



Mary Jo Pemberton  
City Clerk

City of Mt. Vernon  
1100 Main PO Box 1708  
Mt. Vernon, IL 62864  
cityclerk@mtvernon.com

618-242-6815  
FAX 618-242-6867  
www.mtvernon.com

**City of Mt. Vernon, Illinois  
Regular City Council Meeting  
Monday, October 21, 2019  
7:00 p.m.  
MINUTES**

The Mt. Vernon City Council held a Regular City Council Meeting on Monday, October 21, 2019 at the Rolland W. Lewis Community Building, Veterans Park, 800 South 27th Street, Mt. Vernon, Illinois.

Mayor John Lewis called the meeting to order at 7:00 pm.

Pastor Harold Quick from the West Salem Trinity United Methodist Church gave the Invocation.

The Pledge of Allegiance was recited.

**ROLL CALL**

Roll call showed present: Council Member Ray Botch, Council Member Joe Gliosci, Council Member Donte Moore, Council Member Mike Young, and Mayor John Lewis.

**PRESENTATION OF JOURNALS**

The Journal for the October 7, 2019 Regular City Council Meeting was presented for approval.

**Council Member Donte Moore motioned to approve the Journal as presented. Seconded by Council Member Ray Botch. Yeas: Botch, Gliosci, Moore, Young, and Lewis.**

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

Robert Liska of 909 Shawnee Street introduced himself and reported on his plans to convert the former Jefferson Memorial Hospital Building into a home for veterans. He recently purchased the building and determined that the building needs a lot of work and maintenance. In order to raise funds for the remodeling, Liska plans to open a storage unit business at this location. Council Member Donte Moore advised Liska to speak with City Manager Mary Ellen Bechtel to discuss the various challenges of the former hospital building.

JoAlice Pierce, 700 Meadowbrook, spoke on the cannabis dispensary proposal. She urged the Council to take caution and be careful because no one knows how this will affect the City. She suggested tabling action to see how other communities handle the new law.

Reverend Ron Lash, 404 Orange, representing the Jefferson County Ministerial Alliance, read a letter opposing the cannabis dispensary. Lash said that he was aware of the medical advantages of cannabis, but he disagrees with the recreational use and retail sale of cannabis. He stressed that no one knows the long-term effects of the retail sale of cannabis and urged the Council to wait as there is no reason to rush to make this decision.

**APPROVAL OF CONSOLIDATED VOUCHERS FOR ACCOUNTS PAYABLE**

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

**Council Member Ray Botch motioned to approve the Consolidated Vouchers for Accounts Payable in the amount of \$1,371,245.15. Seconded by Council Member Mike Young. Yeas: Botch, Gliosci, Moore, Young, and Lewis.**

**BIDS AND QUOTES**

City Manager Mary Ellen Bechtel presented the bid results for the demolition of sixteen (16) properties. Three bids were submitted. City Engineer Brad Ruble reviewed the bids and recommended awarding the project to the lowest responsive responsible bidder, Heck’s Excavating in the amount of \$88,900.00.

Fall 2019 Demolition Project					
Bid Tab, Opened October 16, 2019@ 10:00 A.M.					
			Heck's Excavating	Kenneth A. Hails	Chuck's Excavating
			15127 N. Campground Rd. Mt. Vernon, IL	21606 N. Hails Ln. Texico, IL	4519 Brubaker Road Salem, IL
Address:	Description	Internal Estimate:	Bid Amount:	Bid Amount:	Bid Amount:
504 North St	House	\$5,000.00	\$6,200.00	\$7,000.00	
118 Lou St	Mobile Home	\$3,000.00	\$5,000.00	\$4,800.00	
122 E. Opdyke	House	\$4,000.00	\$5,000.00	\$5,500.00	
122-1/2 E. Opdyke	House	\$3,000.00	\$3,100.00	\$0.00	
215 S. 4th St.	Mobile Home	\$4,000.00	\$5,000.00	\$4,000.00	
1904 Conger	2 Story House	\$10,000.00	\$8,100.00	\$9,500.00	
917 Perkins	House	\$5,000.00	\$6,100.00	\$6,500.00	
1103 Welkins	House	\$4,000.00	\$5,300.00	\$5,000.00	
1017 Welkins	House	\$4,000.00	\$5,300.00	\$5,000.00	
904 N. 4th St.	Mobile Home	\$4,000.00	\$4,400.00	\$5,600.00	
1107 S. 22nd St.	Mobile Home	\$3,000.00	\$5,000.00	\$5,500.00	
309 S. 22nd St.	House	\$5,000.00	\$6,800.00	\$7,400.00	
2403 Wescott	House	\$5,000.00	\$3,800.00	\$4,500.00	
1406 White	House	\$4,000.00	\$6,300.00	\$7,100.00	
1020 Park Ave	House	\$4,000.00	\$6,800.00	\$7,700.00	
604 S. 18th	House	\$5,000.00	\$6,700.00	\$6,600.00	
	<b>Total as Read:</b>	\$72,000.00.00	\$88,900.00	\$91,700.00	\$60,200.00
	<b>Total as Computed:</b>	\$72,000.00	\$88,900.00 <b>Low Bidder</b>	\$91,700.00	Disqualified Bidder, Paperwork

**Council Member Donte Moore motioned to award the project to the lowest responsive responsible bidder, Heck’s Excavating in the amount of \$88,900.00 for the demolition of sixteen (16) properties. Seconded by Council Member Mike Young. Yeas: Botch, Gliosci, Moore, Young, and Lewis.**

City Manager Mary Ellen Bechtel presented the quote results for banking services. She introduced Finance Director Merle Hollmann and he provided the following report.

CITY OF MT. VERNON, IL RESULTS OF REQUEST FOR PROPOSAL FOR BANKING SERVICES OCTOBER 2019			
There are nine banks in Mt. Vernon and all of them received our request for proposal for banking services. Legence Bank did not submit a proposal due to Joe Gliosci serving as a City Council member. We presently have six checking accounts. The quotes were due at 5:00 pm on Tuesday, October 15th. We are presently banking with Peoples National Bank. Their response and Banterra Bank's response are summarized below. No other responses were received.			
		<b>Peoples</b>	<b>Banterra</b>
	<b>Specifications:</b>	<b>National Bank</b>	<b>Bank</b>
1	The ability to provide all banking services that are presently being received or possibly needed in the future, including direct deposit of payroll, wire transfer of funds, check drafting for utility bill payments, electronic receipt of some payments, online banking services and other misc. services as required	Meets all requirements	Meets all requirements
2	An annualized interest rate on the average daily collected balance that is in relation to the previous month's average daily annualized 91-day Treasury Bill interest rate	Same as previous month-end 13-week Treasury Bill Coupon Equivalent Rate	Previous month's average daily annualized 90-day Treasury Bill Rate PLUS 12 Basis Points
3	No charge for the City's deposit tickets	Complies	Complies
4	No monthly charges or other fees are to be charged	Complies	Complies
5	Availability of Overdraft Protection Line of Credit Terms:	Available	Available
	Maximum Amount:	\$ 500,000.00 (Amt Requested)	\$6,000,000.00
	Interest Rate:	Prime Floating	1.75%
	Charges:	\$250 Annual Doc Fee	None
	Repayment Period:	None	364-day maturity, renewable
	Collateral Required:	None	None
6	Optional availability of Bank credit cards	Available	Available
7	Availability of advanced security measures such as authentication tokens for online banking	Available	Available
8	Either FDIC coverage or collateral sufficient to secure 100% of checking account balances	Complies	Complies
9	Three references are provided	Provided	Provided
10	Other: Credit toward first order of checks:	\$0	\$1,000.00
	Bank's Total Assets:	Over \$1.2 billion	Nearly \$2 billion
	Number of Branches:	23 branches	38 branches
<b>Staff recommends that Banterra Bank's proposal be accepted</b>			

Hollmann explained that the primary reason for selecting Banterra Bank is that they will give the City a better interest rate on the fund balances. Based on the previous three-month fund balances, the City would have received approximately \$1,150.00 more interest per month. In addition, Banterra is offering a \$6,000,000.00 line of credit at 1.75%. Council Member Donte Moore stated that with this three-year proposal from Banterra, the City will be saving approximately \$41,400.00. Hollmann stated that the City has been with People's Bank for fifteen years and they have done a tremendous job for the City.

**Council Member Ray Botch motioned to accept the banking quote from Banterra Bank. Seconded by Council Member Joe Gliosci. Yeas: Botch, Gliosci, Moore, Young, and Lewis.**

**CITY MANAGER**

City Manager Mary Ellen Bechtel introduced Greg Charlton, Krehbiel and Associates, LLC., to present the 2018-2019 Audit. Bechtel stated that this is only the presentation and formal approval will be presented at the next City Council Meeting.

Charlton thanked the Mayor and Council for giving them the opportunity to serve the City as their Auditors. He thanked Merle Hollmann and the Finance Department as well as the other City employees who were involved in the Audit process for their cooperation and willingness to help with the Audit. This year, the City received an unqualified Audit Opinion with no findings which is the best that can be achieved. There are three Audit Reports; the Independent Auditor's Report, the Report on Compliance and Internal Control, and the Report on Compliance required by the Federal Uniform Guidance (This is needed anytime Grant Expenditures reach or exceed \$750,000.)

The General Corporate Fund balance (non GASB 34) increased by \$502,705. General Corporate (Fund Basis) revenue was up 6.50% to \$15,486,900, an increase of \$942,470. Expenditures were up 2.50% to \$14,184,707, an increase of \$346,213.

The Public Utilities Fund was separated during the year into the "Water Fund" and "Sewer Fund". Transfers between these funds were made and this made comparability from the prior year difficult. The two funds together had an overall income of \$3,081,636, compared to \$933,234 at 4/30/18. This income is being reinvested into the water and sewer systems in the form of capital improvements and equipment. Included in the overall income of \$3,081,636 amount was funding from Quality of Life in the amount of \$29,796, General Corporate Capital of \$204,972, and Home Rule Tax of \$2,308,472. Improvements to the water and sewer systems that were capitalized during the year was \$5,136,696, proceeds from issuance of long-term debt was \$2,700,000, and principal paid on long term debt was \$502,059.

TIF Downtown Fund provided \$327,000 worth of improvements to the downtown area during fiscal year 4/30/19. The Rt 15 and I 57 TIF provided \$257,134 worth of improvements to this area during fiscal year 4/30/19. The Industrial Park TIF Fund provided \$62,034 to this area during 4/30/19.

The Health Insurance Fund showed an increase in net assets of \$485,228 for 4/30/19. The Health Insurance Fund showed an increase in net assets of \$699,457 for 4/30/18. The Health Insurance Fund was established in January of 2008 in order to help the City control the cost of health care benefits for its employees.

During the year ended April 30, 2019, the Police Pension Fund Investments experienced an increase in market value (net) of \$638,207. The Return on Investment for the year was 5.40%. The Net Pension Liability (NPL) was \$15,486,286

During the year ended April 30, 2019, the Firefighters Pension Fund Investments experienced an increase in market value (net) of \$60,175. The return on investment for the year was 1.69%. The Net Pension Liability (NPL) was \$14,869,448. Charlton explained that the Return on Investment for the Fire Pension is lower than Police Pension because of the types of investment and different fund managers.

During the year ended April 30, 2019, the IMRF Pension Fund Investments experienced a decrease in market value (net) of \$2,156,284. The Net Pension Liability (NPL) was \$5,087,592.

The City implemented GASB Statement number 75 "Financial Reporting for Post-Employment Benefits other than Pensions" during the year ended April 30, 2019. This statement required that the actuarially determined net "OPEB" liability be recorded in the government wide financial statements as a liability. The amount of the liability at April 30, 2019 was determined to be \$9,519,162 due to retiree health insurance. Charlton explained that the liability will decrease each year because no new retiree can receive this benefit.

Charlton concluded by stating that at April 30, 2019, the City employed an average of 147 full time equivalent employees. April 30, 2018 was 156 and April 30, 2017 was 164. Overall, the City's total net position increased by about \$6 million.

Council Member Ray Botch asked if the City needs to come up with additional funds for the pension funds. Charlton did not feel that the levy will need changing.

### **CITY ATTORNEY**

City Attorney David Leggans presented for Second Reading an Ordinance Amending Article 21, Section 21-124 "Definitions and Illustrations" and Article 21, Section 21-300 "Schedule of District Regulations". This Ordinance amends the definition of "Automotive Services Station" and adds a definition for "Truck Stop". City Manager Mary Ellen Bechtel explained that previously a "Truck Stop" was not clearly defined and it sets conditions for a Conditional Use in Class B-3 Zones. The change does not eliminate truck stops, but it does control the size and location. Leggans explained that this will have no effect on the current truck stop operations unless an existing truck stop shuts down for over six months. Council Member Ray Botch would like the Ordinance to be more business friendly. City Manager Mary Ellen Bechtel explained that after six months, the owners would need to request a Conditional Use to remain at status quo.

**Council Member Mike Young motioned to approve Ordinance #2019-41, an Ordinance Amending Article 21, Section 21-124 "Definitions and Illustrations" and Article 21, Section 21-300 "Schedule of District Regulations". Seconded by Council Member Donte Moore. Yeas: Botch, Gliosci, Moore, Young, and Lewis.**

City Attorney David Leggans presented an Ordinance approving a Conditional Use for a Cannabis Dispensary located at 800 S. 45<sup>th</sup> Street. The petitioner is KPG of Harrisburg. City Manager Mary Ellen Bechtel explained that if the Conditional Use is approved, then the property can be used for a Cannabis Dispensary for recreational use. Assistant City Manager Nathan McKenna reported that at the October 14, 2019 Zoning and Planning Commission Meeting, three objectors were present; Charlie Lamont, Rev. Allen Rudd, and Rev. Ron Lash. The Conditional Use was approved by a 6 to 2 vote with Craig Olsen and Melody Maurer voting no. Rosie Naumovski of KPG explained that they currently operate medical dispensaries in Harrisburg and Anna, Illinois, which have been licensed by the State of Illinois for the past four years of medical use. If the City approves this request, then the State will decide if they can have a Recreational Use License. Council Member Donte Moore asked about security in place at the dispensaries. Naumovski spoke on their security plan. KPG has a Director of Security. The restrooms are the only two areas without cameras. The Illinois State Police and the Illinois Department of Finance can log into the cameras at any time. No one under the age of 21 is allowed at the dispensaries unless they are 18 years or older as a medical cannabis card holder. Everyone who enters will have their ID scanned. No loitering is allowed, the customer must purchase the product and then leave. Council Member Ray Botch stated that Council has not considered cannabis dispensaries as a revenue producing item. City Manager Mary Ellen Bechtel stated that the City will have some expenses as part of the dispensary, and she feels that any revenue would help defray the costs. Moore stated that cannabis use is already here in Mt. Vernon and the dispensary may assist citizens who use the product for medical purposes. He said that cannabis is legal in the State of Illinois and once it becomes legal it becomes fair game. Moore stated that he does not have a problem with cannabis. Council Member Joe Gliosci asked for additional information about the Harrisburg and Anna locations. Naumovski replied that they have been open since 2016 and they are petitioning Harrisburg and Anna to sell recreational cannabis along with the medical cannabis. Harrisburg is hosting a Town Hall Meeting before a decision is made. Anna unanimously approved the sale of recreational cannabis. Gliosci asked if there have ever been any criminal incidents at the other locations.

Naumovski replied that one minor incident occurred when someone tried to break into the sally port area. When the alarms went off, the person ran off. She said that this is one of the most highly regulated industries. Mayor John Lewis stated that marijuana has been legalized since 1996 in some states. The State of Illinois had 23 years of experience to review. Council Member Mike Young stated that his main consideration is the medical side of this issue and approval of this request addresses the issue of citizens having to drive a considerable distance to obtain the product. Council Member Ray Botch stated that he is philosophically opposed and if the request is not approved, there would be less likelihood that someone would use it. Lewis said that cannabis has always been available, and approval would not make it any more plentiful.

**Council Member Donte Moore motioned to approve Ordinance #2019-42, an Ordinance approving a Conditional Use for a Cannabis Dispensary Located at 800 S. 45<sup>th</sup> Street. Seconded by Council Member Mike Young. Yeas: Gliosci, Moore, Young, and Lewis. No: Botch.**

City Attorney David Leggans presented an Ordinance approving the Rezoning of Property located at 521 Perkins from R-1, Low Density Residential to B-2, Secondary Business. The petitioner is Patricia Bach. City Manager Mary Ellen Bechtel reported that the Zoning and Planning Commission voted unanimously to approve this request. No objectors were present.

**Council Member Ray Botch motioned to approved Ordinance #2019-43, an Ordinance approving the Rezoning of Property located at 521 Perkins from R-1, Low Density Residential to B-2, Secondary Business. Seconded by Council Member Mike Young. Yeas: Botch, Gliosci, Moore, Young, and Lewis.**

City Attorney David Leggans presented for First Reading an Ordinance Vacating an Alley in Block 2 of Storm's Survey for the new Post Office Location. City Manager Mary Ellen Bechtel explained that this vacates the alley which the new Post Office will be built over.

**First Reading was held.**

City Attorney David Leggans presented for First Reading an Ordinance Declaring Surplus Municipal Property. City Manager Mary Ellen Bechtel explained that the property to be sold are four (4) vehicles.

402	1FMDK061X5GA38857
503	1D7HA16K46J205313

504	1D7HA16NX6J181674
057	1FTRW08LX3KD26367

**Council Member Ray Botch motioned to suspend the rules to vote on an Ordinance. Seconded by Council Member Mike Young. Yeas: Botch, Gliosci, Moore, Young, and Lewis.**

**Council Member Ray Botch motioned to adopt Ordinance #2019-44, an Ordinance Declaring Surplus Municipal Property. Seconded by Council Member Mike Young. Yeas: Botch, Gliosci, Moore, Young, and Lewis.**

**MAYOR**

No report.

## **CITY COUNCIL**

Council Member Ray Botch congratulated Mayor John Lewis for being elected as a Vice-President of the Illinois Municipal League. Botch worked with his father, Mayor Rolland Lewis, when he was the President of the Illinois Municipal League in 1991.

## **VISITORS/CITIZENS REQUESTS/ADDRESSES FROM THE AUDIENCE**

Horton Petties congratulated Mayor John Lewis for being elected as a Vice-President of the Illinois Municipal League and Council Member Joe Gliosci for being appointed to the City Council. Petties spoke on a house on Sixth Street that has been vacant and rundown for decades. He requested that something be done to remove this eyesore. He thanked the Council for new sidewalks and City Park improvements.

Patricia Bach spoke on the lack of sidewalks on the roads adjacent to the new high school. She is afraid that students may be hurt as they have to walk in the high grass because of no sidewalks. Council Member Donte Moore explained that the area is not within the City limits and she needs to address the Jefferson County Board about the sidewalks.

JoAlice Pierce stated that she was never against the medical use of cannabis. Her request was for the City to use more caution before allowing the sale of recreational use cannabis. Mayor John Lewis stated that he has a 260-page report from the Colorado Division of Justice on the effects that Colorado experienced. He explained that the report stated that there is no impact because cannabis use was already present.

Robert Liska stated that people are going to use cannabis and he prefers that people buy the cannabis in a safe environment in the store.

## **EXECUTIVE SESSION**

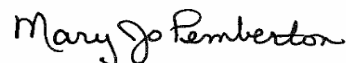
No Executive Session was held.

## **ADJOURNMENT**

**Council Member Donte Moore motioned to adjourn. Seconded by Council Member Joe Gliosci. Yeas: Botch, Gliosci, Moore, Young, and Lewis.**

The meeting was adjourned at 8:37 p.m.

Respectfully submitted,



Mary Jo Pemberton, City Clerk