

**City of Mt. Vernon, Illinois
Regular City Council Meeting
Monday, December 18, 2017
7:00 p.m.
MINUTES**

The Mt. Vernon City Council held a Regular City Council Meeting on Monday, December 18, 2017 at 7:00 p.m. at the Rolland W. Lewis Community Building, Veterans Park, 800 South 27th Street, Mt. Vernon, IL.

Mayor John Lewis called the meeting to order.

Ed Sprinkle from the Church of the Nazarene gave the invocation.

The Pledge of Allegiance was recited.

ROLL CALL

Roll call showed present: Council Member Donte Moore, Council Member Jim Rippy, Council Member Mike Young, and Mayor John Lewis. Absent: Council Member Jeff May.

PRESENTATION OF JOURNALS

The Journal for the December 4, 2017 Regular City Council Meeting was presented to Council for any additions, deletions or corrections.

Council Member Donte Moore motioned to approve the Journal as presented. Seconded by Council Member Mike Young. Yeas: Moore, Rippy, Young, and Lewis. Absent: May.

VISITORS/CITIZENS REQUESTS/ADDRESSES FROM THE AUDIENCE

No comments were heard.

APPROVAL OF CONSOLIDATED VOUCHERS FOR ACCOUNTS PAYABLE

The Consolidated Vouchers for Accounts Payable were presented to Council for approval.

Council Member Mike Young motioned to approve the Consolidated Vouchers for Accounts Payable in the amount of \$1,621,582.30. Seconded by Council Member Donte Moore. Yeas: Moore, Rippy, Young, and Lewis. Absent: May.

BIDS & QUOTES

City Manager Mary Ellen Bechtel reported on the bids received for the Sanitary Sewer Cleaning and Televising Project in the Summersville Area. This project includes the complete sanitary sewer system in the Summersville Area. Four bids were received.

| <u>Bidder</u> | <u>Bid Amount</u> |
|--|-------------------|
| Skuta Construction, Marion, IL | \$ 74,059.18 |
| David Mason & Associates, St. Louis, MO | \$ 93,070.70 |
| Visu-Sewer, St. Louis, MO | \$ 64,355.85 |
| Hanks Excavating & Landscaping, Belleville, IL | \$160,064.55 |

Bechtel recommended the acceptance of the bid from Visu-Sewer, St. Louis, MO in the amount of \$64,355.85. Visu-Sewer met all requirements.

Council Member Jim Rippy motioned to accept the low bid from Visu-Sewer, St. Louis, MO in the amount of \$64,355.85. Seconded by Council Member Mike Young. Yeas: Moore, Rippy, Young, and Lewis. Absent: May.

City Manager Mary Ellen Bechtel reported on the bids received for the Water Distribution System Leak Survey. This project is the acoustical leak survey that finds leaks that are underground and not visible. She explained that this is not a pipe condition survey, but an acoustical survey for finding leaks only. Two bids were received.

| <u>Bidder</u> | <u>Bid Amount</u> |
|---|-------------------|
| Wacha Water Services, Buffalo Grove, IL | \$ 19,995.00 |
| ME Simpson Company Inc., Valparaiso, IN | \$ 25,500.00 |

Bechtel recommended the acceptance of the bid from Wacha Water Services, Buffalo Grove, IL in the amount of \$19,995.00. Council Member Jim Rippy asked if a report will be provided. Bechtel replied that the City will receive reports as the survey is being conducted. When leaks are found, they will be reported to the Public Utilities Department. The City would then determine the best method of repairing the leaks. Council Member Donte Moore stated that the City's entire water system will be surveyed.

Council Member Donte Moore motioned to accept the low bid from Wacha Water Services, Buffalo Grove, IL in the amount of \$19,995.00. Seconded by Council Member Mike Young. Yeas: Moore, Rippy, Young, and Lewis. Absent: May.

City Manager Mary Ellen Bechtel requested permission to seek bids on the South 44th Street Resurfacing Project. The 2012 Bond proceeds will fund the project. It will resurface 1,315 linear feet

of roadway with eight (8) inches of concrete with curb and gutters. The project area is from Illinois State Route 15 south to before Motel 6. The estimated cost is \$900,000.00.

Council Member Jim Rippy motioned to grant permission to seek bids on the South 44th Street Resurfacing Project. Seconded by Council Member Mike Young. Yeas: Moore, Rippy, Young, and Lewis. Absent: May.

City Manager Mary Ellen Bechtel requested permission to seek bids for the maintenance and resurfacing of the Tennis Courts at Veterans Park. This project would resurface the existing six tennis courts. Bechtel stated that City can use restricted funds in the Quality of Life Fund. The estimated cost is \$30,000.00. Council Member Donte Moore asked about the drainage issue under the tennis courts. Bechtel reported that the Sewer Jet Truck is set to video the drainage line to see what is going on.

Council Member Jim Rippy motioned to grant permission to seek bids for the maintenance and resurfacing of the Tennis Courts at Veterans Park. Seconded by Council Member Donte Moore. Yeas: Moore, Rippy, Young, and Lewis. Absent: May.

CITY MANAGER

No report from the City Manager.

CITY ATTORNEY

Corporation Counsel Bill Howard presented Second Reading of an Ordinance Amending Article 16, Section 16.7 and Renumbering Article 16, "Section 16.7 Continued" to Article 16B. City Manager Mary Ellen Bechtel explained this will update the Ordinance to comply with the Illinois EPA requirements as well as aligning it with the City's current practices.

Council Member Donte Moore motioned to adopt Ordinance #2017-50, an Ordinance Amending Article 16, Section 16.7 and Renumbering Article 16, "Section 16.7 Continued" to Article 16B. Seconded by Council Member Mike Young. Yeas: Moore, Rippy, Young, and Lewis. Absent: May.

Corporation Counsel Bill Howard presented Second Reading of an Ordinance Concerning the Levy and Collection of Taxes. City Manager Mary Ellen Bechtel reported that the City received the State of Illinois Pension contribution requirements last week. The Fire and Police Pension requirement increased by \$240,152.54. This represents a 19.96% increase for Fire Pension and an 11.64% increase for the Police Pension. Finance Director Merle Hollmann found several contributing factors for the increase. One factor is that the projected rate of return was reduced from 6.75% to 6.5%. Another factor is the State's assumption that 80% of Firemen and 60% of the Police would retire with disability pensions. The required contribution numbers from the State of Illinois includes the base pension contribution as well as an additional sum to meet the requirement of 90% funding within 23 years. The annual pension contribution amount for the Police and Fire Department has increased \$446,904.00 over the past four years (2014-2017). Even though the State of Illinois contribution

amount includes an additional amount for 90% funding, the City of Mt. Vernon has made additional contributions beyond the requirement in the amount of \$1,459,088 to the Fire and Police Pensions from 2011 to 2015. This current contribution requirement would require an 8.95% increase in the levy if the entire pension contribution was funded through property taxes. Instead, she asked the Council for a 4.99% increase in the levy for pensions, and a reduction in the Parks operational levy of \$109,718,71. The impact of the Parks Department levy would mean that in the 2018-2019 budget, the City will have to find a way to reduce expenses to make up the revenue shortfall or be willing to use a portion of the working fund capital unless other revenues happen to increase to cover the shortfall. The Park budget this year is \$684,629.00. Instead of 55.7% of their budget from property tax, the levy will support 29.7% of the Parks annual budget.

Finance Director Merle Hollmann presented a worksheet showing the Proposed City Tax Levy. This is tax levied in 2017 and payable in 2018. Hollmann reported that based on a \$100,000 home, property tax would raise \$20.96 per year.

| CITY OF MT. VERNON, IL PROPOSED CITY TAX LEVY Levied 2017 - Payable 2018 December 2017 | | | | | | |
|---|-------------------------------|-----------------|--|-------------------------------|----------|---------|
| ASSUMING NO 2017 TAX LEVY FOR AZ, SSA#1, QUALITY OF LIFE AND PUBLIC UTILITIES IMRF & SOCIAL SECURITY. | | | | | | |
| POLICE AND FIRE PENSION LEVY-NEW LAW ONLY-TENTATIVE AMTS | | | | | | |
| | 2016 TAX LEVY PAYABLE 2017 | | DOLLAR AMOUNT INCREASE (DECREASE) | 2017 TAX LEVY PAYABLE 2018 | | |
| | RATE | EXTENSION | | LEVY | % CHANGE | |
| CITY WIDE LEVY | | | | | | |
| I.M.R.F. (General Corp & Tourism) + (IMRF ERI LOAN PMT) | 0.23404 | \$ 513,086.78 | 27,113.22 | \$ 540,200.00 | | 5.28% |
| SOCIAL SECURITY (General Corp & Tourism) | 0.11891 | \$ 260,686.85 | (19,686.85) | \$ 241,000.00 | | -7.55% |
| FIREFIGHTERS'S PENSION FUND | 0.34954 | 766,297.87 | 152,973.13 | 919,271.00 | | 19.96% |
| POLICE PENSION FUND | 0.34178 | 749,285.59 | 87,179.41 | 836,465.00 | | 11.64% |
| PARKS | 0.17389 | 381,219.71 | (109,719.71) | 271,500.00 | | -28.78% |
| E.S.D.A. | 0.00427 | 9,361.14 | 38.86 | 9,400.00 | | 0.42% |
| TOTAL CITY WIDE | 1.22243 | \$ 2,679,937.94 | \$ 137,898.06 | \$ 2,817,836.00 | | 5.15% |
| SPECIAL SERVICE AREA # 1 LEVY | | | | | | |
| SPECL SERVICE AREA (ADMINISTRATION) | 1.64000 | 83,957.44 | 42.56 | 84,000.00 | | 0.05% |
| TOTAL SPECIAL SERVICE AREA # 1 | 1.64000 | 83,957.44 | 42.56 | 84,000.00 | | 0.05% |
| GRAND TOTAL | | 2,763,895.38 | 137,940.62 | 2,901,836.00 | | 4.99% |

Mayor John Lewis stated that governments have not done a good job explaining why the levy needs to be increased. He wants the public to know why the City is increasing the levy by 4.99%. He stated that property taxes are one of the main source of income for local governments in Illinois. There are over 7,000 local government districts with the power to levy property taxes. These local entities, from airport authorities to forest preserves to fire-protection districts to public schools, to libraries to conservancy districts, all levy property taxes that are layered on top of each other. This makes the total property-tax bill more expensive and less transparent. There are over 101 taxing bodies just in Jefferson County. The seventy percent (70%) of Jefferson County property taxes goes to the school districts. Eighty-seven percent (87%) of Mt. Vernon's share goes towards pensions. In the levy phase of the property tax cycle, the 101 governing boards of each taxing district develop their budgets. These budgets increase every year. The question is what level of services should the City supply to the citizens. If the City keeps services at the current level, taxes will increase. If citizens do not want

increased taxes, then the City will have to streamline and reduce services. Mayor Lewis stated that numerous Illinois cities are wrestling with the levy issue and the major item that is eating into the budgets are pensions. Mt. Vernon's pension contributions have increased by half million dollars in the last four years. He stated that there is no fix for this pension issue other than to cut services and there is no way to solve this pension issue at the local level. The state further compounded Illinois cities' problems when they took away revenue. Mt. Vernon lost \$251,000.00. Mayor Lewis stated that his door is always open to anyone that can give a better alternative to reducing services.

Council Member Donte Moore motioned to adopt Ordinance #2017-51, an Ordinance Concerning the Levy and Collection of Taxes. Seconded by Council Member Mike Young. Yeas: Moore, Rippy, Young, and Lewis. Absent: May.

Corporation Counsel Bill Howard presented a Resolution Amending the City Personnel Policy, Section 9.9 Identity Protection Policy. City Manager Mary Ellen Bechtel explained that this a State of Illinois requirement. The policy describes how to handle employees' private information, especially Social Security numbers.

Council Member Donte Moore motioned to approve the Resolution Amending the City Personnel Policy, Section 9.9 Identity Protection Policy. Seconded by Council Member Mike Young. Yeas: Moore, Rippy, Young, and Lewis. Absent: May.

Corporation Counsel Bill Howard presented a Resolution to Establish Inclusion of Property located at 800 Broadway into the Downtown TIF District. City Manager Mary Ellen Bechtel explained that this property was intended to be originally included in the Downtown TIF District, but it was left out. The property will be assigned a 2006 base.

Council Member Donte Moore motioned to approve the Resolution to Establish Inclusion of Property located at 800 Broadway into the Downtown TIF District. Seconded by Council Member Mike Young. Yeas: Moore, Rippy, Young, and Lewis. Absent: May.

MAYOR

Mayor John Lewis introduced Ray Botch to give an update on the Public Utilities Committee. Mr. Botch explained that the Public Utilities Committee has pledged to move quickly to upgrade the City's infrastructure as correctly and as economically as possible. Bids were sought for the assessments and studies of the City's Water and Sewer Systems. To date the City Council has awarded the following bids:

- A. Sewer inspection, cleaning and televising four problem areas in the center part of Mt. Vernon to Skuta Engineering for \$40,011.25.
- B. Sewer inspection, cleaning and televising the Summersville Area to Visu-Sewer for \$64,355.85.
- C. Treatment Plant Inflow Pipe Cleaning to Visu-Sewer for \$86,333.80. If successful, this will save the City from \$250,000.00 to \$2 million to repair or replace the Grit Chamber.

- D. Acoustic Leak Survey to Wacha Water Services for \$19,995.00. This survey will determine all underground water leaks.

Quotes have been received to replace the City's 6,800 plus water meters. Staff is currently reviewing the submission documents to see that they meet specifications. City staff is preparing bid specifications for engineering services for the preparation of a Water Project Plan and a Sewer Facilities Plan. This is the first step for submitting IEPA Loan Applications to reconstruct Lift Station #14 and Force Main at an estimated cost of \$3,220,000 and reconditioning the Opdyke Water Tower at a cost of \$900,000. These Plans will be submitted to IEPA 45 days after Council approval. In January, bid specifications will be released for Eagle Court's (Vernwood Press's) 1.5-million-gallon Water Storage Tank. Cost is estimated at \$700,000. Next year, the City will begin physically rebuilding the Water and Sewer Infrastructure. The Committee would like to thank Public Works Director Matt Fauss, City Engineer Brad Ruble, and Assistant Public Utilities Director Jonathan Younger for all their assistance and expertise. The next Committee Meeting will be January 12, 2018 at 11:00 AM at City Hall. The public is invited to attend and participate. Mayor Lewis and City Council Members gave thanks to the Committee for their countless hours of work.

Mayor John Lewis reported on the November statistics from the Public Utilities, Fire, and Police Departments. The Police Department responded to 1,921 total events. The Detective Division was assigned 82 new cases, cleared 10 cases with arrests, and referred 19 cases to the States Attorney. The K-9 Units were deployed 19 times and the Tactical Unit was deployed for 1 high risk search warrant. The Fire Department responded to 300 alarms and the Fire Inspection Department conducted 86, 10A inspections, 6 facility inspections and held one public education seminar. The Public Utilities Department repaired 24 water leaks and handled 10 sewer incidents.

Mayor John Lewis spoke on reevaluating the way the taxpayer's monies are spent. City finances are strained by wages, compulsory union contract raises, increasing cost of goods, and pensions. The question is, what level of services should the City supply to the citizens. Do the citizens want services to remain at the same level or should the City look at ways to decrease and streamline services? City Manager Mary Ellen Bechtel reported that not only is the tax levy raised by 4.99%, but the City had to take \$109,000.00 out of our Parks operation fund to subsidize pension obligations. Even before this cut in Park revenues, the City could not operate the Park system at a level our citizens expected. The previous City administration made drastic cuts in various areas to keep a balanced budget. Lewis stated that the City has ten parks. Three options for the Park system are:

1. Increase taxes for the revenue stream needed to keep the parks up to the level our citizens expect;
2. Decrease the number of parks from ten to two, Veterans and Lincoln Parks, and stop maintaining the neighborhood parks;
3. Put to a referendum the formation of a Park District, and raise property taxes even further to fund a new taxing body.

Should the City continue to keep the level of services and increase taxes? The feedback, he received by a large majority, was to go down to two parks and concentrate on those parks to give the citizens

something they can be proud of and the City can afford, and eliminate the neighborhood parks. He suggested that neighborhoods could form an association to manage their parks, or fraternal organizations or churches take over one or more of the neighborhood parks. Mayor Lewis stated our park pond is a waterway that needs to be maintained. The majority feel that rather than spending half a million dollars on dredging the park lake and many more thousands to move the walking path, the City should fill it in. This would provide a nice large green space for the children. He stated that the City could maintain the two parks with the current park revenue stream. Mayor Lewis asked for public input on whether to fund by increasing taxes for the existing Parks or decrease the number of Parks.

Council Member Donte Moore reported that he has spoken to several citizens and hopes to keep four Parks. Moore asked that citizens call Mayor Lewis, the City Manager, or any City Council Member to let them know what to do.

CITY COUNCIL

Council Member Jim Rippy reported on the 7th Street Reopening Project. He stated that he placed a survey on Facebook and the citizens of Mt. Vernon want 7th Street to be open.

VISITORS/CITIZENS REQUESTS/ADDRESSES FROM THE AUDIENCE

No comments were heard from the public.

EXECUTIVE SESSION

No Executive Session was held.

ADJOURNMENT

Council Member Donte Moore motioned to adjourn. Seconded by Council Member Mike Young. Yeas: Moore, Rippy, Young, and Lewis. Absent: May.

The meeting was adjourned at 7:47 p.m.

Respectfully submitted,



Mary Jo Pemberton
City Clerk