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**City of Mt. Vernon, Illinois
Regular City Council Meeting
Monday, October 1, 2012
MINUTES**

The Mt. Vernon City Council held a Regular City Council Meeting on Monday, October 1, 2012, at 7:00 p.m. at the Rolland W. Lewis Community Building, 800 South 27th Street, Mt. Vernon, IL.

Mayor Mary Jane Chesley called the meeting to order.

The Invocation was given by Rev. Jeff Stewart 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.

The Journal for the September 17, 2012 Regular City Council Meeting was presented to Council for any additions, deletions or corrections. **Council Member McEnaney 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 were presented to Council for Approval. Council Member McEnaney asked for an update on Item #3 to Baxmeyer Construction, Inc. in the amount of \$513,627.55 for the South Davidson and Veterans Roadway Extension (\$311,568.19) and South Davidson and Veterans Sewer Extension (\$202,059.36). City Manager Neibert stated those projects were well under way. City Engineer Scot Prindiville added the roadway project was about half way done and the sewer pipe and force main pipe had been installed for the lift station. The wet well had been installed but none of the work had started on the pumps or electrical equipment. Item #7 to Henry, Meisenheimer & Gende, Inc. in the amount of \$66,358.99 for the west elevated tank (\$290.91), 42nd Street Road Construction (\$32,735.03) and Veterans/Davidson Roadway Extension (\$33,333.05). Neibert concluded that for the Elevated Storage Tank, the City is still waiting on Mt. Vernon Net to transfer their antennas over to the new tower then they would proceed with demolition on the old tower at Time Square Mall. The 42nd Street road construction is the design engineering project. The City is well underway and still on target for 2014 construction. Item #16 to Moniger Excavating, Inc. in the amount of \$185,240.13 for construction on South 34th Street road project. Neibert indicated they are getting ready to pave phase three of the project just south of South Water Tower Place. McEnaney mentioned the special check written to Ferrera Fire Apparatus in the amount of \$623,000.00 for the new FFA pumper fire truck. The truck came into town last week and were very excited, confirmed

Neibert. It is a very nice piece of equipment and feels it will go a long way in serving the citizens of Mt. Vernon.

Mayor Chesley added that it replaced a 1983 ladder truck that had been retrofitted as a pumper.

Council Member Wood noted that it is so much more than just a fire truck it has rescue capabilities and will be going out on 95-99 percent of all calls. It stores medical equipment and an increased amount of safety has been incorporated into the design. The efficiency is very impressive as well.

Mayor Chesley presented the new City Update for October to the Council. She stated these brochures are available at City Hall, Muni West Building and throughout restaurants and other businesses in Mt. Vernon.

Council Member McEnaney made a motion to approve the Consolidated Vouchers for Accounts Payable in the amount of \$2,000,774.83. Seconded by Council Member Wood. Yeas: Lash, McEnaney, Piper, Wood and Chesley.

BIDS & QUOTES

Mayor Mary Jane Chesley presented for Council's consideration the Bid Results for Continental Tire Rail Spur. City Manager Neibert stated the City had received two bids on this project. The low bid was from Guinzy Construction Company, Inc. of Ashley, IL in the amount of \$736,001.72. This is under the project estimate and within guidelines for the grant received. He recommended acceptance of the low bid.

Council Member Wood asked what the budgeted amount was for this project. Neibert concluded \$1.1 million.

Council Member Piper made a motion to approve the bid for Guinzy Construction Company, Inc. for the Continental Tire Rail Spur. Seconded by Council Member Lash. Yeas: Lash, McEnaney, Piper, Wood and Chesley.

CITY MANAGER

City Manager Neibert presented for Council's consideration a Request for Permission to Seek Bids for Police Ammunition, a budgeted item.

Council Member Wood made a motion to approve the Request for Permission to Seek Bids for Police Ammunition. Second by Council Member Piper. Yeas: Lash, McEnaney, Piper, Wood and Chesley

CITY ATTORNEY

City Attorney Bill Howard presented for Council's consideration First Reading on Ordinance Providing for the Adoption of an Ordinance of the City of Mt. Vernon, Jefferson County, Illinois Providing for the Issuance of General Obligation Bonds, Series 2012, Providing the Details of Such Bonds and for a Levy of Taxes to Pay the Principal of and Interest of Such Bonds and Related Matters. City Manager Neibert clarified this was an ordinance authorizing the principal issuance of bonds in the amount of \$36 million. He stated a lot of time and community effort has gone into planning and moving towards implementing many of these projects to be funded by these bonds. All of these projects were a part of the

Comprehensive Plan. Included are improvement projects for North and South 27th Street, widening of Perkins, widening and improving the intersection of South 34th Street and Veterans Memorial Drive, expanding South 34th Street, expansion on Airport Road, the improvement and widening of 42nd Street, widening and improving North 34th Street, and Central Avenue. These bonds will also fund improvements such as replacing lift station number one, fourteen and the force main that serves Continental Tire, replacing water lines both on Main Street and Broadway, implementing other quality of life projects, the Branding process, Aquatic Center process and Housing program. All of these were projects and studies which were completed over the course of the last three years and included a great amount of public input and participation in the planning and recommendation of these projects to the City. He very strongly urges Council to move forward on the issuance of these bonds to move these very valuable projects forward in the City. Neibert also mentioned there had just been a recent drop in bond rates last week and feels that the City should take advantage of this opportunity. He requests suspension of the rules to authorize issuance of these bonds.

Council Member McEnaney asked the rate of the bond. Neibert anticipated around 3.75 percent, cheaper than their original expectation of 4%. Council had already established these revenues and the bonds will be well secured. The City received a good rating and signoff from a very competent and preeminent bond council in the State of Illinois and the bonds have already been signed off on. They have been through underwriting and these bonds are backed solidly by the full faith and credit of the City of Mt. Vernon.

Mr. Ray Botch came forward stating that he used to be City Manager and is a strong component of Home Rule. The Mayor and City Council are to be commended for the infrastructure of projects they are proposing however, he disagrees with the methodology. The timing appears as a way to circumvent the vote on the Home Rule repeal in November before the people have an opportunity to vote, he noted. This disregards our constitution which begins "we the people", not "we the government". The city is going to pass a bond ordinance dependent entirely upon Home Rule authority. Its legality is murky at best if the Home Rule provision is lost. He stated the City is on very unknown ground. There are no communities that he knows of in the State of Illinois that have done away with Home Rule Tax in the last few years that had a Home Rule sales tax or any other tax on their books. The City would be looking at new cases of case law as to whether those revenues would stand or not. He suggested not rushing to judgment on this issue. Hopefully the majority of the citizens would see the positives far outweigh the negatives and vote no to retaining Home Rule on December 6th.

Mayor Chesley clarified the election was on November 6th instead of December 6th.

City Manager Neibert stated there is legal precedent to address Mr. Botch's concern on maintenance of Home Rule. There was an appellate court case where the City of Rockford lost its Home Rule status. In that case the appellate court held that so long as the municipality had obligations that were backed by Home Rule revenues that those Home Rule revenues would allow it to remain in place. The City is very satisfied that there is solid court precedent to back the City's concerns regarding the safety of those revenues.

Council Member Wood asked if this was the City Manager's opinion or what Bond Council's opinion actually stated. Neibert was unable to answer that, but noted they have had numerous conversations with several attorneys and structured the issue to pledge the revenues so that they could indicate they were issuing the bonds. The Bond Council is confident that the revenue streams will be in place for this.

The issue on the City's ability to not levy taxes on that is not correct and Neibert asked Mr. Tim King, the City's Financial Advisor to address that property tax levy issue.

Council Member Wood stated the Bond Council will not issue an opinion saying it's ok to issue the bonds if there is any substantial risk that they wouldn't be able to get paid on those bonds. He is confident with the bond Council's opinion and conversations with attorneys the City would be able to collect the taxes to pay for this. If there was any question he could assure Mr. Botch and the citizens that they would not move ahead with this. Neibert stated these bonds received an A-plus rating, which is the same rating the City received two years ago when they issued the previous bonds in 2010. The Bond Committee and financial community feel very confident in the financial ability of the City of Mt. Vernon.

Council Member Piper asked if the Bond Council was independent of Mr. King. Neibert concluded they were. The City hires the Bond Council.

Mr. Tim King of King's Financial Consulting and Financial Advising with the City came forward and spoke regarding Home Rule.

Mr. Piper commented that one of the benefits of Home Rule was that 60% could be paid by out of town residents for these bonds rather than the local residents on property tax.

Council Member Piper made a motion to Suspend the Rules to take action on the First Reading on Ordinance Providing for the Adoption of an Ordinance of the City of Mt. Vernon, Jefferson County, Illinois Providing for the Issuance of General Obligation Bonds, Series 2012, Providing the Details of Such Bonds and for a Levy of Taxes to Pay the Principal of and Interest of Such Bonds and Related Matters. Seconded by Council Member Lash. Yeas: Lash, McEnaney, Piper and Wood. Nay: Chesley

Council Member Piper made a motion to approve Ordinance #2012-35 Ordinance Providing for the Adoption of an Ordinance of the City of Mt. Vernon, Jefferson County, Illinois Providing for the Issuance of General Obligation Bonds, Series 2012, Providing the Details of Such Bonds and for a Levy of Taxes to Pay the Principal of and Interest of Such Bonds and Related Matters. Seconded by Council Member Lash. Yeas: Lash, McEnaney, Piper and Wood. Nay: Chesley

City Attorney Bill Howard presented for Council's consideration First Reading on Ordinance Adopting "City of Mt. Vernon, Illinois Financial Policies". Neibert stated this is an ordinance setting financial policies for the City in terms of fund balances; how funds are to be used through the general government and enterprise funds the City has. These policies have been subject to several Council workshops.

Mayor Chesley asked for a synopsis of which funds these financial policies pertained to. Neibert concluded every City fund. This is how the City becomes more responsible to the citizens of Mt. Vernon for its expenditures.

Council Member McEnaney asked about fund balances. Neibert elaborated that in certain funds they came up with the requirement that the City maintain certain minimum fund balances in order to have some leeway in terms of a security blanket to make sure that if there are certain economic issues that raise problems in collecting some of the revenues that they would have an adequate cushion in order to absorb the costs.

Council Member Wood made the comment that the ordinance that specifically deals with the Capital Fund and segregating the taxes that have been raised so that it cannot be used for operations but only for those particular items. Neibert elaborated that this ordinance is a second layer of protection for those funds. What those funds were created for will be used for their intended purpose. If there is a violation of the fiscal policy this would become a part of the audit report and it would be receiving public attention for the failure to follow the policy. In order to change the policy it would require a meeting disclosure and votes from the Council. Wood wanted to be certain that no matter what happened to the future economy that they would be adequately protected so as to continue to make those payments setting up a reserve fund for those contingencies regarding the excess funds from bonds not issued.

Council Member Lash asked for an explanation of the Revolving Loan Fund. Neibert stated those monies were originally generated from grants received by the City for qualifying projects from the Department of Commerce through the SIEDA Program. Fifteen or twenty years ago the City had projects where there was job creation involved. The State gave the City a grant to loan to a company for doing an economic development project, creating jobs within the community. When that loan is repaid those funds go back to the City into the Revolving Loan Fund where the City can use them to either loan those funds to other businesses under similar qualification in terms of creating jobs or utilizing those funds in the form of infrastructure to match state grants.

Council Member Wood made a motion to Suspend the Rules to vote on the First Reading on Ordinance Adopting “City of Mt. Vernon, Illinois Financial Policies” Seconded by Council Member McEnaney. Yeas: Lash, McEnaney, Piper, Wood and Chesley.

Council Member Wood made a motion to approve Ordinance #2012-36 Adopting “City of Mt. Vernon, Illinois Financial Policies” Seconded by Council Member McEnaney. Yeas: Lash, McEnaney, Piper, Wood and Chesley.

City Attorney Bill Howard presented for Council’s Consideration a Resolution Approving Preliminary/Construction Engineering Services Agreement for Motor Fuel Tax Funds with Round Table Design, Inc. Regarding Airport Road. Neibert stated this is one of many capital construction projects that were part of the comprehensive planning process the community was involved in as well as in the numerous Council Retreats that were held over the summer prioritizing and planning these projects. This begins the design engineering on the final phase of the Airport Road expansion that was started many years ago.

Council Member McEnaney made a motion to approve the Resolution Approving Preliminary/Construction Engineering Services Agreement for Motor Fuel Tax Funds with Round Table Design, Inc. Regarding Airport Road. Seconded by Council Member Lash. Yeas: Lash, McEnaney, Piper, Wood and Chesley.

City Attorney Howard presented for Council’s consideration a Resolution Approving Task Order No. 10 for the Project “North 27th Street Reconstruction Design, Bidding and Partial Construction Guidance” with Henry, Meisenheimer & Gende, Inc. This is another project that was approved by the comprehensive plan committee and recommended by the Council through the summer Retreats to improve North 27th Street from Richview Road to Route 37.

Council Member McEnaney asked for clarifications as to whether the sidewalk would be placed on the east or west side of the road. Prindiville stated the final decision had not yet been made on that, but they were thinking the east side of the road on 27th Street.

Council Member Piper asked who made the recommendations for sidewalks. Prindiville stated it was up to himself and the engineering firm to decide which side of the street was most feasible for the sidewalks.

Council Member McEnaney commented that he was happy to see that the City was planning to re-align 27th Street. He asked if a water main was present all the way down the street. Neibert stated he believed the water line was in good condition. No concern was raised by the Public Utilities staff. He hadn't determined how far the sewer line went at this point. This Resolution only included the road design. Council Member McEnaney asked for information on where the sewer line stopped in order to keep from tearing road up at a later date.

Council Member Wood asked for clarification as to where the project ended beginning at Richview Road and heading north on 27th Street. Neibert stated it curves around north of Cedarhurst, past Wilshire to Route 37.

Council Member Wood made a motion to approve the Resolution Approving Task Order No. 10 for the Project "North 27th Street Reconstruction Design, Bidding & Partial Construction Guidance" with Henry, Meisenheimer & Gende, Inc. Seconded by Council Member Piper. Yeas: Lash, McEnaney, Piper, Wood and Chesley.

City Attorney Howard presented for Council's consideration a Resolution Approving Task Order No. 11 for the Project "South 34th Street Sanitary Sewer Extension" (said extension being on 34th Street from the Aquatic Facility to Harlan Road) with Henry, Meisenheimer & Gende, Inc. Neibert stated this project is extending the sanitary sewer from where it exists from Veterans and 34th Street south down 34th Street to Harlan Road for the purpose of getting sewer service to the new aquatic center and to anything else that would build on 34th Street and before new roads were put into place.

Council Member Lash made a motion to approve the Resolution Approving Task Order No. 11 for the Project "South 34th Street Sanitary Sewer Extension" (said extension being on 34th Street from the Aquatic Facility to Harlan Road) with Henry, Meisenheimer & Gende, Inc. Seconded by Council Member McEnaney. Yeas: Lash, McEnaney, Piper, Wood and Chesley.

City Attorney Howard presented for Council's consideration a Resolution Approving Task Order No. 12 for the Project "South 34th Street Reconstruction Design, Bidding & Partial Construction Guidance" with Henry, Meisenheimer & Gende, Inc. Neibert clarified this was an agreement with HMG Engineers for the design work on the South 34th Street expansion. This was a project that was recommended by the Comprehensive Plan Committee, reviewed and moved forward by Council on its priority list. It is a very timely project given the events that are going to happen in January 2013 with the opening of the new hospital and the proposed Aquatic Center.

Council Member Wood asked that all of these types of proposals in the future have a timeline included so that Council can clearly document when each project starts and the various phases even if it doesn't exactly work out because of weather or other factors. It will at least give them quick reference to know and refer to the project chart that is prepared for them. Neibert agreed.

Council Member Piper made a motion to approve the Resolution Approving Task Order No. 12 for the Project “South 34th Street Reconstruction Design, Bidding & Partial Construction Guidance” with Henry, Meisenheimer & Gende, Inc. Seconded by Council Member Lash. Yeas: Lash, McEnaney, Piper, Wood and Chesley.

City Attorney Howard presented for Council’s consideration a Resolution Approving Agreement for Professional Engineering Services with Rhutasel and Associates, Inc. for the Project “North 34th Street Reconstruction”. Neibert stated this is another project recommended by the Comprehensive Plan Committee and moved forward by the Council through the Retreat process for improving North 34th Street in addition to Central Road to the Primary Center improving a high-traffic roadway to improve safety.

Council Member Lash made a motion to approve the Resolution Approving Agreement for Professional Engineering Services with Rhutasel and Associates, Inc. for the Project “North 34th Street Reconstruction”. Second by Council Member Piper. Yeas: Lash, McEnaney, Piper, Wood and Chesley.

City Attorney Howard stated the Resolution Approving Agreement for Professional Engineering Services with Rhutasel and Associates, Inc. for the Project “South 27th Street Reconstruction” would be withdrawn per City Manager.

City Attorney Howard presented for Council’s consideration a Resolution Approving Task Order No. 13 for the Project “Water Distribution System Modeling” with Henry, Meisenheimer & Gende, Inc. Neibert stated this would be an important part in design work that the City would do on the Main and Broadway projects. Because of the unique configurations of lines under the streets it was recommended to the City to do a hydraulic modeling of the City’s entire water system. This would allow a better design for the two main water line projects and highlight the problem areas in the City enabling them to better address those areas and improve services in the future, minimizing low flow and low pressure issues.

Council Member Piper asked how this idea came about. Neibert concluded from meetings with the engineers to look at the scope and range of these projects. There were questions on how to configure the lines within the community and a definite estimate could not be made on how to do that. The only way would be to use the modeling system which would show the pressures and flows and how they inter-relate with the towers and usage within the City.

Council Member Lash asked how it was determined in the past what size water lines to use. City Engineer Scot Prindiville stated that a lot of the water main lines that were done in the past were residential 8 inch lines. These were done safely without using a water model. Water models come in handy when looking at transmission lines such as lines under Broadway.

Council Member McEnaney made a motion to approve the Resolution Approving Task Order No. 13 for the Project “Water Distribution System Modeling” with Henry, Meisenheimer & Gende, Inc. Seconded by Council Member Wood. Yeas: Lash, McEnaney, Piper, Wood and Chesley.

City Attorney Howard presented for Council’s consideration a Resolution Approving Agreement for Closure of Road with Milano Railcar Services, LLC. Neibert stated this was an agreement that was negotiated at the Council’s request from a previous Council Workshop. Mary Burgan made a presentation regarding Economic Development opportunities available to the City through the proposed

closing of Seventh Street that would assist and allow for the development of a rail switching and trans-loading facility on the property at Milano Metal. Three main line railroads would be joined in Mt. Vernon which would hopefully present opportunities in the transportation field of attracting new businesses.

Mary Burgan stepped forward representing Milano Railcar Services, LLC in Mt. Vernon

Council Member McEnaney asked for an update on where truck traffic would go after the closure. Mrs. Burgan stated traffic would be detoured to the south. He asked the timeline on the project. Mrs. Burgan stated she had spoken with the railroad today and the closure of Seventh Street would take place sometime around December 15th. Truck traffic would be routed south.

The next phase would be a Trans loading between the various rails which would be on the south side of this new rail.

Council Member McEnaney made a motion to approve the Resolution Approving Agreement for Closure of Road with Milano Railcar Services, LLC including the timeline presented by Mrs. Burgan. Seconded by Council Member Wood. Yeas: Lash, McEnaney, Piper, Wood and Chesley.

Council Member Lash commented that the High School was in favor of the closure and there were no negative responses. Mrs. Burgan stated they discussed it with the Police, Fire and companies around the area and had support from everyone.

Council Member Wood added that Mary Ellen Bechtel was present from Jefferson County Development Corporation and wanted to reiterate they are excited about having the opportunity to include this service on the City's industrial site and hopefully bringing more business and manufacturing type businesses to Mt. Vernon.

MAYOR

Mayor Chesley shared that citizens can burn leaves from October 1st through December 15th, burning only on private property between the hours of 9:00 AM and 5:00 PM on Fridays, Saturdays, Sundays and Mondays.

CITY COUNCIL

Council Member Piper spoke regarding the Harvest Fest stating there are 14 marching bands participating in the Harvest Fest Parade band competition on October 20th at 2:00 PM. The bands will be judged on 10th Street by professional judges. He noted there were 50 plus parade entries. He encouraged businesses, churches and youth groups to participate and have fun.

Mayor Chesley presented a special thank you to all the sponsors, partners and friends of the Harvest Fest. It's a community coming together for an exciting event.

Council Member Lash asked for an update on the parade route and the reason for the change. Council Member Piper stated the parade route is online and was recommended by the bands to make it a friendlier band route and to encourage the growth of bands within the Festival.

VISITORS/CITIZENS REQUESTS/ADDRESSES FROM THE AUDIENCE

No public comments.

EXECUTIVE SESSION

City Manager Neibert requested Council enter Executive Session for the purposes of discussing Personnel matters and Land Acquisition.

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

ADJOURNMENT

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

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The meeting was adjourned at 9:30p.m.

Respectfully submitted,

Jerilee Hopkins
City Clerk