery in late summer or early fall with art work on consignment from local and regional artisans including openings and shows to highlight artisans. Lessons in painting and other art techniques will be given by Mrs. Bauer. She also plans to provide custom paint canvases.

The Bauer's hope to locate an individual willing to open an art supply shop in the small separate office space on the south side of the building.

City Manager Neibert requested a suspension of the rules so the projects can be voted on at this meeting. He noted that both the Granada and the Bauer's TIF Agreements were recommended by the TIF Advisory Board and the Bauer's revolving loan was recommended by the City's Revolving Loan Committee.

Council Member McEnaney, on the recommendation of the City Manager, made a motion to suspend the rules so that the Bauer's may move ahead with their project. Council Member Piper seconded the motion. Yeas: Lash, McEnaney, Piper and Chesley. Abstained: Wood.

Council Member McEnaney made a motion to approve Ordinance No. 2013-3 Approving Tax Increment Redevelopment Agreements with the Granada Center for the Performing Arts and Kip J. Bauer and Katrina Bauer. Council Member Wood seconded the motion. Yeas: Lash, McEnaney, Piper, Wood and Chesley.

Council Member Wood made a motion to approve the Resolution Approving a \$30,000.00 Revolving Loan Application with Kip and Katrina Bauer and Beit Mashach Property, LLC. Council Member McEnaney seconded the motion. Yeas: Lash, McEnaney, Piper, Wood and Chesley.

MAYOR

The community celebrated a "proud moment" on Monday with the dedication, blessing, and ribbon-cutting of the new Good Samaritan Regional Health Center, a \$278 million project. The Mayor expressed her pride in the facility, and noted that it's a world class facility comparable to none. ... Mt. Vernon has the reputation of being one of the most progressive communities in Illinois. This center elevates the City's reputation even higher. She thanked everyone for the hard work to make this dream a reality.

Mayor Chesley announced at the Good Samaritan Regional Health Center dedication that the city is asking the Illinois Department of Transportation for a new traffic control device at the corner of Veterans Memorial Drive and South 42nd Street. City Engineer Brad Ruble has been directed to contact IDOT to start the process.

According to City Manager Ron Neibert, when the intersection was first opened after the construction of the new overpass/interchange with Interstates 57/64, IDOT determined there wasn't enough traffic to merit a traffic light. It will be a joint project with the city and IDOT. They have strict guidelines for the amount of traffic and signals. The City was waiting for the right time to notify them we have the traffic to support their guidelines for the light.

CITY COUNCIL

Council Member Piper advised that the last mass to be held at the St. Mary Catholic Church will be Wednesday, January 9. The new Church will be dedicated on January 16.

VISITORS/CITIZENS REQUESTS/ADDRESSES FROM THE AUDIENCE

No visitors addressed the Council.

EXECUTIVE SESSION

No executive session was held.

ADJOURNMENT

Council Member McEnaney made a motion to adjourn. Seconded by Council Member Lash. Yeas: Lash McEnaney, Piper, Wood and Chesley.

The meeting was adjourned at 8:35 p.m.

Respectfully submitted,

Jerilee Hopkins
City Clerk