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**City of Mt. Vernon, Illinois  
Regular City Council Meeting  
Monday, March 19, 2012**

**MINUTES**

The Mt. Vernon City Council met for a Regular City Council Meeting on Monday, March 19, 2012 at 7:00 p.m. in the Rolland W. Lewis Community Building at Veterans Park, Mt. Vernon, Illinois.

Mayor Mary Jane Chesley called the meeting to order.

The Invocation was given by Pastor Don Oliver.

The Pledge of Allegiance was given.

**ROLL CALL**

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

**JOURNAL**

The Journal for the February 27, 2012 City Council Workshop Meeting and March 5, 2012 Regular City Council Meeting were presented to Council for any additions, deletions or corrections. Motion by Council Member McEnaney to approve the Journals. Second by Council Member Piper. Yeas: Lash, McEnaney, Piper, Wood and Chesley.

**CONSOLIDATED VOUCHERS FOR ACCOUNTS PAYABLE**

The Consolidated Vouchers for Accounts Payable were presented for Council's consideration. Council Member McEnaney asked City Manager Ron Neibert for clarification on the following items: Item #9, FGM Architects - \$11,866.00 – third payment on Aquatics Facility. City Manager Neibert noted this is a partial payment on the design for the Aquatics Facility. It is on schedule for a potential July bidding. Item #14, Mid America Advertising - \$2,350.00 – 157 billboard ad for Steel Guitar Show. City Manager Neibert advised the Steel Guitar Show will be held on April 17, 2012. (*Secretary's note: Correct dates are April 19, 20 & 21, 2012.*) Item #24, T Ham Sign - \$10,339.23 – Neon lights at Muni West on Potomac Blvd. City Manager Neibert noted the lighting project at the Muni West Building is complete. A special check written to Indian Creek Mitigation Bank in the amount of \$16,200.00 for Wetland Credit Fee relating to Veterans Memorial Drive/Davidson Road projects. City Manager Neibert commented this check is a contribution to the Wetland Credit fund so that the government can replace wetlands that the City uncovered on the Veterans

Memorial Drive/Davidson Road projects. Council Member Wood asked for clarification on Item #12, Jax Asphalt - \$7,320.82 – Patcher material for MFT projects. City Manager Neibert noted that the City uses the hot patch truck to fill pot holes as a temporary fix prior to asphalt.

Council Member Wood made a motion to Approve the Consolidated Vouchers as presented in the amount of \$725,794.06. Second by Council Member Lash. Yeas: Lash, McEnaney, Piper, Wood and Chesley.

### **BIDS & QUOTES**

There were no bids and quotes.

### **CITY MANAGER**

City Manager Ron Neibert presented for Council's consideration a Request for Reallocation of Funds in the 2011/2012 Budget. He noted these are several small budget adjustments that represent revenues received from outside sources and there is no change in the working fund balances. Council Member Wood asked if these are routine adjustments that the Council considers from time to time. City Manager Neibert agreed and stated there will be others at every City Council Meeting as the end of the fiscal year is approaching and the closing out of the 2011/2012 budget.

Council Member Wood made a motion to approve the Request for Reallocation of Funds in the 2011/2012 Budget. Second by Council Member McEnaney. Yeas: Lash, McEnaney, Piper, Wood and Chesley.

City Manager Neibert presented for Council's consideration a Request to Seek Bids for each of the following: Veterans and Davidson Roadway Extension; Veterans and Davidson Water Main Extension; Veterans and Davidson Sanitary Sewer Extension and Lift Station; and Shiloh Road Lift Station. City Manager Neibert noted that Veterans will be extended approximately one-half mile west at the new interchange at Wells Bypass where it will intersect with South Davidson to create a new intersection at Veterans West and Davidson South. This will open up traffic flow for the southwest quadrant of the new interchange. The roadway will be concrete with curbs and gutters, storm sewer, and sidewalks. There will be five lanes on the Veterans leg and three lanes on the Davidson leg. There is a pre-bid estimate on the project of about \$5 million. The City has received \$4 million from the State of Illinois for this project. Hopefully bids will be open at a special City Council meeting in April if the Council agrees. It will take approximately 12-15 months to complete the project. Council Member Wood added that the bike trail will be included in the bids. Council Member Piper noted there will be separate bids for each of the extensions/stations. Also, he commented that this will open up the 800 acres of City-owned TIF property at the west end for commercial development. Council Member Wood asked if bids will be sought on just one of the extensions or all at the special City Council meeting in April. City Manager Neibert stated that the roadway extension will definitely be on that Agenda and perhaps the water main extension and sanitary sewer extension and lift station.

Council Member Piper made a motion to approve the Request to Seeks Bids for each of the following Agenda items: 8-B. Veterans and Davidson Roadway Extension; 8-C. Veterans and Davidson Water Main Extension; 8-D. Veterans and Davidson Sanitary Sewer Extension and Lift Station; and 8-E. Shiloh Road Lift Station. Second by Council Member Lash. Council Member McEnaney inquired if State funds are available for Agenda Items 8-C, 8-D, and 8-E. City Manager Neibert stated those projects will be paid for by the General Corporate Capital Fund and Public Utilities Capital Fund. Council Member Wood reminded that the Public Utilities Capital Fund is funded by the recent public utility rate increase and those funds are specifically restricted and cannot be used for any other purpose. The estimated cost on the water main

extension is \$400,000.00; the sewer and lift station is \$1.65 million; and Shiloh Road lift station is \$110,000. The Shiloh Road lift station is in support of the Magnum Steel project in the Industrial Park. Yeas: Lash, McEnaney, Piper, Wood and Chesley.

City Manager Neibert presented for the Council's consideration a Request for Permission to Seek Quotes for two new laser printers for the new accounting software which should be online by the end of this fiscal year. The laser printers will replace two very old dot matrix printers.

Council Member Lash made a motion to approve a Request for Permission to Seek Quotes for two new laser printers for the new accounting software. Second by Council Member Wood. Yeas: Lash, McEnaney, Piper, Wood and Chesley.

### **CITY ATTORNEY**

City Attorney Bill Howard presented for First Reading on Ordinance Amending Article 23, the Mt. Vernon Municipal and Service Occupation Tax.

Mayor Chesley stated that since 2007, the Mayor and City Council has had an aggressive approach toward the creation of jobs, improving infrastructure and improving quality of life conditions for the residence of Mt. Vernon. In 2009, after approximately 14 months of work by citizen committees, the City's 156 page Comprehensive Plan was completed and formally adopted. The plan includes quality of life issues, infrastructure, economic development, finance, and land use. This ten year plan is being utilized as the foundation for future projects and policies of the City. It also creates a format for the more effective use of the taxpayer's dollars and represents accountability for the Mayor and City Council. The full plan is available online at [www.mtvernon.com](http://www.mtvernon.com). Please specifically refer to Chapters 4, 5 and 7 for a listing and explanation of projects. A copy is also available in the City Clerk's office at City Hall.

Each year, the Mayor and City Council hold a special workshop to review the Plan and get an update on the completed projects, projects in progress and future projects can be found in the Plan. Mayor Chesley encouraged citizens to come to City Hall to review the Plan. Last year the City received or \$20 million in outside sources of funding and \$350,000 in private donations. The City's Department heads are tightening their budgets and searching for grant money. The City implemented a 1% food & beverage tax, a 2 cent per gallon diesel tax and a 1% raise in the telecommunication tax. These monies are earmarked for use on Comprehensive Plan projects only. One example is the new water tower being constructed to the south of Time Square Mall and expected to be completed in May.

Unfortunately, with all the needs of the City for infrastructure improvements, economic development and quality of life, the revenue from these three taxes only cover a portion of the Comprehensive Plan infrastructure projects. A lot of thought, time and work went into making the decision to propose a ½ cent increase in the Home Rule Sales Tax to provide revenue needed to finance infrastructure projects, economic development and quality of life programs.

Since 2007, the Council and the Mayor has had a major focus on jobs. Goals were set, plans developed and partnerships were formed with the JCDC, our schools and colleges, businesses, and other governmental entities to create a strong team to address retention of jobs, expansion of business and development of new ones. The Rolland W. Lewis Industrial Park is about out of space with only 20 acres available for development. An Industrial Park is vital to a city, and the City must have shovel ready land available in order to attract new business. The City does not currently have the revenues to finance a new industrial park.

Mayor Chesley disseminated to the audience a brochure outlining the sales tax proposal. The brochure is available in the City Clerk's Office as well as the Mayor's Office at City Hall. In addition, a monthly updated brochure of the City's projects and activities is available to the public.

Council Member Piper noted that the Rolland W. Lewis Industrial Park was started in the late 1980's and Mayor Chesley was a member of the City Council at that time. If the Mayor and City Council had not established the Industrial Park at that time there would be no Walgreens, Magnum Steel or Pepsi filling the Industrial Park to capacity at this time. Those businesses have provided fantastic job opportunities and growth for our town and region. He commented that our current sales tax is 7.5%. The  $\frac{1}{2}$  of 1% would increase our sales tax to 8.0%. In comparison, the tax rate in surrounding communities is - Marion at 8.35%, 8.25% or 9.25% in Carbondale, Belleville's east side TIF is 9.25% and 8.35% or 8.85% in Fairview Heights. At 8.0% Mt. Vernon is still lower than these competitive communities. He stated that Mt. Vernon is in competition with Illinois towns as well as states and globally with the government of Mexico so you must have a lot of tools in order to compete at this level.

Council Member Piper believes that in order for the City to experience economic growth it is necessary to improve the quality of life which will contribute to growing the City of Mt. Vernon. Some projects to improve quality of life are the new Aquatic Facility, the housing study with recommendations and strategy to meet the needs of our citizens and those moving in, a new sidewalk program and multi-use walking/biking trails. These projects are not the Council's pet projects but were developed by the Citizen's Committee in conjunction with the Comprehensive Plan.

Council Member McEnaney commended the Mayor, City Council and City Manager for all the work done thus far on the Comprehensive Plan. Having been on the Council for two and one-half years, there has always been a spirit of growth and improvement. This is the next step in the Plan. He recognized the need for an additional Industrial park and improvements in the quality of life. He is very pleased with the Ordinance as presented to the Council specifically that this is a dedicated fund to be expended solely for economic development, quality of life activities, acquisitions and improvements within the City of Mt. Vernon. He is pleased with the City Council's review of the tax increase and agreed not to propose a property tax increase that would impact all of the property owners in Mt. Vernon. Instead, a sales tax increase will be imposed on anyone stopping to do business in Mt. Vernon. In fact, approximately 55% of the sales taxes generated in Mt. Vernon come from individuals who do not reside in the community.

Council Member Lash also commended the Mayor and Council Members for taking this progressive step and making Mt. Vernon a City that we are proud to call home. He wanted the citizens of Mt. Vernon to know that the decision to support the proposed tax increase was not taken lightly. Investment in the City must be taken very seriously. Even though we are proposing a  $\frac{1}{2}$  cent increase in the Home Rules Sales Tax, the City's tax rate is still lower than neighboring communities. He also acknowledged that 55% of the sales taxes generated in Mt. Vernon come from individuals who do not reside in the City. If we want to see our City progress and move forward then we must take steps to invest in our City. If the Council doesn't invest in the City then how can we expect others to do so. It is important to provide everything possible so that Mt. Vernon is competitive with other communities, states and other nations. Also from a quality of life perspective in the present but also in the future. We all have children and grandchildren residing in Mt. Vernon. We want to improve the quality of life for them as well as visitors to our City.

Council Member Wood stated that later this month he is confident that the City Council will unanimously approve a 1/2% increase in the Home Rule Sales Tax. He is convinced that this may be the single most important event that has occurred since the last 1% increase in 1987 for the development of the Industrial

Park and new Water & Sewer Treatment Plant that moved Mt. Vernon great steps toward their future that we're in today. It is now our time to move where we are into our future.

Council Member Wood state that all of the proceeds are going into an economic development and quality of life fund that is restricted and may not be used to increase staff sizes, salaries, and no program increases. In short, the revenue will be used to build things. In the very near future, citizens will begin to see new structures and improvements. Proceeds will be used to repay bonds that the City will be taking out later this year. Think of those bonds as mortgages on your home. We take out home improvement loans to make our homes a better place. The City is taking out a home improvement loan to make the City not only a better place to live with quality of life improvements, but a better place for employers to bring people and therefore, bring in new industry. It is really a one-two punch. Economic development and quality of life working hand-in-hand.

Council Member Wood noted that Mt. Vernon is different than many municipalities in this state and different from the State of Illinois and the federal government in that they have consistently raised taxes on the citizens but only to expand the government without regard to looking at the budget. You only have to read the headlines of our federal budget deficit and the terrible financial condition of the State of Illinois to realize the irresponsibility that has occurred in Springfield and in Washington and many other communities where they have not put their own financial affairs in order and have not made responsible decisions. He is proud to serve on the City Council because the Council has made difficult financial decisions with a balanced budget. Think of your City finances this way. There is an operational checkbook and we operate out of that, but we build out of the restricted funds such as the Capital Improvement Fund, the Public Utility Fund that are being used to construct Veterans and Davidson Drive and water and sewer facilities to attract new industries. Now this new fund. The third fund being the Economic Development and Quality of Life Fund. Many municipalities raise taxes to pay for past sins because they have operating deficits. The City of Mt. Vernon will show an operating surplus for this year, and we'll work hard to maintain an operating surplus even while we're expending money to build things. In this sense we are improving our home for the City and for our future.

Lastly, Council Member Wood thanked the Jefferson County Development Corporation (JCDC) and its' Director, Mary Ellen Bechtel, for the hard work that went into this project. Also, thank you to City Manager Ron Neibert for his hard work. Thank you to the City Council members for their hard work and leadership shown and of course the Mayor who has worked very, very hard on this issue and particularly on building a strong community informational brochure that she drafted. It's this type of leadership that will take this very important step and Mt. Vernon into the next ten to 20 years.

Mayor Chesley asked if there were members of the audience that wanted to comment on the First Reading of the proposed Ordinance.

Gary Wuebbels of Bishop Street inquired if City Council meetings are broadcast on the local cable television station. They were in the past but are no longer televised. He commented that according to recent reports the City's revenues are up in several areas and with new businesses coming into the City and/or expanding his impression is that taxes should be going down, not up. Quality of life to him means low taxes. He questioned what tax rates are in other taxable items in other communities. In the past everything came out of the general fund, but now there are several separate revenue streams. He is part of the 45% that has to pay the increased sales tax. He believes that Fairview Heights' property taxes are very low. The City of Fairview Heights levies no property tax according to Mt. Vernon City Manager Neibert. The City of Mt. Vernon tax rate is a little over \$1.02 per \$100 of assessed valuation. The City only levies taxes for four items: Fire Pensions, Police Pensions, Employee Pensions and a little bit for Parks. City Manager Neibert

noted there are probably 30 or 40 items that the City could levy property taxes for. The City is very responsible in trying to ease the burden on local residents by limiting those taxes to just very few items and taken advantage of sales taxes when we know a large portion of those taxes are coming from people that don't live in the City. If not for other revenue streams, City property taxes would be much, much higher. City Manager Neibert invited Mr. Wuebbels to discuss TIF and tax abatement fund issues with him at his office. Mayor Chesley urged Mr. Wuebbels to review the information in the Comprehensive Plan. She commented that many infrastructure projects were delayed for many years, but now the City is addressing those projects such as storm water, sewer lines, and roads. Mr. Wuebbels expressed his displeasure in the lack of synchronized traffic lights in the City. He was told the Illinois Department of Transportation handles that issue. Council Member Piper noted he recently received a similar complaint and asked the City Manager to address the issue with IDOT. According to City Manager Neibert, the proposed tax increase will bring in about \$1.8 million a year. Mr. Wuebbels asked when the Food & Beverage Tax was added. City Manager Neibert noted it was in 2009. The Food & Beverage Tax is allocated toward Capital Infrastructure Projects. Mr. Wuebbels asked where the money came from before the Food & Beverage Tax.

City Manager Neibert stated that the City was in poor financial condition in 2007. The water rates charged were \$350,000 less than the revenue coming in. The City was subsidizing the trash pick-up by \$250,000. All coming from the General Fund. The City was to the point where they could not fund their operations for one more year at the previous level so rather than increase tax rates to maintain operations the City made serious cuts in operations. While it is good news that the tax revenues are increasing, the bad news is that the cost of doing business is increasing at a high rate. Another problem is that the City lost 1,000 people in the 2010 census which equates to lost revenue to the City in direct revenues from the State and Federal Government of \$150,000 per year. Not to mention the losses of sales tax revenues, paying property taxes and trying to grow the pool of residents here.

Aaron Shook a resident of the Wood Glen Subdivision presented a petition signed by himself and neighbors asking that a park be established at the west end of Sassafra Lane. There was one neighbor that opposed the park.

First Read only on the proposed tax increase.

City Attorney Bill Howard presented a First Reading on Ordinance Granting Conditional Use for a Home Day Care for property at #2 Hinman Place. The Petitioning parties are Brian Edmison and Kristin Shroyer. Mr. Edmison and Ms. Shroyer were present and distributed a map of the proposed property. There was no opposition and the Zoning and Planning Commission approved the request. Ms. Shroyer current has a State license of a home day care. City Inspector Luke Ganieany inspected the property and drafted a list of recommended improvements to the property. Mr. Edmison stated he will comply with all the improvements. Mr. Edmison noted that he will not open the facility until it has been inspected again by the City Inspector. Mr. Edmison has discussed the Conditional Use with his neighbors, and they are in support of the Home Day Care. He assured the neighbors if there is any deterioration of the shared drive way that he will make the repairs, and they expressed no opposition. He will also improve the turnaround area at the top of the hill. Mr. Edmison requested that the City Council suspend the rules and vote on the conditional use tonight.

Council Member Wood made a motion to Suspend the Rules to vote on the Ordinance Granting Conditional Use for a Home Day Care for property at #2 Hinman Place. Second by Council Member Piper. Yeas: Lash, McEnaney, Piper, Wood and Chesley.

Council Member Wood made a motion to Adopt Ordinance #2012-8 Granting Conditional Use for a Home Day Care for property at #2 Hinman Place and requested that the minutes reflect the commitment that Mr. Edmison made to the neighbors, namely Don & Meg Hattendorf and Randy Echols. Second by Council Member Piper. Yeas: Lash, McEnaney, Piper, Wood and Chesley.

City Attorney Howard presented a Resolution Reclassifying Certain Public Utilities and Sanitation Accounts for Accounting Purposes. City Manager Neibert noted these are water and sewer debts that have been difficult to collect. For purposes of accounting, he asks that they be stricken from the books; however, the City will attempt to collect when possible. The City is very successful in collecting these amounts in the future because often individuals move back into the City and request more services. The City then collects the past due amount before new services are allowed. Council Member McEnaney inquired as to the amount of uncollectables for the City, and more importantly, how do we compare to other cities. City Manager Neibert will make that information available to the Council Members.

Council Member Lash made a motion to Approve the Resolution Reclassifying Certain Public Utilities and Sanitation Accounts for Accounting Purposes. Second by Council Member Wood. Yeas: Lash, McEnaney, Piper, Wood and Chesley.

City Attorney Howard presented a Resolution Requesting IDOT Approval for Temporary Closure of IL 15 Westbound from Marlow Rd. (FAS 789) to Junction of IL 15 & Old Rt. 15 at East Edge of Mt. Vernon for Purpose of "Salute to Freedom" Fireworks Display on July 4, 2012.

Council Member Piper made a motion to Approve the Resolution Requesting IDOT Approval for Temporary Closure of IL 15 Westbound from Marlow Rd. (FAS 789) to Junction of IL 15 & Old Rt. 15 at East Edge of Mt. Vernon for Purpose of "Salute to Freedom" Fireworks Display on July 4, 2012. Second by Council Member McEnaney. Yeas: Lash, McEnaney, Piper, Wood and Chesley.

#### **MAYOR**

Mayor Chesley announced that City residents may call Midwest Waste at 800-634-0215 to schedule pick-up of large bulk waste items at curbside on Fridays no matter what day regular trash is picked up.

Typically yard waste is picked-up on the regular trash day except for those customers whose regular trash day is Friday and then yard waste pick-up is on Wednesday.

A Special City Council Meeting will be held on Monday, March 26, 2012 at 3:00 p.m. at City Hall.

The amount of building permits and the dollar amounts are up for February according to the monthly Building Permit comparison report. Keep up the good work! One area that is lacking is residential. Mayor Chesley noted that as she rides around the City there is construction going on everywhere. Council Member Piper commented that he spoke with a local Realtor and that the news is very positive from her perspective. She stated this is the busiest Spring season she has experienced. Mayor Chesley noted that all the apartment buildings are full as well.

#### **CITY COUNCIL**

No comments from Council.

**VISITORS/CITIZEN REQUESTS/ADDRESSES FROM THE AUDIENCE**

Jeremy Hall of Mt. Vernon thanked the Mayor and City Council for designating Steve Harrison Field at Lincoln Park.

**EXECUTIVE SESSION**

No Executive Session was requested.

**ADJOURNMENT**

Motion for adjournment was made by Council Member Wood. Second by Council Member Piper. Yeas: Lash, McEnaney, Piper, Wood and Chesley.

Respectfully submitted,

Jerilee Hopkins  
City Clerk