

**CITY OF MT. VERNON, ILLINOIS
REGULAR CITY COUNCIL MEETING
Monday, December 7, 2015
7:00 P.M.**

MINUTES

The Mt. Vernon City Council held a Regular City Council Meeting on Monday, December 7, 2015 at 7:00 p.m. at the Rolland W. Lewis Community Building, Veterans Park, 800 South 27th Street, Mt. Vernon, IL.

The invocation was given by Rev. Rachel Helgeson of the First Presbyterian Church.

The Pledge of Allegiance was recited.

ROLL CALL

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

PRESENTATION OF JOURNALS

The Journals for the November 16, 2015 Regular City Council Meeting and November 23, 2015 Special City Council Meeting were presented to Council for their consideration. **Council Member Moore made a motion to approve the Journals as presented. Seconded by Council Member McEnaney. Yeas: May, McEnaney, Moore, Piper and Chesley.**

APPROVAL OF CONSOLIDATED VOUCHERS FOR ACCOUNTS PAYABLE

The Consolidated Vouchers for Accounts Payable were presented to Council for approval. Council Member May requested an explanation on the special check written to IML Risk Management for \$1,408,530.42 for 2016 Annual Insurance Contribution. Interim City Manager Mary Ellen Bechtel noted this represents the City's insurance coverage for everything except healthcare. The City makes one annual payment and, if paid early, receives a 1% discount on the premium. Council Member McEnaney requested further information on the following: #12 Jefferson County Treasurer - \$10,623.32 – October community service supervisor (\$327.00) October Animal Shelter less 50% fuel costs (\$10,296.32). These expenses are shared with Jefferson County. #19 Southern Illinois Door Company - \$3,432.00 – Overhead door installed at Fleet Maintenance building. This item was in the budget and installed at the Maintenance garage at 12th and Casey Streets.

Council Member Piper made a motion to approve the Consolidated Vouchers for Accounts Payable in the amount of \$2,483,654.19. Seconded by Council Member May. Yeas: May, McEnaney, Moore, Piper and Chesley.

BIDS & QUOTES

No bids were submitted.

CITY MANAGER

Jim Leuty, CPA and Partner with Krehbiel and Associates, LLC presented the Fiscal Year 2014-2015 Audit Report. The City has received an Unqualified Audit Report which is the best that can be achieved. Jim Leuty thanked the City for the opportunity and help in completing the audit.

City Engineer Brad Ruble presented the Capital Projects Report:

CAPITAL PROJECTS REPORT

GENERAL SUMMARY OF PROJECT STATUS – December 2015



TRANSPORTATION

Project	Cost	Work Phase	% Complete	Est. Compl. Date	Notes
42 nd St. Reconst. (Victoria to Richview)	4.0 M	Design(HMG) Const.(Baxmeyer)	100% 40%	Complete 2 nd Q 2016	Road north of the RR tracks is complete, switching to the south end.
South 27 th Street (Jamison to Veterans)	1.7 M	Design(Rhutasel) Construction	0% 0%	Pending Pending	Awaiting decisions to move forward with design.
N. 27 th / Old Union Rd. (Richview to Wilshire)	3.3 M	Design(HMG) Construction	95% 0%	3 rd Q 2015 4 th Q 2016	4 Easements have been obtained. More to acquire.
Perkins Avenue (10 th to 12 th)	0.75 M	Design(Horner/Shifrin) Construction(Baxmeyer)	100% 0%	Complete 1 st Q 2016	Baxmeyer was awarded the project. Still determining start date for project.
42 nd at Veterans Signals	900 K	Design(HMG) Construction	30% 0%	Pending Pending	Project is on hold.
Ambassador Roadway near new High School	1.25 M	Design(Rhutasel) Const. (ET Simonds)	100% 70%	2 nd Q 2015 1 st Q 2016	Trying to get road reopened for winter. Driveways and sidewalk will be done in spring.
Fairfield Road Resurfacing	1.0 M 80% IDOT	Design(Roundtable) Construction	90% 0%	2 nd Q 2016 4 th Q 2016	Sending first draft of plans to IDOT this week.

SEWER

Project	Cost	Work Phase	% Complete	Est. Compl. Date	Notes
Lift Station 14 Force main Replacement	1.8 M	Design(HMG) Construction	100% 0%	As needed Unknown	Project on stand still waiting for monies to become available.
Ambassador Road near new High School	300 K	Design(HMG) Const(Trotter)	100% 95%	1 st Q 2015 4 th Q 2015	Project is complete except for some dirt work cleanup. Waiting til spring to allow or settling.
Lift Station 14 Station Replacement	2.0 M	Design(N/A) Construction	0% 0%	Pending	Project is on stand still.

SIDEWALKS / TRAILS

Project	Cost	Work Phase	% Complete	Est. Compl. Date	Notes
Richview Wide Sidewalk (27 th to 24 th on South)	400 K	Design(Heneghan) Construction(Moniger)	100% 0%	Complete 2 nd Q 2016	Moniger Const. to start project in the spring.
Wilshire Sidewalk (Richview to Old Union)	190 K	Design(Rhutasel) Construction	90% 0%	4 th Q 2015 2 nd Q 2015	Easement acquisition has begun. 6 out of 27 have been gotten. All have been mailed out.
*-SRTS Airport Rd. and Marteeny	200 K 80% IDOT	Design(Not Selected) Const. (Not Selected)	0% 0%	Pending	Design agreement for the project is on this agenda

WATER

Project	Cost	Work Phase	% Complete	Est. Compl. Date	Notes
Broadway & Main Water Phase 1	1.85 M	Design(RoundTable) Construction	100% 0%	Complete 2 nd Q 2016	Tying together the Main St. portion. Waiting for authorization to bore the RRs. Will begin Broadway next year.
Broadway & Main Water Phase 2	1.0 M	Design(RoundTable) Construction	95% 0%	2 nd Q 2016 4 th Q 2016	Phase 2 will replace from 15 th to 6 th along Main Street

INDUSTRIAL PARK INFRASTRUCTURE

Project	Cost	Work Phase	% Complete	Est. Compl. Date	Notes
Roads	7.3 M all project	Design(HMG) Construction	50% 0%	2 nd Q 2016 4 th Q 2017	Detailed design work has begun. North Industrial Drive, South Industrial Drive, Shiloh Drive, and Sparrow Lane.
Water & Sewer	85K Tarp, 1.285M EDP, 3.25M EDA	Design(HMG) Construction	90% 0%	1 st Q 2016 4 th Q 2016	Sent off for EPA permits. Will set a bid date soon.

Assistant City Manager Nathan McKenna presented the City Programmatic Report:



CITY PROGRAMMATIC REPORT

GENERAL SUMMARY OF PROJECT STATUS – December 2015

<i>Project</i>	<i>Work Phase</i>	<i>Act. / Est. Cost</i>	<i>% Complete</i>	<i>Est. Compl. Date</i>	<i>Notes</i>
Housing Program	Implementation		100% ongoing	Ongoing Ongoing	Remax Realtors announced new home construction in Woodglen Acres. R&R New Home Construction w/ special financing through Banterra Bank has started building two new homes with the potentially to build more in the future.
Armory / Market	Design Construction	N/A 2M	100% 0%	TBD	Project on hold pending review. Project funding from IDNR suspended until review by Gov. Office. (1.55 million) In the fifth month of State fiscal year without a budget.
Surplus Property	Review	N/A	N/A	Ongoing	Sale pending on two more properties. City still has 74 surplus properties available for sale. The asking price is \$500
Housing Demolition	Demolition	72K		Complete Ongoing	Heck Excavating was awarded the bid for demolition of 9 more structures. This will almost exhaust this year's budget for demolition. There is a remaining 20K for emergency demo's.
City Hall Basement	Review	125 K		Complete	Estimates for Mold remediation, asbestos abatement and water drainage received.
City Hall Improvements	Review	N/A			Comprehensive report on city hall repairs is complete. Top priority listed is the boiler system and the condition of the basement. Est. cost for both 201K.
Lincoln Park Addition	Planning Construction	1.6M	100%	TBD	Project on hold pending review. Project funding from IDNR suspended until review by Gov. Office. (400 Thousand)

CITY ATTORNEY

City Attorney Bill Howard presented the First Reading of an Ordinance Authorizing Tax Levy. Finance Director Merle Hollmann went through the Proposed City Tax Levy spreadsheet with Council.

**CITY OF MT. VERNON, IL
PROPOSED CITY TAX LEVY
Levied 2016 - Payable 2016
December 2015**

ASSUMING NO 2016 TAX LEVY FOR SSA#1, QUALITY OF LIFE AND PUBLIC UTILITIES IMRF & SOCIAL SECURITY

Date Prepared 12/2/2015

POLICE AND FIRE PENSION LEVY - NEW LAW WITH 8.7% INCREASES	2014 TAX LEVY PAYABLE 2016		DOLLAR AMOUNT INCREASE (DECREASE)	2016 TAX LEVY PAYABLE 2016		PENSION LEVY UNDER NEW LAW	EXTRA AMOUNT LEVIED	EXTRA AMOUNT LEVIED %
	RATE	EXTENSION		LEVY	% CHANGE			
CITY WIDE LEVY								
LMRF (General Corp, AZ and Tourism)		\$ 397,773.16	8,388.86	\$ 407,180.00	2.38% (1)			
SOCIAL SECURITY (General Corp, AZ and Tourism)		\$ 363,894.28	17,828.71	\$ 371,723.00	6.04% (1)			
LMRF AND SOCIAL SECURITY (General Corp and Tourism)	0.36888	761,887.44						
FIREFIGHTERS'S PENSION FUND	0.40114	\$44,899.34	(88,683.34)	779,106.00	-8.12% (2)	707,488.00	88,808.00	9.7%
POLICE PENSION FUND	0.31482	\$62,831.28	168,243.74	821,176.00	23.87% (2)	748,683.00	72,682.00	9.7%
PARKS	0.08555	180,148.85	8,007.35	189,154.00	6.00% (3)			
E.S.D.A.	0.00402	8,495.11	422.89	8,888.00	6.00% (4)			
TOTAL CITY WIDE	1.18248	\$ 2,447,809.80	\$ 128,298.20	\$ 2,674,208.00	6.16%	\$ 1,468,081.00	141,200.00	
SPECIAL SERVICE AREA # 1 LEVY								
SPECIAL SERVICE AREA (ADMINISTRATION)	1.83784	\$5,681.98	124.04	85,888.00	0.14% (5)			
TOTAL SPECIAL SERVICE AREA # 1	1.83784	\$5,681.98	124.04	85,888.00	0.14%			
GRAND TOTAL		2,633,471.78	128,420.24	2,869,892.00	4.99%			

		% Incor (Deor) from previous year
2014 EQUALIZED ASSESSED VALUATION - CITY LEVY	210,574,882	2.48%
2014 TAX RATE	1.18248	
2013 EQUALIZED ASSESSED VALUATION - CITY LEVY	205,626,368	3.16%
2013 TAX RATE	1.18102	
2012 EQUALIZED ASSESSED VALUATION - CITY LEVY	199,241,098	-0.02%
2012 TAX RATE	1.17008	
2011 EQUALIZED ASSESSED VALUATION - CITY LEVY	\$ 189,278,836	-2.76%
2011 TAX RATE	1.11418	
2010 EQUALIZED ASSESSED VALUATION - CITY LEVY	\$ 204,804,421	
2010 TAX RATE	1.03188	

NOTES:
1) WE HAVE NOT LEVIED FOR QUALITY OF LIFE, SSA#1 AND PUBLIC UTILITIES IMRF AND SOCIAL SECURITY.

2) For tax year 2010 payable 2011 through tax year 2013 payable 2014, the pension funds hired an independent actuary to compute the police and fire levies. To save money, they did not hire an actuary for this tax year so we started with the tax levy computed by the IL Dept of Insurance based on the new law and added an additional amount to the Police and Fire Pension levies, allocated based on their levies under the new law.

3) We used an arbitrary 5.0% Increase (0.0% was used for 2014, 2013, 2012 and 2011, 7.5% for 2010 and 2009, 5.0% for 2008)

4) We used an arbitrary 5.0% Increase (0.0% was used for 2014, 2013, 2012 and 2011, 5.00% for 2010, 2009 and 2008).

5) We computed the SSA #1 suggested levy. This levy amount hopefully will maximize their tax revenue, assuming no increase in the EAV, since the Downtown TIF will absorb most of any increases. They are subject to a limitation of \$1.64 on the 2009 and subsequent levies.

ALLOCATION OF TAX LEVY SHORTFALL	
IMRF	\$ -
FIRE PENSION	\$ -
POLICE PENSION	\$ -
	\$ -
	NONE

First Reading

City Attorney Howard presented the First Reading of an Ordinance Authorizing a Loan with US Bank in the amount of \$608,000.00 for the new Fire Pumper Truck. The percentage rate on the loan is 1.768% for five years.

Council Member Piper made a motion to suspend the rules to vote on an Ordinance. Seconded by Council Member May. Yeas: May, McEnaney, Moore, Piper and Chesley. Council Member Piper made a motion to approve Ordinance No. 2015-42 Authorizing a Loan with US Bank in the amount of \$608,000.00 for the new Fire Pumper Truck. Seconded by Council Member Moore. Yeas: May, McEnaney, Moore, Piper and Chesley.

City Attorney Howard presented the Inducement Resolution with Borowiak's IGA Regarding Property located within the Downtown TIF District.

Trevor Borowiak, owner of Borowiak's IGA, stated that the last few years have been fairly good for them from a sales and profitability standpoint, but they do have some concerns with the high school moving to its new location and losing some traffic. They have decided to make a large investment in their store of a little over \$1.2 million. They are putting in all new equipment, new flooring, lighting and relocating the pharmacy. There will be an Ace Hardware store inside the store. They also plan on building a small lawn and garden center out on the parking lot for mowers, paving blocks, mulch, etc. According to market analysis they are anticipating over a million dollars in extra sales and looking to hire an extra ten to fifteen employees.

Council Member McEnaney made a motion to approve the Inducement Resolution with Borowiak's IGA Regarding Property located within the Downtown TIF District. Seconded by Council Member Moore. Yeas: McEnaney, Moore, Piper and Chesley. Abstain: May for business reasons.

City Attorney Howard presented the Inducement Resolution with Weedy Acres LLC Regarding Property located within the IPCA Westside TIF District. This is the anchor project for the grant application for the new Industrial Park.

Allison Allgaier, owner of Phoenix Modular Elevators, stated they have been in the old shoe factory for just over six years. The business has been growing but is not efficiently laid out at their current location. The roof leaks, there are raccoons in the building and the building is not heated. As they have grown and their financial position has improved they have looked at options. The potential to build allows them to build exactly what they want as opposed to making something do. They are looking at about twenty-five thousand square feet all under one roof with room to expand instead of spread out as in their current building.

Council Member May made a motion to approve the Inducement Resolution with Weedy Acres LLC Regarding Property located within IPCA Westside TIF District. Seconded by Council Member McEnaney. Yeas: May, McEnaney, Moore and Chesley. Abstain: Piper for business reasons.

City Attorney Howard presented a Resolution Approving Design Agreement with Roundtable Design for Safe Routes to School sidewalk project. The total grant amount was \$196,718.64. This is an 80/20 grant. The City is responsible for 20 percent of the construction costs and all of the engineering which will be about \$68,943.00. With some additional storm work on Marteeny the total commitment is about \$213,710.09.

Council Member McEnaney made a motion to approve the Resolution Approving Design Agreement with Roundtable Design for Safe Routes to School sidewalk project. Seconded by Council Member Piper. Yeas: May, McEnaney, Moore, Piper and Chesley.

City Attorney Howard presented a Resolution Approving an Amendment to extend the contract with SSM Health. Jennifer Venable, Director of Hospital Financial Operations for SSM Health of Southern Illinois, provided a brief overview of the 340B program. The program is a section of the Public Health Services Act that requires drug manufacturers to enter into an agreement with the Department of Health and Human Services to provide certain drugs to cover entities at a reduced price based on eligibility. The City has been in contract with SSM Health for five years.

Council Member Piper made a motion to approve the Resolution Approving an Amendment to extend the contract with SSM Health. Seconded by Council Member Moore. Yeas: May, McEnaney, Moore, Piper and Chesley.

City Attorney Howard presented a Resolution Approving an Amendment to the Tax Increment Redevelopment Agreement with Menard, Inc. This will amend the number of full-time jobs from 60 to approximately 50 and part-time jobs from 90 to 80.

Interim City Manager Bechtel stated that in all of the discussions with Menard, Inc. they had suggested that their job creation would be 60 full-time jobs and 90 part-time jobs. Upon review of the Agreement, Menard asked that it be amended to 50 full time jobs and 80-part time jobs because the higher numbers are too aggressive for a new store, and they have to perform what is in Exhibit A. As an assurance to both parties Bechtel is asking Council to amend the agreement. Menard's incentive package was not based on job creation but strictly on their investments so this should have no bearing on the actual agreement for incentives for this project.

Council Member May made a motion to approve the Resolution Approving an Amendment to the Tax Increment Redevelopment Agreement with Menard, Inc. Seconded by Council Member Piper. Yeas: May, McEnaney, Moore, Piper and Chesley.

MAYOR

Mayor Mary Jane Chesley thanked those who helped with the Christmas Parade.

CITY COUNCIL

No comments from Council.

VISITORS/CITIZEN REQUESTS/ADDRESSES FROM THE AUDIENCE

No comments from the audience.

EXECUTIVE SESSION

Mayor Mary Jane Chesley requested an Executive Session in order to discuss Personnel.

Council Member Piper made a motion to go into Executive Session to discuss Personnel. Seconded by Council Member Moore. Yeas: May, McEnaney, Moore, Piper and Chesley.

ADJOURNMENT

Council Member Piper made a motion to adjourn the Regular City Council Meeting. Seconded by Council Member Moore. Yeas: May, McEnaney, Moore, Piper and Chesley.

The meeting was adjourned at 9:10 p.m.

Respectfully submitted,

Jerilee Hopkins
City Clerk