

**COUNCIL PROCEEDINGS  
PUBLISHED BY THE AUTHORITY OF THE CITY COUNCIL  
OF BLOOMINGTON, ILLINOIS**

The Council convened in regular Session in the Council Chambers, City Hall Building, at 7:30 p.m., Monday, November 8, 2010.

The Meeting was opened by Pledging Allegiance to the Flag followed by moment of silence.

The Meeting was called to order by the Mayor who directed the City Clerk to call the roll and the following members answered present:

**Aldermen:** Judy Stearns, Kevin Huette, Bernie Anderson, David Sage, Jennifer McDade, Steven Purcell, Karen Schmidt, Jim Fruin and Mayor Stephen F. Stockton.

**Alderman absent:** John Hanson.

City Manager David Hales, Chief Deputy Clerk Renee Gooderham, and Corporate Counsel Todd Greenburg were also present.

**Staff absent:** City Clerk Tracey Covert.

Alderman Fruin read the same statement that appeared on the August 23, 2010 Council meeting prior to voting.

**The following was presented:**

**SUBJECT:** Council Proceedings of May 24, June 14, and June 28, 2010

**RECOMMENDATION:** That the reading of the minutes of the previous Council Proceedings of May 24, June 14, and June 28, 2010 be dispensed with and the minutes approved as printed.

**BACKGROUND:** The Council Proceedings of May 24, June 14, and June 28, 2010 have been reviewed and certified as correct and complete by the City Clerk.

**COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED:** Not applicable.

**FINANCIAL IMPACT:** Not applicable.

Respectfully submitted for Council consideration.

Prepared by:

Recommended by:

Tracey Covert  
City Clerk

David A. Hales  
City Manager

**Motion by Alderman McDade, seconded by Alderman Anderson that the reading of the minutes of the previous Council Meetings May 24, June 14, and June 28, 2010 be dispensed with and the minutes approved as printed.**

**The Mayor directed the clerk to call the roll which resulted in the following:**

**Ayes: Aldermen Stearns, Huette, Schmidt, McDade, Anderson, Sage, Fruin and Purcell.**

**Nays: None.**

**Motion carried.**

**The following was presented:**

SUBJECT: Bills and Payroll

**RECOMMENDATION:** That the bills and payroll be allowed and orders drawn on the Treasurer for the various amounts as funds are available.

**BACKGROUND:** The list of bills and payrolls will be posted on the City's website on Thursday, November 4, 2010 by posting via the City's web site.

**COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED:** Not applicable.

**FINANCIAL IMPACT:** Total disbursements information will be provided via addendum.

Respectfully submitted for Council consideration.

Prepared by:

Recommended by:

Timothy Ervin  
Director of Finance

David A. Hales  
City Manager

**Motion by Alderman McDade, seconded by Alderman Anderson that the bills and payroll be allowed and orders drawn on the Treasurer for the various amounts as funds are available.**

**The Mayor directed the clerk to call the roll which resulted in the following:**

**Ayes: Aldermen Stearns, Huette, Schmidt, McDade, Anderson, Sage, Fruin and Purcell.**

**Nays: None.**

**Motion carried.**

**The following was presented:**

SUBJECT: Reports

**RECOMMENDATION:** That the reports be received and placed on file.

**BACKGROUND:** The following reports should be received and placed on file with the City Clerk:

1. Monthly Receipt & Expenditure Report, September, 2010.
2. Required Reporting to Municipality by Fire Pension Board for FY 2008 – 2009.
3. Required Reporting to Municipality by Fire Pension Board for FY 2009 – 2010.

**COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED:** Not applicable.

**FINANCIAL IMPACT:** Not applicable.

Respectfully submitted for Council consideration.

Prepared by:

Fiscal review by:

Recommended by:

Tracey Covert  
City Clerk

Timothy Ervin  
Director of Finance

David A. Hales  
City Manager

**Motion by Alderman McDade, seconded by Alderman Anderson that the reports be placed on file and made a matter of record.**

**The Mayor directed the clerk to call the roll which resulted in the following:**

**Ayes: Aldermen Stearns, Huette, Schmidt, McDade, Anderson, Sage, Fruin and Purcell.**

**Nays: None.**

**Motion carried.**

**The following was presented:**

SUBJECT: Analysis of Request for Proposals (RFP) for Employee Assistance Program

**RECOMMENDATION:** Recommend that the RFP be awarded to Bensinger DuPont & Associates for term of three (3) years with the option of two (2) one (1) year renewal periods, and the Mayor and City Clerk be authorized to execute the necessary documents.

**BACKGROUND:** The Employee Assistance Program (EAP) is an employer-paid benefit that helps managers and employees through the provision of counseling, advice and referral on a wide variety of work and personal issues. EAPs provide confidential counseling and advice service, twenty-four hours a day, seven days a week. They offer practical and emotional support for employees and their immediate family members on concerns such as marital and relationship issues, family concerns, stress, anxiety, depression, drug and alcohol concerns. EAPs also provide onsite critical incident and trauma debriefing to help individual employees and the organization as a whole deal with the sometimes unfortunate and overwhelming tragic incidents which impact employees and the workplace. Critical incident services are typically utilized by the City's Police and Fire Departments but have been used in other areas as well.

An EAP offers training and consultation services to supervisors on employee performance issues. Additionally, EAPs provide assistance in complying with federal drug and alcohol testing and training requirements. Substance Abuse Professionals (SAPs) evaluate employees who have violated regulations and make recommendations concerning education, treatment, follow-up testing, and aftercare.

EAP services provide both prevention and early intervention for employee problems, thus improving worker health, function, and overall quality of life. Because EAPs support increase productivity by reducing behavioral health issues, as well as medical issues, funds expended on EAPs have documented investment returns in areas such as employee productivity, work performance, and medical benefit costs.

The City has had an employee assistance program for over nineteen (19) years. The contract with the current EAP provider, Bensinger DuPont & Associates (BDA), expired in 2008. To minimize costs, the City negotiated a new pricing plan with BDA in 2009, which reduced costs by ten percent (10%). BDA uses local counselors with offices in Bloomington, Normal, and nearby towns. These counselors are also available for educational workshops, trainings, critical incidents, and other on site services.

**RFP Overview**

On July 8, 2010, the City issued a Request for Proposal (RFP) to eleven EAP firms in addition to providing public notification of the RFP. The objective of the RFP was to afford other firms an opportunity to provide services to the City and to consider a change that would allow us to look at possible new approaches and ideas. Three (3) providers responded to the solicitation by the

deadline: Bensinger DuPont & Associates, Chestnut Global Partners, and MHN. All three (3) proposals met the RFP’s requirements.

An evaluation committee, with guidance from Kim Nicholson, Purchasing Agent, reviewed and evaluated the proposals against the requirements of the RFP. The evaluation team consisted of members who have professional expertise and knowledge of the EAP service: Fire Chief Mike Kimmerling; Asst. Police Chief Bob Siron; Human Resources Specialist Angie Brown; and Wellness Coordinator Tina Swanson. The committee reviewed the proposals in accordance with the following criteria: 1.) Access and Intake; 2.) Assessment and Counseling; 3.) Management Assistance; 4.) Training and Communication; 5.) Staffing and Contractor Information; and 6.) Quality Improvement.

The committee evaluated the technical portion of each proposal and independently scored each using a points system. To ensure the integrity of the evaluation process, the committee evaluated the technical portion without knowledge of the cost or pricing data. All three (3) firms were considered reasonably eligible of being selected for award. The committee invited all three (3) firms to conduct oral presentations. Questions and answers, and discussions regarding the firm’s technical and cost proposals were permitted during the presentations. The individual scores were compiled into a final rating for each firm.

A summary of the scores is below:

	Possible Pts	Chestnut	BDA	MHN
<b>Technical Proposal</b>	100	86.50	87.00	76.75
<b>Presentation</b>	50	23	39	43
<b>Totals</b>		<b>109.5</b>	<b>126</b>	<b>119.75</b>
<b>Rank</b>		2	1	3

The RFP provided specifications regarding the cost of a six (6) session counseling model, with a cost based on a per employee per month (PEPM) fee. The RFP required the firm to list any optional, separate, or one time fees for implementation, setup, or other service expenses. The following chart shows the projected annual cost based on 575 City and Public Library employees.

BDA and MHN provided a fixed rate for all services based on the number of covered employees. Chestnut provided a pricing structure that includes a base per employee per month fee and various fees for services used by the City. To estimate the annual cost of Chestnut’s services, the committee analyzed the EAP services utilized by the City over the last four (4) years in addition to the proposed PEPM fee. The projected annual cost, based upon the City’s average utilization, is \$9,305. There is no guarantee that \$9,305 would be the actual cost to the City. This figure is based upon an estimate from services used by the City in the previous years.

	PEPM	Services	Additional Fees	Estimated Annual Cost (575 Employees)
<b>BDA</b>	\$1.59	All standard services* Wellness Coaching	Training sessions beyond 4 hours per year = \$150/hr plus travel fees	\$10,971
<b>MHN</b>	\$1.75	All standard services	Training sessions beyond 8 hours per year = \$300/hr plus travel fees	\$12,075
<b>Chestnut</b>	\$.50	Access to a counselor via phone, Unlimited crisis intervention via phone, Unlimited phone consultation for supervisors to help manage employees, Account management, Utilization reports, Promotional materials, Basic website access	\$70/hr face-to-face counseling \$500/case SAP services \$100/hr training \$125/hr critical incident stress \$300 agency enrollment fee  <i>Premium Service, called: "Advantage Complete Service" = \$8.00/employee/yr</i> <i>Access to an enhanced website, resource and referral services, monthly webinars</i>	\$9,305 <i>Based on average utilization of EAP in the last 4 years.</i>  <i>or</i> \$13,905 <i>including premium service plan</i>

\*Standard services: access to counselor via phone, six face-to-face counseling sessions, crisis intervention, counseling assessments, case management, supervisor consultation, utilization reports, promotional materials, access to website with resource materials, and training.

## Analysis and Recommendation

Based on the committee review, discussion, and comparative analysis conducted in the course of this evaluation process, the evaluation committee agreed that BDA's proposal most closely met the City's needs and is recommending that it be selected as the EAP provider. Members of the evaluation committee rated BDA's proposal highest. Additionally, the pricing structure of BDA is guaranteed, while Chestnut's proposal is based on utilization that is uncertain. Furthermore, Chestnut's reports and invoices must protect the confidentiality of the employee or family member who uses the service and as a result, utilization cannot be verified.

Other reasons staff recommends BDA:

**Appointments:** BDA's average wait time to see a counselor for face-to-face sessions is within two (2) days compared to three (3) days with the other firms. All three (3) firms offer Substance Abuse Professional (SAP) services in Bloomington, but BDA's average wait time to see a SAP professional is two (2) days, compared to three (3) for the other firms.

**Staffing:** BDA requires all clinicians, including the clinician who answers calls, to possess a Master's degree, compared to only twenty-five (25%) with Chestnut. Chestnut and MHN require a Bachelor's degree but Master's level clinicians are available upon request. When an individual makes the decision to seek counseling, it is important that they have access to someone initially to assist him or her. Referral to someone other than

the initial intake person could mean the difference in that employee receiving service or not, particularly if they are asked to wait while connecting them with a Master's level clinician. Additionally, the average years of experience for the counselors were BDA - fifteen (15) years; Chestnut - eleven (11) years; and MHN - sixteen (16) years.

**Experience:** BDA has over twenty (20) years experience providing services to municipalities. BDA provides services for 1,325 accounts; Chestnut and MHN provides services for 110 and 1,565 accounts respectively. BDA currently provides services to fifty-one (51) municipalities in Illinois; Chestnut and MHN service eleven (11) and zero (0) respectively.

**Utilization Rates:** BDA provides quarterly utilization reports. The national average EAP utilization rate is 4.5%. The City's utilization rate has increased from six to ten percent (6 to 10%) over the past five (5) years with BDA. This is an indication that employees have developed confidence in the program and provider and are willing to voluntarily seek assistance to resolve sensitive personal problems. The City's higher than average utilization could also be a factor of management's efforts to direct and encourage employees to EAP services.

**Counseling Offices:** All three (3) firms have a number of offices within the City in which face-to-face counseling sessions take place.

**Crisis Intervention:** BDA, as well as the other firms, provides onsite critical incident and trauma debriefing. They use local counselors trained in trauma debriefing and grief intervention. These services are particularly valuable to our Police and Fire Departments, both of which are pleased with BDA's protocol.

**Website:** BDA offers full access to their website, which has articles, resources, links, locators, calculators, and interactive tools. They also offer unlimited training webinars for employees and supervisors. Chestnut requires purchase of the premium package to gain full access to the website and acquire resource services and webinars.

**Employee Satisfaction:** BDA yearly conducts satisfaction surveys to individuals who use the EAP. The average of surveys from the last five (5) years indicates that: ninety-five percent (95%) of program participants would use the program again, ninety-seven (97%) have a more favorable opinion of the company since using the EAP, ninety-six percent (96%) believe the EAP is a valuable company benefit, and ninety-three percent (93%) would recommend the program to their family members or co-workers.

**Wellness Coaching:** In addition to the standard services offered by the other firms, BDA's proposal includes Wellness Coaching services (a new service to the City), which provides personalized support from mastered degreed clinicians to help employees improve their lifestyle choices. Three (3) programs are available: Preparing to Quit Smoking, Getting Fit through Exercise, and Weighting In. These programs complement our current worksite wellness program by providing another avenue for employees to adopt healthier lifestyles. The programs would also target the main contributing factors

affecting the health status of City employees: body weight, physical activity, and nutrition. Reducing risk factors can result in potential cost savings associated with health care costs and workers' compensation.

**Cost:** Staff deemed BDA's proposal to be the best value to the City. Currently the City pays \$11,178 per year (based on an PEPM fee of \$1.62 for 575 employees) to BDA to provide EAP services to employees and dependents. BDA's proposed fee is for \$10,971 per year to provide these same services plus the addition of Wellness Coaching. BDA guarantees the \$1.59 PEPM fee for the three (3) year duration of the contract.

Although there is not a substantial cost difference between the three (3) providers, BDA's price is within budget, and is 1.9% less than what the City is currently paying. A set per employee per month fee provides a guaranteed and consistent budget for EAP services.

BDA provided sufficient information in their bid proposal for the evaluation committee to determine that they had relevant experience and a thorough understanding of the services required by the City. BDA has provided quality EAP services for City employees since 2005. Over the past five (5) years, BDA has worked with City staff through organizational changes and lay offs resulting from negative changes in the economy. While other firms offered good overall proposals, BDA offers the best value in support of the EAP needs of the City of Bloomington.

**COMMUNITY GROUPS/INTERESTED PERSON CONTACTED:** Public notice of the RFP was placed in the Pantagraph. Fourteen (14) RFP were mailed to appropriate vendors. An Addendum was provided in response to questioned received. Four (4) vendors submitted an RFP. One (1) was no RFP response.

**FINANCIAL IMPACT:** The cost of these services is budgeted at \$11,178 for FY 2010 - 2011 from 1001-1140-70990, Human Resources, Other Purchased Services.

Respectfully submitted for Council consideration.

Prepared by:

Tina Swanson  
Wellness Coordinator

Reviewed as to legal sufficiency:

Rosalee Dodson  
Asst. Corporation Counsel

Reviewed by:

Emily Bell, IPMA – CP  
Director of Human Resources

Recommended by:

David A. Hales  
City Manager



**EAP SERVICE AGREEMENT  
FOR  
CITY OF BLOOMINGTON**

**I. INTRODUCTION**

This Letter of Agreement is effective November 1, 2010. It outlines the understandings between City of Bloomington (Company) and Bensinger, DuPont and Associates (BDA) for the provision of an Employee Assistance Program (EAP) by BDA to Company employees and their immediate families.

**II. PROGRAM, POLICY AND BENEFIT REVIEW**

An implementation meeting will take place between Company and BDA staff in order to plan for the rollout and ongoing promotion of the EAP program.

**III. CLINICAL SERVICES TO BE PROVIDED**

All clinical services will be provided by qualified, degreed and/or licensed clinical BDA staff.

1. Service Access - BDA will provide an 800 number through which Company employees and their families can call a professional staff counselor from BDA 24 hours a day, 7 days a week and web access to articles and information.
2. Telephone Assessment and Referral - The BDA counselor will assess the situation and presenting problem(s) by telephone and will make an appropriate determination. The BDA counselor or Senior EAP Associate will schedule an appointment for a face-to-face assessment with the Company client within 48 hours.
3. Face-to-Face Sessions - Up to six (6) in-person assessment, referral and short-term problem resolution sessions with a BDA Counselor are available per presenting problem.

Individual face-to-face sessions are available for family members sixteen years of age and older. Individual and group sessions for family members under sixteen years of age will be referred to appropriate specialists using health insurance benefits or community referrals.

4. Run-off Services - BDA will provide in-person sessions for thirty (30) days following the termination of this agreement to employees and their immediate families with open routine cases as of the termination date, so long as in-person sessions remain available and clinically appropriate. Any open management referrals to the EAP will be transitioned to a successor vendor or provider as directed by Company on a case-by-case basis.

5. National Network of Associate Resources - BDA will develop and maintain a comprehensive directory of qualified, reasonably available and accessible EAP associate treatment resources. BDA counselors will identify appropriate treatment resources for employees and their family members in areas that are reasonably accessible to such persons. Typically, an associate may not self-refer for long-term counseling. Exceptions to this policy occur when there is a scarcity of local qualified providers in an area and if BDA counselors determine there is a clinical necessity for a self-referral.
6. Substance Abuse Professional (SAP) Services – BDA will provide SAP services for the City of Bloomington employees as outlined under the Department of Transportation regulations.
7. Follow Up Services - EAP follow-up, with particular emphasis on alcohol and drug cases, will be the responsibility of the BDA staff.
8. Onsite Orientation/Training Services - BDA will provide up to twenty (20) hours of onsite orientation/training services. EAP orientation/training to Company. A minimum of eight (8) participants and three (3) weeks' notice are required for scheduling training services. If additional onsite training services are requested, they will be billed separately on a fee for service basis. Travel costs for EAP Orientations at Company's headquarters location included are included in the cost of the program.
9. Onsite Crisis Services – BDA will provide onsite group crisis debriefing services in the event of a workplace crisis or trauma as requested by the City of Bloomington.
10. Child/Elder Care Services - Childcare, adoption, education or elder care assistance, research and referral services are included in the cost of the program. If deemed appropriate by the BDA counselor, the client will receive access to work life specialists for phone consultation. Specialists are available for consultation Monday through Friday from 8:00 a.m. to 5:00 p.m. CST.
11. Legal and Financial Services - Telephone legal and financial consultation services are included in the cost of the employee assistance program. If deemed appropriate by the BDA counselor, the client will receive access to a network of attorneys and financial counselors for phone consultation. Network resources are available for consultation Monday through Friday from 8:00 a.m. to 5:00 p.m. CST. A 30-minute in-person legal consultation is available at no charge to the employee. If additional services are requested, they are available at a discounted rate.

BDA counselors shall not provide legal and financial consultative services for adversarial matters against Company. Neither BDA nor Company responsible or liable for care or advice rendered by any referral resources.

12. Ready to Change Services - BDA will offer up to five (5) telephone coaching sessions for employees to help with smoking cessation and losing weight with a BDA masters degreed professional.

IV. REPORTING

BDA shall provide quarterly, confidential reports of EAP utilization to Company. Such reports shall outline statistical and demographic data and the quarterly utilization rate.

V. CONFIDENTIALITY

Specific case records will be designed and maintained for Company the requirements of federal confidentiality regulations. The records shall be property of the EAP and not accessible to Company, except as provided by state or federal statute.

In the event that Company refers an employee to BDA, BDA will only release information to Company that includes whether the referred employee contacted the EAP and whether the referred employee is participating in the program. No other information will be released without a written authorization from the referred employee.

VI. EAP AWARENESS

BDA will make available standard EAP materials to increase manager and employee EAP awareness to introduce and promote Company EAP program. Materials will be drop shipped to Company's corporate headquarters or an alternative site designated by employer for distribution to employees. Additional EAP materials will be provided at an additional fee. Standard implementation materials include:

1. Brochures and wallet cards in a quantity equal to 105% of the number of eligible employees for distribution at implementation and an additional 5% to allow for employee turnover on an annual basis.
2. Posters for display at worksites in a quantity up to 5% of the number of eligible employees.
3. Quarterly electronic EAP Newsletters and paycheck stuffers.
4. Access to employee web site via password.

VII. NUMBER OF EMPLOYEES COVERED

1. Company employees and their immediate families as of November 1, 2010.
2. This agreement will cover up to 603 employees and their family members.

VIII. PROFESSIONAL FEES

Professional fees for EAP services are outlined below.

6 Sessions: Monthly Fee of \$1.59 (based on 603 employees) per employee per month.

This rate is in effect for three years from the effective date of this agreement. Thereafter, an annual cost adjustment, not to exceed 5% per year, may be made in accordance with consumer price index increases.

IX. BILLING

BDA will invoice Company monthly in advance for EAP Services. Company is responsible for notifying BDA if the employee count varies by more than 5% than the number established in Section VIII, Professional Fees.

X. PARTICIPANT COVERAGE

Employees and immediate family members are eligible to receive EAP services on the first day of employment with Company on or after the EAP effective date. Eligibility for services terminates on the last day of employment, or if the individual is a beneficiary under COBRA, the last day or his or her continuation coverage under COBRA.

XI. CONTRACT TERM

Initial contract term of three years with the option to extend the term for two (2) one-year periods, which shall be automatically renewed unless either party shall deliver written notice of non-renewal of this contract not less than ninety (90) days prior to the end of the then current term.

LETTER OF AGREEMENT ACCEPTED:

November 9, 2010

Stephen F. Stockton  
Mayor

Marie Apke  
Chief Operating Officer

Company: City of Bloomington  
Address: 109 E. Olive St.  
P.O. Box 3157  
Bloomington, IL 61702-3157

Bensinger, DuPont & Associates  
134 N. LaSalle Street, Suite 2200  
Chicago, IL 60602

(PARTIALLY EXECUTED CONTRACT)

**Motion by Alderman McDade, seconded by Alderman Anderson that the RFP be awarded to Besinger DuPont & Associates for a term of three (3) years with the option of two (2) one (1) year renewal periods, and the Mayor and City Clerk be authorized to execute the necessary documents**

**The Mayor directed the clerk to call the roll which resulted in the following:**

**Ayes: Aldermen Stearns, Huette, Schmidt, McDade, Anderson, Sage, Fruin and Purcell.**

**Nays: None.**

**Motion carried.**

**The following was presented:**

**SUBJECT:** Change Order to Construction Agreement with George Gildner, Inc. for Water Main Replacement Project Along Graham Street and through O'Neil Park

**RECOMMENDATION:** That the Change Order in the amount of \$7,500 be approved for early completion of the project.

**BACKGROUND:** Graham Street is an east/west that terminates at its western end at White Oak Road. The base bid for this project extended a water main from the near the western end of Graham Street, south through the park property to the northern edge of the park then jogged through the park to connect to the water main in Hinshaw Avenue. The six inch (6") water main in Graham Street is an unlined cast iron pipe that dead ends past the last home on the street. Due to the pipe being unlined, (meaning the water inside is in direct contact with the cast iron pipe), and the main ending in a dead end, this stretch must be frequently flushed to remove the iron that builds up in the pipe. The water main, as designed for the base bid, eliminated the dead end pipe and improved circulation in this area by connecting through O'Neil Park.

The base bid project connected at the western end of the water main and traveled through O'Neil Park with a six inch (6") lined, ductile iron water main. Ductile iron water main is more flexible than cast iron pipe and being lined, (a thin coat of cement is manufactured into the inside of the pipe), the water does not come in direct contact with the ductile iron. The lining will greatly reduce the corrosion (rust) forming inside the pipe.

The additive alternate for this project replaced the water main from the western end of Graham Street to the connection at Hinshaw Avenue. Thus the unlined six inch (6") water main in Graham Street was replaced from Hinshaw Avenue to its western end with an eight inch (8") lined, ductile iron pipe. In addition to increasing the water main from a six inch (6") water main to an eight inch (8") water main, which improved fire flow in this area, the new main was lined to reduce corrosion.

The additive alternate was not contemplated when the project was first designed. When it became known that the pavement in this block of Graham Street would be milled and overlaid in Fiscal Year 2011 - 2012, it made sense to change the plans to include the replacement of the water main from Hinshaw to its western end. Staff recommended inclusion of the additive alternate in the overall cost. The base bid and this additive alternate were approved by Council on July 26, 2010. This project also had an early completion incentive of \$500/day up to a maximum of fifteen (15) days or a total of \$7,500. It should be noted that this project also has the standard liquidated damages of \$500/day (with no maximum) for being late on project completion.

The Council approved of the original contract on July 26, 2010. The base bid was \$133,382 plus additive alternate of \$99,715 for a total of \$233,597. The possible maximum early completion incentive of \$7,500 was noted in the Council memo but was not in the contract award amount. It was contingent upon the contractor earning this incentive by meeting the early completion

criteria. The number of days to construct the project to “substantial completion” was set at ninety (90) in the bid documents and contract based upon reasonable and customary construction time frames. The contractor finished the job to the substantial completion phase in twenty-seven (27) days, well ahead of schedule. Therefore, the contractor earned the maximum early completion incentive of \$7,500.

**COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED:** None. The Change Order is an internal City matter to reconcile this contract with the actual amount paid.

**FINANCIAL IMPACT:** This change order will require the payment of an additional \$7,500 from the Water Department Depreciation Fund, X50200-72540. That fund has a positive balance. This water main replacement project is included in the FY 2010 - 2011 capital budget for the Water Department at \$250,000. With the early completion incentive included, the total project cost is \$241,097.

Respectfully submitted for Council consideration.

Prepared by:

Fiscal review by:

Recommended by:

Craig M. Cummings  
Director of Water

Tim Ervin  
Finance Director

David A. Hales  
City Manager

**Eric Decossas, 4 Downing Circle, addressed the Council. He stated his concern with completion timeframes. He suggested adjusting completion estimates to reflect actual timeframes.**

**David Hales, City Manager addressed the Council. There had been concern with exceeding the completion time period. He believed that the by adding a bonus for completion it provided the City with leverage.**

**Craig Cummings, Water Director addressed the Council. Projects were assessed case by case. When reviewed the following conditions would be looked at: 1.) conflicting utilities and 2.) depth and length. He reminded the Council that the contract had added an alternative. There was the possibility of tightening timeframes as more projects were completed. There had been seven (7) interested bidders.**

**Mayor Stockton stated his belief that private industry preferences incentives over liquidated damages. Most contractors would add the cost for penalties to the bid.**

**Alderman Stearns stated that she had received email interest. It was her belief that it was a reasonable sum for the early completion as promised.**

**Motion by Alderman McDade, seconded by Alderman Anderson that the Change Order in the amount of \$7,500 be approved for early completion of the project.**

**The Mayor directed the clerk to call the roll which resulted in the following:**

**Ayes: Aldermen Stearns, Huette, Schmidt, McDade, Anderson, Sage, Fruin and Purcell.**

**Nays: None.**

**Motion carried.**

**The following was presented:**

SUBJECT: Change Order for Fire Station #2 Pavement Repair (Ward 4)

**RECOMMENDATION:** That the Change Order be approved.

**BACKGROUND:** On September 13, 2010, Council approved a contract with McLean County Asphalt, Inc. for replacement of driveway pavement, parking lot repairs, and overlaying the driveway and parking lot at Fire Station #2 located at 1911 E. Hamilton Rd. The total original contract amount was \$114,546.89. During the removal work, severely deteriorated inlets were discovered. This deterioration could not be observed until pavement removal was performed. In addition, some other drainage issues were discovered. The contractor was directed to repair the inlets, perform additional pavement removal, replacement and milling in order to correct the drainage problems. The project is now complete and this change order covers all cost for the required extra work.

**COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED:** None.

**FINANCIAL IMPACT:** A financial summary is shown below.

Original Contract	\$ 114,546.89
Change Order Amount	\$ 7,687.69
Revised Contract Amount	\$ 122,234.58

The total construction cost is \$7,687.69 over the approved contract amount. Funding for the project was General Obligation Bond Series 2007 funds (4017-40170-72530). There are sufficient funds available to cover this additional cost. Staff respectfully recommends that Council approve a change order in the amount of \$7,687.69.

Respectfully submitted for Council consideration.

Prepared by:

Fiscal review by:

Reviewed by:

Mike Kimmerling  
Fire Chief

Tim Ervin  
Director of Finance

Jim Karch  
Director of Public Works

Recommended by:

David A. Hales  
City Manager

**Alderman Stearns stated that the original bid appeared before Council on September 13, 2010. The competing bidder was Rowe Construction. The original bid and Change Order were under the competing bid. It was her belief that additional inlets were also repaired.**

**Motion by Alderman McDade, seconded by Alderman Anderson that the Change Order be approved.**

**The Mayor directed the clerk to call the roll which resulted in the following:**

**Ayes: Aldermen Stearns, Huette, Schmidt, McDade, Anderson, Sage, Fruin and Purcell.**

**Nays: None.**

**Motion carried.**

**The following was presented:**

SUBJECT: Change Order 1 and Final for 2009 General Resurfacing (City wide)

**RECOMMENDATION:** That the Change Order be approved and the Resolution adopted.

**BACKGROUND:** On June 22, 2009 Council approved the General Resurfacing contract with Rowe Construction in the amount of \$746,708.79. Some of the streets that were resurfaced included St. Joseph Drive, part of Eastland Drive, Kmart frontage road, and part of White Oak Road. The original contract did not include pavement markings since staff was making an attempt to complete this work with in house staff as a cost savings measure. Previous contracts have had the contractor perform pavement marking services.

Due to injuries and scheduling, City staff was unable to complete the pavement markings. Staff requested unit prices from Rowe to complete the pavement markings. The prices submitted were reasonable and Rowe completed the work.

Rowe Construction	\$746,708.79
Change Order 1	<u>\$ 13,303.42</u>
Revised Contract Total	\$760,012.21





APPROVED this 9<sup>th</sup> day of November, 2010.

Stephen F. Stockton  
Mayor

ATTEST:

Tracey Covert  
City Clerk

**Alderman Stearns stated that the additional resurfacing had been completed.**

**Motion by Alderman McDade, seconded by Alderman Anderson that the Change Order be approved and the Resolution adopted.**

**The Mayor directed the clerk to call the roll which resulted in the following:**

**Ayes: Aldermen Stearns, Huette, Schmidt, McDade, Anderson, Sage, Fruin and Purcell.**

**Nays: None.**

**Motion carried.**

**The following was presented:**

**SUBJECT:** Change Order to the Professional Services Agreement with Clark Dietz, Inc. for the Locust-Colton Phase 1 Sewer Separation and Water Main Replacement Design

**RECOMMENDATION:** That the Change Order in the amount of \$95,900 be approved and the Resolution adopted.

**BACKGROUND:** As required by the Environmental Protection Agency (EPA), the City has been pursuing a program of eliminating Combined Sewer Overflow (CSO) in the City, where, during rain events, untreated sewage flows directly into receiving bodies of water. In moving forward on this mandate, the City is currently designing Phase 1 of a ten (10) phase project to eliminate the CSO at Locust and Colton Streets, near Bloomington High School, with an all phase completion cost of \$11.2 million (sewer only in 2006 dollars). Additionally, in order to obtain benefits of scale and reduce the need to disrupt the neighborhood twice, old water mains in the construction corridor will be replaced in conjunction with the sewer work.

On October 22, 2007, Council approved a Professional Services Agreement with Clark Dietz, Inc. for the Locust-Colton Phase 1 Sewer Separation and Water Main Replacement design, in the amount of \$305,000. The limits of design work were described for Phase 1 in the Locust Colton CSO Elimination Study, plus water main design in the vicinity of this work.

After design began, the City decided to expand the Phase 1 project to include the neighborhood south of Country Club Dr. This decision was made so that major underground work would not have to disrupt the area twice. This action increased the design scope as additional lengths of sewer and water main needed to be designed. The additional design cost to accommodate the expanded area was \$35,100 (\$13,300 water and \$21,800 sewer).

As of August, 2010, Clark Dietz, Inc.'s progress was seventy-five percent (75%) plan completion. It is common in complex projects, such as this, the more refined design exposed the need to increase the level of analysis and design. Design scope increased because it was found that additional area had to be studied. The neighborhood served by the Regency pump station was studied to ensure proper sizing of the trunk main. There was also a need to analyze and coordinate several additional alternatives through Bloomington High School and Bloomington Country Club (BCC). This was done to satisfy the needs of these two (2) entities. Additional water main, along Locust and Empire, was also added to the design project. The cost for these additional design services totaled \$60,800 (\$14,000 water and \$46,800 sewer).

Staff has reviewed the charges for additional design services and found them to be reasonable for the scope of this type of project. The increased design cost was necessary to expand the project limits for the benefit of the neighborhood within the project boundary, ensure that all flow was accounted for in sizing the trunk main, accommodate the needs of District 87 and BCC, and include additional water main length.

To compensate Clark Dietz, Inc. for these design scope increases, the agreement needs to be updated to include the additional \$95,900 in design cost, summarized as follows:

Fund	Account	Original Contract 10/22/2007	Change Order 1 10/11/2010	Total
WDF	50200-70050	\$175,000	\$27,300	\$202,300
SDF	52200-70050	\$100,000	\$51,400	\$151,400
SWDF	55200-70050	\$30,000	\$17,200	\$ 47,200
Total		\$305,000	\$95,900	\$400,900

**COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED:** An invitation was sent to all residences, located in the proposed construction zone, to attend a public meeting which was held on June 9, 2009, at the Bloomington Junior High School. Approximately thirty (30) citizens attended this meeting to discuss the proposed project. It is anticipated that another public meeting will be scheduled when the City is approved for an IEPA loan. Separate discussions have been conducted with District 87 and BCC.

**FINANCIAL IMPACT:** The Professional Services Agreement with Clark Dietz, Inc., for the Locust-Colton Phase 1 Sewer Separation and Water Main Replacement design, needs to be increased \$95,900.00 to a total cost not to exceed of \$400,900. The \$95,900 was not included within the Fiscal Year 2010 - 2011 budget. Payment for this design will be made from City funds as follows:

WDF (50200-70050)	\$202,300	Water Department
SDF (52200-70050)	\$151,400	Public Works Department
SWDF (55200-70050)	\$ 47,200	Public Works Department
Total Revised Design Cost	\$400,900	

Respectfully submitted for Council consideration.

Prepared by:

Reviewed by:

Fiscal review by:

Jim Karch, P.E., CFM  
Director of Public Works

Craig Cummings  
Director of Water

Tim Ervin  
Finance Director

Recommended by:

David A. Hales  
City Manager

#### **RESOLUTION NO. 2010 - 40**

#### **A RESOLUTION AUTHORIZING A CHANGE ORDER IN THE AMOUNT OF \$95,900 IN THE PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF BLOOMINGTON AND WITH CLARK DIETZ, INC. FOR THE LOCUST-COLTON PHASE 1 SEWER SEPARATION AND WATER MAIN REPLACEMENT DESIGN**

WHEREAS, the City of Bloomington has previously entered into a Professional Services Agreement with Clark Dietz, Inc. for the Locust-Colton Phase 1 Sewer Separation and Water Main Replacement Design; and

WHEREAS, for the reasons set forth in a staff report dated November 8, 2010 it was necessary to increase the level of analysis and design; and

WHEREAS, it is the finding of the City Council that the decision to perform the work described in the November 8, 2010 memo was in the best interest of the citizens of the City of Bloomington.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BLOOMINGTON, ILLINOIS:

That a change order in the amount of \$95,900 in the Professional Services Agreement between the City of Bloomington and Clark Dietz, Inc. for the Locust-Colton Phase 1 Sewer Separation and Water Main Replacement Design be approved.

ADOPTED this 8<sup>th</sup> day of November, 2010.

APPROVED this 9<sup>th</sup> day of November, 2010.

Stephen F. Stockton  
Mayor

ATTEST:

Tracey Covert  
City Clerk

**Motion by Alderman McDade, seconded by Alderman Anderson that the Change Order in the amount of \$95,900 be approved and the Resolution adopted.**

**The Mayor directed the clerk to call the roll which resulted in the following:**

**Ayes: Aldermen Stearns, Huette, Schmidt, McDade, Anderson, Sage, Fruin and Purcell.**

**Nays: None.**

**Motion carried.**

**The following was presented:**

SUBJECT: Professional Services Contract for the Bloomington Center for Performing Arts

**RECOMMENDATION:** That the contract be approved and the Mayor and City Clerk be authorized to execute the necessary documents.

**BACKGROUND:** Staff respectfully requests approval of contract to engage persons and/or groups represented by: Monterey International to perform services in the Bloomington Center for the Performing Arts on dates agreed by staff. Contract expenses for the contract will be \$24,000. As is standard industry practice, some artist contracts require some additional expenses for items such as travel, meals and lodging that vary from artist to artist. Travel expenses and local

lodging fees occur less often, however virtually all artists are provided with meals and non-alcoholic beverages.

**COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED:** The selection of these artists was coordinated with the Cultural Commission and the BCPA's Programming Advisory Committee. Staff and community advisors agree that the visiting professionals would attract broad, positive community involvement and contribute to the public service mission of the Bloomington Center for the Performing Arts.

**FINANCIAL IMPACT:** Funding for these contracts will come from account X21100-70220 of the BCPA's Fiscal Year 2010 - 2011 budget, to be offset by future revenues from ticket sales, grants, playbills, concessions, advertising, and sponsorships. These revenues are also targeted to offset the additional artist expenses for travel, meals and lodging.

Respectfully submitted for Council consideration.

Prepared by:

Reviewed as to legal sufficiency:

John R. Kennedy, Director  
Parks, Recreation & Cultural Arts

J. Todd Greenburg  
Corporation Counsel

Fiscal review by:

Reviewed by

Recommended by:

Tim Ervin  
Finance Director

Barbara J. Adkins  
Deputy City Manager

David A. Hales  
City Manager

(PARIALLY EXECUTED CONTRACT ON FILE IN CLERK'S OFFICE)

**Motion by Alderman McDade, seconded by Alderman Anderson that the Contract be approved and the Mayor and City Clerk be authorized to execute the necessary documents.**

**The Mayor directed the clerk to call the roll which resulted in the following:**

**Ayes: Aldermen Stearns, Huette, Schmidt, McDade, Anderson, Sage, Fruin and Purcell.**

**Nays: None.**

**Motion carried.**

**The following was presented:**

SUBJECT: Letter of Understanding with Illinois Department of Transportation (IDOT) for Constitution Trail Surface Crossings of Illinois Route 9 (City wide)

**RECOMMENDATION:** That the Letter of Understanding with IDOT be approved and the Mayor and City Clerk be authorized to execute the necessary documents.

**BACKGROUND:** IDOT has drafted a Letter of Understanding regarding the maintenance responsibilities for signage and pavement markings for the two (2) midblock trail crossings of Illinois Route 9.

**Constitutions Trails Crossings covered in the Agreement**

- Empire Street (IL 9) midblock between Linden Street and Elder Street
- Locust Street (IL 9) midblock between Linden Street and Robinson Street

**State Responsibilities**

- Signage on street for vehicles

**City Responsibilities**

- Signage on trail for trail users
- Pavement markings for trail crossings on Illinois Route 9

**COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED:** Not applicable.

**FINANCIAL IMPACT:** Average annual maintenance costs for the City will be less than \$500.

Respectfully submitted for Council consideration.

Prepared by:

Jim Karch  
Director of Public Works

Reviewed as to legal sufficiency:

J. Todd Greenburg  
Corporation Counsel

Reviewed by:

John Kennedy, Director  
Parks, Recreation & Cultural Arts

Recommended by:

David A. Hales  
City Manager

City of Bloomington  
(McLean County)

FAP 693 & FAP 693 ALT  
Illinois Route 9 (Locust Street)

Illinois Route 9 (Empire Street)  
Section Constitution Trail 2010-1  
McLean County  
Agreement No. LU-511006

### **Letter of Understanding**

This Letter of Understanding entered into this \_\_\_\_ day of \_\_\_\_\_, A.D., 20\_\_\_\_, by and between the State of Illinois, acting by and through its Department of Transportation, hereinafter referred to as the STATE, and the City of Bloomington of the State of Illinois, hereinafter referred to as the CITY.

Witnesseth

Whereas, the CITY has created a system of trails placed on the general alignment of the Illinois Central Railroad through the City of Bloomington, known as Constitution Trail; and

Whereas, the trail crosses State marked routes located within the corporate limits of the CITY; and

Whereas, protection of the trail facility users as well as warning of trail crossing locations to motorists is desired by both STATE and CITY for public convenience and safety; and

WHEREAS, the STATE and CITY express interest in defining their respective responsibilities for providing traffic control at locations where the trail crosses State highways; and

Whereas, the STATE and CITY are desirous in that same will be of immediate benefit to the CITY residents and permanent in nature.

Now, therefore, in consideration of the mutual covenants contained herein, the parties hereto agree as follows:

1. The STATE agrees to provide traffic control signing in accordance with the “Manual on Uniform Traffic Control Devices” (MUTCD) to provide warning for motorists of the trail crossings.
2. The CITY agrees to provide traffic control signing in accordance with the “Manual on Uniform Traffic Control Devices” (MUTCD) to provide warning for trail users of the trail crossings.
3. The CITY agrees to provide all traffic control markings in accordance with the “Manual on Uniform Traffic Control Devices” (MUTCD) as desired to supplement the signing installed to provide warning for motorists and trail users of the trail crossings.



4. The CITY agrees to obtain from the STATE an approved permit for placement of the markings on the State highway for the trail, and to abide by all conditions set forth therein.

This Letter of Understanding shall be binding upon and inure to the benefit of the parties hereto, their successors, and assigns.

City of Bloomington

Stephen F. Stockton  
Mayor  
November 9, 2010

State of Illinois  
Department of Transportation

Joseph E. Crowe, P.E.  
Deputy Director of Highways,  
Region Three Engineer  
Date \_\_\_\_\_, 20\_\_

(PARTIALLY EXECUTED CONTRACT)

**Motion by Alderman McDade, seconded by Alderman Anderson that the Letter of Understanding be approved and the Mayor and City Clerk be authorized to execute the necessary documents.**

**The Mayor directed the clerk to call the roll which resulted in the following:**

**Ayes: Aldermen Stearns, Huette, Schmidt, McDade, Anderson, Sage, Fruin and Purcell.**

**Nays: None.**

**Motion carried.**

**The following was presented:**

**SUBJECT: A Resolution Urging the Illinois General Assembly and Governor to Support Meaningful Public Safety Pension Reform**

**RECOMMENDATION: That the Resolution be adopted.**

**BACKGROUND:** The growth in public safety pension costs is having a major budgetary impact on municipalities and taxpayers throughout the state. Expensive benefits and an inefficient financial model have placed Illinois' downstate and suburban police and firefighter pension systems in financial jeopardy. The fiscal instability and lack of affordability of the pension systems not only threatens the retirement of police officers and firefighters, but also threatens the financial health of communities and degrades the ability of local governments to provide for the health, safety and welfare of their citizens.

In the spring 2010 session, the Illinois General Assembly reformed the pension systems for all public employees, with the exception of public safety pensions: police officers, firefighters and sheriffs. As a result, the Northwest Municipal Conference formed the Pension Fairness for Illinois Communities Coalition, a group of more than eighty-five (85) municipal, business and local organization partners. During the spring, the Coalition began negotiations with the public safety unions. As a result of these negotiations, an amendment to House Bill 5873 was filed containing several key public safety pension reforms. While most of the changes provided meaningful cost savings, the bill did not advance because parties failed to reach consensus on an employer funding mandate provision contained in the bill.

Since that time, there have been continued discussions regarding public safety pension reform. On Tuesday, September 21, 2010, the Illinois Municipal League (IML) joined other members of the Coalition in Chicago to present the case for public safety pension reform before the House Subcommittee on Public Safety Pension Reform. The IML prepared a 51 page report for submission to the Subcommittee that provides a roadmap for reform as the General Assembly contemplates the introduction of public safety pension reform legislation during the fall veto session (scheduled for November 16 - 18 and November 29 - December 2, 2010).

The Coalition suggested municipalities place an advisory referendum question on the November 2, 2010 general election ballot to determine community support for public safety pension reform. The referendum question would have asked voters whether or not they support immediate action by the State of Illinois legislature to implement meaningful reform measures for the police and firefighter pension systems. As of August 31, 2010, over thirty-five (35) municipalities have adopted resolutions to conduct a pension reform referendum; including, Dekalb, Lisle, Naperville, Oak Brook, Orland Park, and Roselle.

The proposed resolution urges the Illinois General Assembly and Governor to take immediate steps to implement meaningful public safety pension reform. This resolution is similar to those passed by other municipalities, except it does not call for a public question to be submitted to voters on the November 2<sup>nd</sup> ballot.

**COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED:** Senator Bill Brady, Senator Dan Rutherford, Representative Dan Brady, Representative Keith Sommer, John Meckley (President, International Association of Firefighters Local 49, AFL-CIO), Todd Keil (President, Police Benevolent and Protective Association, Unit #21), Paul Williams (President, Police Benevolent Protective Association Command Union), Steven Zimmerman (Member, Fire Pension Fund Board of the City of Bloomington), Daniel Donath (President, Police Pension Fund Board of the City of Bloomington).

**FINANCIAL IMPACT:** The City allocates a portion of the Property Tax Levy to offset the employer contribution to the Police and Fire Pension Fund. This contribution has consistently increased over the past few years and is projected to continue to increase in the upcoming years to offset pension expense. As a result, the City has experienced the Police and Fire Pension Fund expenses becoming a higher percentage of the City's annual Tax Levy.

Respectfully submitted for Council consideration.

Prepared by:

Fiscal review by:

Reviewed as to legal sufficiency:

Rosalee Dodson  
Asst. Corporation Counsel

Timothy Ervin  
Finance Director

J. Todd Greenburg  
Corporation Counsel

Recommended by:

David A. Hales  
City Manager

#### **RESOLUTION NO. 2010 - 41**

#### **A RESOLUTION URGING THE ILLINOIS GENERAL ASSEMBLY AND GOVERNOR TO SUPPORT MEANINGFUL PUBLIC SAFETY PENSION REFORM**

WHEREAS, preserving the public safety, health and welfare of its citizens is a critical priority and of paramount concern for the City of Bloomington; and

WHEREAS, in Illinois, rising public safety pension costs are at a crisis level that must be addressed because of the major budgetary impact on municipalities and taxpayers throughout the State; and

WHEREAS, the City of Bloomington, like many communities across the State, has been experiencing a massive increase in required contributions to fund the pensions of eligible municipal employees; and

WHEREAS, the City of Bloomington must allocate a portion of its property tax levy to offset the employer contribution to the public safety pension funds; this contribution has consistently increased over the past few years, and is projected to continue to increase in the upcoming years to offset pension expenses; and

WHEREAS, a combination of factors including - legislatively-mandated pension benefit increases, investment losses, cumulative wage increases, growth of staff, and others - have contributed to this situation; and

WHEREAS, these steadily escalating pension costs have created a fiscal crisis that is consuming an ever-increasing portion of the City of Bloomington's municipal budget at a rate that is not economically sustainable, and therefore threatens the long-term health of the pension funds, the municipal budget, and the continuation of existing levels of public safety services; and

WHEREAS, the City of Bloomington recognizes that offering a quality retirement program is vital for the recruitment and retention of quality public employees, it also recognizes that increasing public safety pension costs place local pension funds in financial jeopardy; and

WHEREAS, the Illinois General Assembly and Governor reformed the pension systems for all public employees in the spring 2010 session with the exception of police officers, firefighters and sheriffs; and

WHEREAS, without both immediate and long-term legislative relief from these escalating pension costs, the City of Bloomington and many other communities across the State are faced with complex choices, including budget cuts that reduce or eliminate vital services, compromise public safety service levels, defer critical infrastructure maintenance and repairs, and/or increase the burden on local taxpayers; and

WHEREAS, meaningful reform must consider the affordability of benefits that can be offered in the future, flexibility for local conditions, investment practices and processes, and required funding levels; and

WHEREAS, because Article XIII, Section 5 of the Illinois Constitution does not allow earned pension benefits to be diminished or impaired, the Illinois General Assembly must exercise extreme care in any pension enhancements that may cripple governments' ability to fund both pension and other essential operations, especially in times of economic hardship; therefore, be it

RESOLVED BY THE CITY COUNCIL OF THE CITY OF BLOOMINGTON, ILLINOIS, that by the adoption of this resolution, Mayor Stephen F. Stockton and the City Council urge the Illinois General Assembly and Governor to take immediate steps to implement meaningful public safety pension reform; and be it further

RESOLVED, that suitable copies of this resolution be delivered to the Governor, our State Senators, State Representatives, President of the Senate, Speaker of the House, members of the Senate Pensions and Investments Committee, and members of the House Personnel and Pensions Committee for immediate consideration; and be it further

RESOLVED, that the City Clerk of Bloomington shall attest the same after signature of the Mayor.

PASSED this 8<sup>th</sup> day of November, 2010.

APPROVED this 9<sup>th</sup> day of November, 2010.

APPROVED:

Stephen F. Stockton  
Mayor

ATTEST:

Tracey Covert  
City Clerk

**Alderman Stearns had received a letter from the Police Pension Board. The letter pointed out key legislative funding level issues which happened in 1993. It was her belief that this was in keeping with the discussion held at the earlier Work Session by Arthur Tepfer, Tepfer Consulting Group, Ltd. There had been many reasons for the pension funding to be at fifty percent (50%). Mr. Tepfer had stated earlier that the amount was not that far off. The change in funding was mandated by legislation.**

**Alderman Huette stated his shock at the recommended funding of over \$40,000 per year per police officer and firefighter. It was his belief that the budget was severely handicapped by pension costs. He asked that citizens contact legislators for reform. He believed that soon it would consume all spendable dollars. This had to be addressed and hopefully through reform rather than staff reductions. As the City begins the budget process these costs have to be the top priority of long term planning. The message sent had to be loud and forceful. He believed it had to move beyond a resolution and had to remain in front of the legislators.**

**Alderman Purcell stated his belief that the 1993 change was what had caused the shortfall. Funding should be a pay as you go system.**

**Mayor Stockton reminded Council that the resolution states that reform must consider: 1.) affordability of benefits; 2.) flexibility for local conditions; 3.) investment practices and processes; and 4.) required funding levels.**

**Motion by Alderman McDade, seconded by Alderman Anderson that the Resolution be adopted.**

**The Mayor directed the clerk to call the roll which resulted in the following:**

**Ayes: Aldermen Stearns, Huette, Schmidt, McDade, Anderson, Sage, and Fruin.**

**Nays: Alderman Purcell.**

**Motion carried.**

**The following was presented:**

**SUBJECT:** Application of Major Convenient Mart, Inc., d/b/a Main Street Convenient Mart, located at 1919 S. Main St., for a PAS liquor license, which will allow the sale of all types of packaged alcohol for consumption off the premises seven (7) days a week

**RECOMMENDATION:** Based upon the report from the Liquor Hearing, the Liquor Commission recommends to the City Council that a PAS liquor license for Major Convenient Mart, Inc., d/b/a Main Street Convenient Mart, located at 1919 S. Main St., be created, contingent upon compliance with all applicable health and safety codes.

**BACKGROUND:** The Bloomington Liquor Commissioner Stephen Stockton called the Liquor Hearing to order to hear the application of Major Convenient Mart, Inc., d/b/a Main Street Convenient Mart, located at 1919 S. Main St., requesting a PAS liquor license which allows the sale of all types of packaged alcohol for consumption off the premises seven (7) days a week. Present at the hearing were Liquor Commissioners Steve Stockton, Richard Buchanan, Marabeth Clapp, and Geoffrey Tompkins, George Boyle, Asst. Corporation Counsel, Bob Wall, Asst. Police Chief; and Tracey Covert, City Clerk, and Happy Singh, owner/operator and Applicant representative.

Commissioner Stockton opened the liquor hearing and requested that the Applicant explain this request. Happy Singh, owner/operator and Applicant representative, addressed the Commission. He was the former owner of Buddy's Liquor located at 2303 E. Washington St. At this time, he was purchasing Main St. Convenient which held a GPAS (Gasoline, Packaged, All types of alcohol, Sunday sales) liquor license. He had left the area and operated a liquor store in Decatur, IL.

Commissioner Stockton questioned if there were any planned changes to the store's operations. Mr. Singh informed the Commission that the gasoline pumps would be removed. The business would remain a convenience store with a liquor license. It was noted that the GPAS liquor license classification has not been available for new liquor license applications since 2007. The gasoline pumps must be removed from this location.

Commissioner Stockton questioned if there had been any violation issued for the business located in Decatur. Mr. Singh responded negatively. Main St. Convenient Mart would be open from 8:00 a.m. until 10:00 p.m. seven (7) days a week. Identification would be requested for all liquor sales.

Commissioner Stockton questioned staff training. Mr. Singh cited his twenty (20) years of experience with liquor sales. The store would be operated by himself and his wife. They had formed a new corporation.

Commissioner Tompkins questioned the Applicant's Emergency Call-In Listing. Mr. Singh informed the Commission that his and his wife's residence was located within three (3) miles of the store.

Commissioner Stockton questioned the number of liquor signs posted in the windows. Mr. Singh noted that there had been a liquor license at this location for a number of years. He would comply with the City's wishes. Commissioner Buchanan informed Mr. Singh that there would only be one (1) liquor sign. Commissioner Stockton added that the windows should be unobstructed. He cited area police patrols and safety issues.

Commissioner Tompkins questioned security measures at the store. Mr. Singh noted that additional video cameras could be installed. There would be two (2) employees on duty at all times.

Commissioner Stockton supported the ideas cited for additional surveillance equipment and minimum staffing for safety issues.

Commissioner Stockton opened the hearing to public comment. No one came forward to address the Commission.

**COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED:** Public notice was published in the Pantagraph in accordance with City Code. In accordance with City Code, a courtesy copy of the Public Notice was mailed. In addition, the Agenda for the October 12, 2010 Meeting of the Liquor Commission was placed on the City's web site. There also is a list serve feature for the Liquor Commission.

**FINANCIAL IMPACT:** None, replacement liquor license with an annual fee of \$1,410.

Respectfully,

Reviewed and concur:

Stephen F. Stockton  
Chairman of Liquor Commission

Randall D. McKinley  
Police Chief

**Motion by Alderman McDade, seconded by Alderman Anderson that a PAS liquor license for Major Convenient Mart, Inc., d/b/a Main Street Convenient Mart be created, contingent upon compliance with all applicable health and safety codes.**

**The Mayor directed the clerk to call the roll which resulted in the following:**

**Ayes: Aldermen Stearns, Huette, Schmidt, McDade, Anderson, Sage, Fruin and Purcell.**

**Nays: None.**

**Motion carried.**

**The following was presented:**

**SUBJECT:** Application of Tri Star Marketing, Inc., d/b/a Super Pantry #29, located at 1206 Towanda Barnes Rd., for a GBPS liquor license, which will allow the sale of packaged beer and wine for consumption off the premises seven (7) days a week

**RECOMMENDATION:** Based upon the report from the Liquor Hearing, the Liquor Commission recommends to the City Council that a GBPS liquor license for Tri Star Marketing, Inc., d/b/a Super Pantry #29, located at 1206 Towanda Barnes Rd., be created, contingent upon compliance with all applicable health and safety codes.

**BACKGROUND:** The Bloomington Liquor Commissioner Stephen Stockton called the Liquor Hearing to order to hear the application of Tri Star Marketing, Inc., d/b/a Super Pantry #29, located at 1206 N. Towanda Barnes Rd., requesting a GPBS liquor license which allows the sale of packaged beer and wine for consumption off the premises seven (7) days a week. Present at the hearing were Liquor Commissioners Steve Stockton, Richard Buchanan, Marabeth Clapp, and Geoffrey Tompkins, George Boyle, Asst. Corporation Counsel, Bob Wall, Asst. Police Chief; and Tracey Covert, City Clerk, and Brian Wentz, Tri Star employee and Applicant representative.

Commissioner Stockton opened the liquor hearing and requested that the Applicant explain this request. Brian Wentz, Tri Star employee and Applicant representative, addressed the Commission. Tri Star was a third generation family business. Its office was located in Champaign, IL. Currently, there were fifty (50) stores in Illinois. Tri Star owned/operated the Mobile Super Pantry which was located at 2412 S. Main St. This application was for a new store which was currently under construction. He added that the license classification applied for was a common practice for Tri Star.

Tri Star had a good record. Alcohol sales were taken seriously. Identification scanners had been purchased. There were two (2) scanners per store. The scanner verifies that the individual is of legal age to purchase alcohol. The company's policy was 100% carding (request identification) for liquor sales. There was also a zero tolerance policy. Employees were not given second chances. Failure to pass an audit resulted in termination. Tri Star employed a third party to perform audits.

Commissioner Clapp questioned the store's layout. Mr. Wentz noted the walk in cooler, (Beer Barn). The walk in cooler was stocked with twelve (12) packs or larger quantities of beer. All liquor is stocked in one area. Super Pantry was not a liquor store. Tri Star offered convenience. Liquor sales have been requested by its customers. In addition, liquor sales were a part of this competitive industry.

Commissioner Buchanan questioned the age of store employees and minimum staffing levels. Mr. Wentz noted that an employee must meet the minimum age requirement (twenty-one/21). There were stores where only one (1) employee was on duty from midnight until 4/6:00 a.m. He



added that the check out area may be bullet proof. Tri Star was concerned about employee safety.

Commissioner Stockton questioned the number of beer signs. Mr. Wentz noted that company policy set the limit at two (2). No posters were allowed. Commissioner Stockton cited the City's preference which was one (1). Windows should be unobstructed for employee safety. He added his opinion that businesses appeared more appealing with limited signage. Mr. Wentz informed the Commission that the store front would be glass, floor to ceiling.

Commissioner Buchanan questioned Tri Star's pricing policy. Mr. Wentz noted that alcohol sales were not a loss leader. Tri Star wanted loyal customers.

Commissioner Buchanan had visited the site and noted that the building was under construction. Mr. Wentz added that this store would be approximately 500 square feet larger than the store located on S. Main St.

Commissioner Stockton questioned if Tri Star's marketing plan included the sale of cold single serve containers. Mr. Wentz informed the Commission that he had been employed by Tri Star for the last ten (10) years. Tri Star does not stock this type of item. Commissioner Stockton noted that the City did not prohibit the sale of this type of item. The Commission discouraged the sale of same.

Commissioner Stockton opened the hearing to public comment. No one came forward to address the Commission.

Commissioner Buchanan noted the thoroughness of the application.

**COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED:** Public notice was published in the Pantagraph in accordance with City Code. In accordance with City Code, no courtesy copies of the Public Notice were mailed as there was not another building within 500 feet. In addition, the Agenda for the October 12, 2010 Meeting of the Liquor Commission was placed on the City's web site. There also is a list serve feature for the Liquor Commission.

**FINANCIAL IMPACT:** This would be a new GPBS liquor license with an annual fee of \$1,180.

Respectfully,

Reviewed and concur:

Stephen F. Stockton  
Chairman of Liquor Commission

Randall D. McKinley  
Police Chief

**Motion by Alderman McDade, seconded by Alderman Anderson that a GBPS liquor license for Tri Star Marketing, Inc., d/b/a Super Pantry #29 be created, contingent upon compliance with all applicable health and safety codes.**

**The Mayor directed the clerk to call the roll which resulted in the following:**

**Ayes: Aldermen Stearns, Huette, Schmidt, McDade, Anderson, Sage, Fruin and Purcell.**

**Nays: None.**

**Motion carried.**

**The following was presented:**

**SUBJECT:** Application of LSRE, Inc., d/b/a Laugh, Comedy Club, located at 108 E. Market St., for a TA liquor license, which will allow the sale of all types of alcohol by the glass for consumption on the premises six (6) days a week

**RECOMMENDATION:** Based upon the report from the Liquor Hearing, the Liquor Commission recommends to the City Council that a TA liquor license for LSRE, Inc., d/b/a Laugh, Comedy Club, located at 108 E. Market St., be created, contingent upon compliance with all applicable health and safety codes with the following conditions: 1.) that the closing hour on Monday through Thursday shall be midnight and on Saturday and Sunday shall be 1:00 a.m.; 2.) that last call shall be thirty (30) minutes prior to closing time or one (1) hour after a show ends which ever is later; 3.) a cover charge (ticket) will always be applied for admission with a minimum charge of \$10; and 4.) that patrons who arrive after the comedy act starts shall be charged half the face value of the ticket price with a minimum charge of \$5.

**BACKGROUND:** The Bloomington Liquor Commissioner Stephen Stockton called the Liquor Hearing to order to hear the application of LSRE, Inc., d/b/a Laugh, Comedy Club, located at 108 E. Market St., requesting a TA liquor license which allows the sale of all types of alcohol by the glass for consumption on the premises six (6) days a week. Present at the hearing were Liquor Commissioners Steve Stockton, Richard Buchanan, Marabeth Clapp, and Steve Petersen, George Boyle, Asst. Corporation Counsel, Bob Wall, Asst. Police Chief; and Tracey Covert, City Clerk, and Luke Swanson and Adam Weber, owners/operators and Applicant representatives.

Commissioner Stockton opened the liquor hearing and requested that the Applicants explain this request. Luke Swanson, owner/operator and Applicant representative, addressed the Commission. He provided the Commission with background information about himself. Since November 2007, he had been employed at the former Donnie B's Funnybone Comedy Club which had been located at 1407 N. Veterans Pkwy. He was employed in a variety of roles. The business had closed recently. The plan was to host five (5) comedy shows a week. At this time, three (3) shows a week were being offered. Adam Weber, owner/operator and Applicant representative, addressed the Commission. He and Mr. Swanson were business partners. He believed that their plan, (comedy club) was unique and proven. Their business was about comedy. Mr. Swanson had the experience to bring nationwide professional comedy acts. Commissioner Stockton noted that Laugh, Comedy Club would be located in the Downtown.

Mr. Swanson informed the Commission that he had kept the comedy schedule going. He had been working with the Lucca Grill located at 116 E. Market St. Comedy was offered on Thursday through Saturday nights on the Lucca's second floor. Comedy required a microphone and a chair. He hoped to raise the community's awareness. He restated that the Funnybone had closed. The franchise was in decline. Laugh would be community based. He wanted the business to become a part of the community. Mr. Weber and Mr. Swanson had been college roommates. The Applicants cited booking Mike Armstrong to come to town for a fundraiser for Carl Boyd Jr., (Sheriff's Deputy), when battling cancer.

Alcoholic beverages would be offered during the show. Laugh would offer a Downtown setting. The bar area would be smaller than the Funnybone. The amount of space dedicated to the bar area at the Funnybone was not needed. The premise would be seventy-five percent (75%) seating and twenty-five percent (25%) bar area. There would not be a drink minimum. He noted that a standard policy for comedy clubs was a two (2) drink minimum. Ticket prices would start at \$11.

Commissioner Petersen questioned a typical night at Laugh. Mr. Swanson noted that the hours of operation cited on the application were the same as the business hours at the former Funnybone. Laugh would open at 4:00 p.m. Customers would arrive at 6:30 - 7:00 p.m. The show would start at 8:00 p.m. Generally the club would be closed by midnight.

Commissioner Petersen questioned occupancy. Mr. Swanson believed occupancy would be set at 175 - 200. There would be an extra (fire) exit.

Commissioner Buchanan questioned gross revenues by percentage. Mr. Swanson cited the following figures: 1.) tickets sales - sixty percent (60%) and 2.) liquor sales - forty percent (40%). He added that percentages by evening would be based upon the comic performing and the ticket price. Drink sales typically occurred during the show. Mr. Weber added that on Saturday nights there would be two (2) shows.

Commissioner Petersen questioned if there would be special college nights. Mr. Swanson restated that Laugh would offer five (5) shows a week. There would be hands on management. Thursday night would be college night. There would be a drink special on Thursday nights. Mr. Weber added that alcoholic beverages would be more expensive at Laugh. Laugh would not offer lower prices.

Commissioner Stockton stated that there would be a commitment to comedy. Mr. Swanson was 100% committed to comedy. He hoped to be able to rent the space on Tuesday nights. He cited motivational speakers, hypnotist, etc. as examples. Mr. Weber had spoken with Illinois State University student musicians. Student ensembles could provide ambiance. Monday and Tuesday nights would be available for rentals. Wednesday through Saturday nights would be comedy. Commissioner Buchanan expressed his opinion that once the show is over Laugh would become a bar until closing. Mr. Swanson responded affirmatively. He noted that groups who come to a show stay and visit afterwards. Generally individuals were gone within an hour.

Commissioner Petersen questioned show times. Mr. Swanson stated for Wednesday through Friday show time was 8:00 p.m. On Saturdays, shows would be at 8:00 and 10:00 p.m. The average show length was an hour and a quarter to an hour and a half.

Commissioner Buchanan questioned the demographics on a Saturday night at 11:45 p.m. Mr. Swanson noted that the late show drew an older crowd. He restated that Thursday nights would be college students. Individuals were there to laugh. Commissioner Buchanan provided the following scenario - an individual shows up at 11:45 p.m. without a ticket. Mr. Swanson noted that Funnybone had been a destination. A ticket was required for admission. Commissioner Buchanan presented another scenario - someone pulls the fire alarm at Fat Jack's after the show. Mr. Swanson noted that if the comedy show was over, he would allow Fat Jack's customers into the club to move them inside and off of the street. He restated that once the show starts there was no admittance.

Commissioner Stockton questioned at a minimum what the Applicants might be willing to give up. Mr. Swanson believed that there were possible scenarios. Commissioner Stockton noted that the Commission was struggling with this application. He did not want Laugh to become another Downtown tavern. Mr. Swanson noted that the comedy show was the most important thing. He would be willing to give up hours of operation. The comedy was important.

Commissioner Buchanan stated that drink prices would be such to discourage the college crowd. Mr. Swanson believed that people came for the show. There would not be any drink specials on Friday and/or Saturday nights. The hours also discourage alcohol consumption. Individuals come for the comedy. He cited ticket prices.

Commissioner Stockton restated that admittance was tied to a purchased ticket. Commissioner Buchanan suggested that ticket prices could be reduced and drink prices increased to discourage consumption.

Commissioner Stockton opened the hearing to public comment.

Tyler Holloway, owner/operator and License Holder for Fat Jack's located at 507 - 511 N. Main St., addressed the Commission. The Downtown Bar Association had met and supported this application. The Association believed that the business hours should be limited to a set time after a show ended. He noted that this building had been a venue for live performances in the past. The Association believed a comedy club would be a good addition to the Downtown.

Commissioner Stockton informed the Commission that the City had received a letter of support from the DBA (Downtown Business Association). Commissioner Petersen questioned if the Applicants had approached the DBA. Mr. Swanson informed the Commission that Laugh had been in the planning stage for months. He resided in the Downtown. He recalled his first experience with comedy at the Castle Theater located at 209 E. Washington St. He believed that the comedy offerings in the community could be better. He wanted Laugh to become a part of the Downtown community. He planned to bring new, national acts. This building would be conducive for comedy shows.

Alderman Petersen questioned the number of entrances. Mr. Swanson stated that there would be two (2) entrances. One (1) of them would be in the alley.

Daniel Rolph, owner/operator and License holder of Six Strings located at 525 N. Center St., addressed the Commission. He believed that good entertainment was available in the Downtown. The addition of comedy would be a plus to the community. He believed that the Commission needed to put the right constraints on this application. He cited no admission after the show commenced as an example.

Commissioner Stockton believed that the ticket price would be a deterrence. If Laugh closed at midnight, its customers would visit other Downtown establishments.

Commissioner Buchanan had visited the Funnybone a number of times. He was not disturbed by the establishment's other customers. Mr. Swanson restated that is was about the show. He was strict about how the room is run. Customers were there to watch the show. He restated the caliber of the acts.

Mr. Swanson believed that Laugh would work as it would be located in the heart of the Downtown. Commissioner Stockton recalled that the building had been a vaudevillian theater. Mr. Swanson agreed that there was a lot of history to the building. He hoped to have Laugh open for the holidays.

**COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED:** Public notice was published in the Pantagraph in accordance with City Code. In accordance with City Code, approximately eighty-seven (87) courtesy copies of the Public Notice were mailed. In addition, the Agenda for the DATE Meeting of the Liquor Commission was placed on the City's web site. There also is a list serve feature for the Liquor Commission.

**FINANCIAL IMPACT:** This would be a new TA liquor license with an annual fee of \$1,760.

Respectfully,

Reviewed and concur:

Stephen F. Stockton  
Chairman of Liquor Commission

Randall D. McKinley  
Police Chief

**Motion by Alderman McDade, seconded by Alderman Anderson that a TA liquor license for LSRE Inc., d/b/a Laugh, Comedy Club, be created contingent upon compliance with all applicable health and safety codes with the following conditions: 1.) that the closing hour on Monday through Thursday shall be midnight and on Saturday and Sunday shall be 1:00 a.m.; 2.) that last call shall be thirty (30) minutes prior to closing time or one (1) hour after show ends which ever is later; 3.) a cover charge (ticket) will always be applied for admission with a minimum charge of \$10; and 4.) that patrons who arrive after the comedy act starts shall be charged half the face value of the ticket price with a minimum charge of \$5.**

**The Mayor directed the clerk to call the roll which resulted in the following:**

**Ayes: Aldermen Stearns, Huette, Schmidt, McDade, Anderson, Sage, Fruin and Purcell.**

**Nays: None.**

**Motion carried.**

**The following was presented:**

**Draft Reserve Policy Presentation.**

**Mayor Stockton introduced this item. It was his belief that the City was ahead of other cities in replenishment of reserve funds. The City's situation had given the need for a reserve policy.**

**David Hales, City Manager, addressed the Council. He applauded Tim Ervin, Finance Director and the Finance Department staff for a comprehensive and thought out policy. This policy addressed the targets for all City funds, to maintain a minimum funding level. He mentioned the Pantagraph article from the previous weekend. The Reserve Policy would then be placed on the November 22, 2010 Council's meeting agenda.**

**Tim Ervin, Finance Director addressed the Council. The fiscal year budget meetings had discussed adopting: 1.) Investment Policy; 2.) a Reserve Policy; and 3.) a Debt Service Policy. He described the fund balance as the difference between the organizations assets and liabilities. The Reserved Fund balance was held for other purposes. The example provided, was an inventory. The Unreserved Fund Balance were uncommitted funds used in emergencies. Net assets were similar to fund balance. In the City's financial statements, they were listed as Enterprise Funds and Internal Service Funds.**

**It was his belief that the primary objective of a Fund Balance policy was to maintain adequate resources to cope with contingencies. The traits were: 1.) good financial management; 2.) Government Finance Officer Association (GFOA) recommendations; 3.) bond agency; and 4.) stabilized reserves. The GFOA views a reserve policy as a best practice. The top question asked by bond agencies address an established a reserve policy. It also assists with preparing for the next economic downturn. He reminded Council that in April 2008 the City's Unreserved Fund Balance was -\$108,000. At the same time sales tax and home rule sales tax revenues decreased. The City was unable to draw from the Unreserved Fund.**

**The policy would: 1.) establish a sound formal fiscal policy; 2.) build and maintain adequate unrestricted fund and net asset balances; 3.) assist with restoring the credit rating; and 4.) provide direction. The draft was reviewed by outside sources. The policy would apply to all funds, including many of the small funds, within the city. The goal was to establish a strong fund balance and net asset balance.**

The GFOA recommended funding the General Fund (GF) by setting aside ten percent (10%) of budgeted expenditures. Alderman Stearns had asked if the percentage could be different. This thought led to a new methodology. The fund level should be based on three (3) criteria: 1.) cash flow commitment; 2.) maintaining reserves to provide contingencies for unpredictable revenue sources; and 3.) maintaining Unrestricted Fund Balance to provide contingencies for unpredictable expenditures and emergencies. Mr. Ervin provided indicators for each criterion to determine the amount of reserves required. The purpose of these measurements was the City had to ensure there was enough cash on hand to cover expenditures. He also provided an example of how the policy would fit into the FY 2011/2012 budget. He explained that as the GF expenditures adjustments were made it sets the reserve levels at an annual basis.

Mr. Ervin identified reserve policies for smaller funds. He reminded Council that specific revenue funds were designed to accomplish specific purposes. Many of them were controlled by alternative boards. He explained that should these boards not establish a Reserve Policy the City's policy would serve as default. It encouraged boards to establish a policy. He explained that the debt service fund pays for the City's debt. Enterprise funds would have the same cash flow commitment formula as the GF. A separate policy would be forthcoming for the Capital Improvement Plan. The Internal Service Fund pays for things like employee health plan.

This policy would be incorporated into the annual budget. The cash flow commitment would be outlined for each specific fund. It would also include action items and a plan to rebuild the fund. The policy would include review procedures and a mandatory review of three (3) years. It incorporates language to adopt Governmental Accounting Standards Board Pronouncement #54.

Mr. Ervin explained that the Storm Water Fund works with this policy. The Storm Water Enterprise Fund had an intergovernmental agreement attached. This was a fund where the City holds the liabilities and the Bloomington Normal Water Reclamation District holds the assets. When presented to the Council the loan amounts were removed.

Mr. Hales considered the draft policy an excellent starting point. He had observed other cities that had long term planning (10-15 years). Their reserves provided a cushion of one to two (1-2) years without layoffs. It was his belief that this policy would provide a cushion and avoid implementing critical services.

Alderman Schmidt, questioned triggers. Mr. Ervin explained during budget planning if reserves have fallen below the set level a mechanism would be put in place to bring funding to the required minimum level. Mr. Hales explained that the following items would be reviewed prior to project approval: 1.) financial statement; 2.) net assets; 3.) operating budget; 4.) projections; and 5.) rate of collections. Updates would be provided at least annually, at budget discussions and during the audit.

Mr. Ervin reminded Council that excess fund balances would be used to retire debt or pay for a capital project.

**Mr. Hales clarified that the Library was a Special Revenues Fund. The Library Board could set their own policy. In the future this fund could be a separated component. Outside agencies would be required to submit budget requests and their written reserve policy.**

Employee and Retiree Health Insurance Coverage for Calendar Year 2011 Presentation.

**David Hales, City Manager, introduced this item. It was open renewal time for 2011 health services for employees and retirees. Phil Sauder, Clemmons and Associates, Senior Marketing Executive, provided an overview.**

**Mr. Sauder addressed the Council. He provided his work history with Clemmons and Associates. He also recognized Mike Hasselbring, President of the Life Health Department. The Blue Cross Blue Shield (BCBS) premium costs were up 9.9%, and Health Alliance (HA) was up 11%. He cited some of the reasons behind increases were: 1.) usage; 2.) older population; 3.) uninsured; and 4.) unhealthy population. The City was below expectations on claims and had a large increase in stop loss. He cited changes in health care reforms.**

**Mayor Stockton questioned the stop loss. Mr. Sauder stated that BCBS had taken hits on their stop loss pool. When compared to the market place BCBS was slightly below everyone else. It was his belief that it was better to be with a pooled product.**

**Alderman Purcell question if the ten percent (10%) pool was a trend. Mr. Sauder responded that the trend was higher. Alderman Purcell cited the City's cost paid per employee verses the employees' cost.**

**Mayor Stockton questioned deductible costs. Mr. Sauder stated that private clients pay \$500-1000. Mr. Hales questioned if the plans were comparable. Mr. Sauder responded that in general the City's benefits were richer than other groups. Mr. Hales reminded Council that Classified employees have a \$400 deductible and Union employees \$250.**

**Mr. Sauder stated an annual review was conducted. They negotiate with the carrier on fixed costs.**

**The following was presented:**

Employee and Retiree Group Health Care Insurance Fund Financial Update Presentation.

**David Hales, City Manager, introduced this item. Tim Ervin, Finance Director addressed the Council. He provided an update on the City's health funds also known as Internal Service Funds. These funds serve as a recording of account activity. He provided a ten (10) year history of the City's health insurance net assets. GASB 43 & 45 required that retiree groups be separated from the employee group. The State of Illinois required the use of a blended premium. There was a rate for active employees and a rate for retired blended together. Most active employees pay a higher rate then retired employees. The**



retiree group will have a negative net asset going forward. He referred to page 6, Health Funds Year to Date Change in Net Assets, pointing out that the total change in net assets was positive. The projected total change in net assets was also positive.

Laurie Wollrab, Compensation & Benefits Manager addressed the Council. She referred to page 8, Annual City Portion of Premium. Plans run on the calendar year. She cited the factors involved that make the premiums different. The decrease for retirees was due to Medicare eligibility. She believed that in the next several years there would be a decrease of retirees on the plan. She cited the factors which affect cost. She referred to page 11, Employee/Retiree Health Premiums. She reminded Council that there was also a \$250 PPO deductible plan. In addition, there were two (2) different levels for Health Alliance plans.

Alderman Fruin questioned the impact of retiree claims. Ms. Wollrab responded that retirees pay the full premium cost. She added that retirees cost more due to age.

Alderman Purcell questioned increases. Ms. Wollrab stated her surprise as claims had been down. Past history decreases were due the City moving employees to higher deductibles.

Mr. Hales expressed his belief that \$600,000 would be the total budget impact across all insurance funds. Price increases could not be controlled by the City. These increases would need to be funded first. He also believed that revenue would remain flat.

Alderman McDade left at 9:00 p.m.

The following was presented:

SUBJECT: Client Agreement with Blue Cross/Blue Shield of Illinois (Blue Cross) and for Third Party Administrator (TPA) Services and Individual Stop Loss (ISL) Insurance for the Employee and Retiree Preferred Provider Organization (PPO) Health Plans; Client Agreement with Health Alliance Medical Plans (HAMP) for Employee and Retiree Health Maintenance Organization (HMO) Plan Option; Client Agreement with Blue Cross for TPA Services for the Employee and Retiree Dental Plan; and an Agreement with Clemens and Associates to perform Broker Services

**RECOMMENDATION:** That the Agreements be approved and the Mayor and City Clerk be authorized to execute the necessary documents.

**BACKGROUND:** The City provides health, dental and vision insurance options to its employees and retirees. On September 27, 2010, Council approved a contract for vision insurance through Vision Service Plan. Employees and retirees have a choice between two (2) City provided health plans; a PPO plan and an HMO plan. Sworn police personnel have the

option of choosing these plans or their union plan. The police union plan is not controlled by the City and is not part of this memorandum.

The PPO plan is self-insured by the City whereas the HMO plan is fully insured. The PPO plan elements consist of medical and pharmacy claims, administrative fees and individual stop loss. On August 9, 2010, Council approved a contract with Walgreens Health Initiative to administer pharmacy claims for the PPO plan. The following is information concerning the proposed administrative services and individual stop loss for the PPO plan and projected claim and premium figures. Following that is information on the proposed HMO contract, the dental plan and the broker's fee. The City obtains its Blue Cross PPO administrative services, stop loss, Health Alliance HMO and dental plan through its insurance agent, Phil Sauder of Clemens and Associates of Bloomington.

Blue Cross PPO Administration: The City utilizes Blue Cross as its TPA to administer its employee and retiree PPO health plans. Under the TPA agreement the City has access to the extensive local and nationwide Blue Cross provider network and the discounts which Blue Cross negotiates with providers. The contract also provides for health claim payments, subrogation, a nurse hotline, large case management, utilization review, and large claim auditing. It also gives Human Resources staff access to a robust reporting system, provides for quarterly and annual reports, the preparation of required HIPAA certificates of creditable coverage, and a pre-natal program for expectant mothers.

The City electronically submits its enrollment data to Blue Cross and Human Resources personnel have access to billing, enrollment and other data on the Blue Cross web site. Plan participants have access to a web site which offers wellness information and programs, gives them the ability to view claims online and search the network provider directory.

The following shows the total TPA administration rates since 2007 including the proposed rate for 2011 and the percent of increase for each year. The rate is the charge for claims processing, claim, and communication related services.

<u>Year</u>	<u>Per member per month (PMPM) administrative fee</u>	<u>Percent Increase or (Decrease) from Prior Year</u>
2007	\$36.41	
2008	\$37.72	3.6%
2009	\$39.61	5.0%
2010 (current)	\$40.98	3.5%
2011 (proposed)	\$42.77	4.4%

Blue Cross also charges the City an Illinois Facility Access Fee. The fee is charged to cover Blue Cross' costs to develop and maintain a provider network. The Illinois Facility Access Fee is based on Illinois inpatient hospital claims and is a percentage of the savings resulting from the Blue Cross discounting arrangements with the providers. The decrease in 2009 was negotiated by Mr. Sauder when the City switched to Clemens for agent services.

<u>Year</u>	<u>Illinois Access Fee</u>	<u>Percent Increase or (Decrease) from Prior Year</u>
2007	2.50%	
2008	2.50%	0%
2009	1.75%	(30%)
2010 (current)	1.75%	0%
2011 (proposed)	1.75%	0%
Estimated Annual Administrative Expense (532 members x \$42.77 PMPM x 12)		\$273,043.68
Illinois Facility Access Fee (based on anticipated claims)		+ <u>43,344.00</u>
Estimated Cost for calendar 2011 plan year		\$316,387.68

The exact costs will depend on the number of plan enrollees and the total of Illinois hospital claims. The administrative expense is estimated to represent approximately 4.8% of the overall PPO health insurance program cost for calendar 2011. The Illinois Facility Access Fee is estimated to represent approximately 0.7% of the overall PPO health insurance program cost for calendar 2011.

Individual Stop Loss for PPO Plans: Individual stop loss (ISL), or reinsurance, insures the City in the event that any member of its PPO health plan incurs catastrophic claims during the plan year in excess of a certain dollar amount known as the “deductible”. ISL begins to reimburse the City when an individual’s paid claims exceed the deductible amount. It is extremely important for the City to have ISL as, on occasion, an individual’s catastrophic medical claims, even with discounts applied, can run into the hundreds of thousands of dollars in a given year.

Currently, the ISL deductible is set at \$125,000. Mr. Sauder and Blue Cross have analyzed the specifics of the City’s PPO claims and recommend that the City increase its ISL deductible for the 2011 plan year from \$125,000 to \$145,000. The claim amounts considered under ISL are the actual claim amounts paid after network discounts are applied. As the ISL deductible increases, stop loss premiums decrease but the group is liable for claims up to the higher deductible amount.

For many years the City’s ISL deductible was set at \$90,000. Last year it was increased to \$125,000 although at that time Blue Cross suggested that the deductible could still be higher. The ISL should be increased periodically to track along with the increase in healthcare costs (medical trend). Included is an exhibit provided by Blue Cross that discusses the impact of trend on ISL deductibles and provides some examples to help explain the concept. At the direction of the Council, staff had Mr. Sauder bid out the City’s ISL. Blue Cross is currently providing the ISL for the City’s PPO plans. Mr. Sauder received quotes from nine (9) carriers. Every carrier contacted quoted very significant increases to the current rate even with an increase to the deductible. The least expensive quote was received from Blue Cross.

<u>Year</u>	<u>ISL Deductible</u>	<u>Per member per month (PMPM) ISL Premium</u>	<u>Percent Increase or (Decrease) from Prior Year</u>
2007	\$90,000	\$28.24	
2008	\$90,000	\$27.24	(3.5%)
2009	\$90,000	\$29.76	9.3%
2010 (current)	\$125,000	\$25.42	(14.58%)
2011 (proposed)	\$145,000	\$39.94	57.1%
Estimated Annual expense for calendar 2011 plan year (532 members x \$39.94 PMPM x 12)			\$254,976.96

The exact costs will depend on the number of plan enrollees. The ISL cost is estimated to represent approximately 4.5% of the overall PPO medical health insurance program cost for calendar 2011, the remaining costs being those for claim payments and administrative fees.

#### PPO Total Costs and Premium Equivalent Amounts

The following shows the total premium equivalents for the calendar 2011 PPO plan and the associated expenses for projected medical claims, projected prescription drug claims, proposed administrative rates, proposed individual stop loss premiums and broker fees. The medical and prescription drug claims figures are developed by actuaries at Blue Cross and Walgreens Health Initiative respectively.

Projected Net Paid Medical Claims	\$3,990,950	(Blue Cross)
Projected Paid Prescription Claims	\$1,111,985	(Walgreens)
Administration Fee	\$ 273,044	(Blue Cross)
Illinois Facility Access Fee	\$ 43,344	(Blue Cross)
Individual Stop Loss (\$145,000 Deductible)	\$ 254,277	(Blue Cross)
Broker fee	\$ 9,500	(Clemens)
Recommended Change in Reserves	<u>\$ 32,870</u>	(Blue Cross)
2011 Projected PPO Plan total	\$5,715,970	

The following tables show the current monthly PPO premiums and the proposed monthly PPO premiums for the City, its employees and retirees.

\$250 Deductible Plan						
Coverage	2010 Full Premiums (Retiree Premiums)	2011 Proposed Full Premiums (Retiree Premiums)	2010 City Premiums*	2011 Proposed City Premiums*	2010 Employee Premiums*	2011 Proposed Employee Premiums*
Single	\$446	\$486.90	\$334.50	\$365.18	\$111.50	\$121.73
Employee or Retiree Plus One	\$965	\$1065.50	\$723.75	\$799.13	\$241.25	\$266.38
Family	\$1,523	\$1683.18	\$1,142.25	\$1,262.39	\$380.75	\$420.80

\*Assumes a 25/75% split between the employee and the City. Not all employee groups have this exact split.

\$400 Deductible Plan						
Coverage	2010 Full Premiums (Retiree Premiums)	2011 Proposed Full Premiums (Retiree Premiums)	2010 City Premiums*	2011 Proposed City Premiums*	2010 Employee Premiums*	2011 Proposed Employee Premiums*
Single	\$425.39	\$463.39	\$319.04	\$347.54	\$106.35	\$115.85
Employee or Retiree Plus One	\$919.75	\$1,015.40	\$689.81	\$761.55	\$229.94	\$253.85
Family	\$1451.24	\$1,603.41	\$1,088.43	\$1,202.56	\$362.81	\$400.85

\*Assumes a 25/75% split between the employee and the City. Classified employees currently have this split.

Health Alliance Medical Plan (HAMP) HMO: The City utilizes HAMP to provide an HMO health plan option to its employees and retirees. The HMO is one of two (2) health plan options provided to most employees. An HMO option is a provision of the City's collective bargaining agreements. HMO plan participants have access to the Health Alliance network of providers within the HMO regional network. This is a fully insured product. The City administers two (2)

levels of HMO plans. Currently, one (1) option is provided to union employees and another option with higher out-of-pocket costs is offered to classified employees.

The following shows the HMO rates for the current plan year and those proposed for 2011 and the percent of increase of the proposed rates over those of the current year.

	<u>2010</u>	<u>2011</u>	<u>Percent Increase</u>
Monthly premiums union plan:			
Single	\$ 464	\$ 515	11%
Employee + 1	\$ 910	\$1,010	11%
Family	\$1,258	\$1,396	11%
Monthly premiums Classified plan:			
Single	\$ 440	\$ 488	11%
Employee + 1	\$ 863	\$ 958	11%
Family	\$1,193	\$1,324	11%

Below is a five (5) year history of premium increases in the Health Alliance HMO products.

<u>Year</u>	<u>Premium Percent Increase or (Decrease) from Prior Year</u>
2007	4.0%
2008	3.9%
2009	5.1%
2010	5.0%
2011 (proposed)	11.0%

Estimated Total Cost for calendar 2011 plan year \$1,192,344

Dental Plan: The City utilizes Blue Cross/Blue Shield of Illinois as its TPA to administer its employee and retiree dental plan. Under the TPA contract the City has access to a small local and nationwide provider network and the discounts which Blue Cross negotiates with its network of providers. The majority of claims are processed through non-network providers. The contract also provides for dental claim payments, pre-estimation of benefits on treatments expected to cost more than \$125, claim review, Human Resource staff access to a reporting system, and quarterly and annual reports. The City electronically submits its enrollment data to Blue Cross and Human Resources personnel have access to billing, enrollment and other data in the Blue Cross website. Plan participants have access to a website which offers dental health information and the ability to view claims online.

The dental premiums paid by the City, its employees and retirees are comprised of an administrative fee and an actuarial projection of claim costs for plan participants. The following shows the Blue Cross dental TPA rates for the last several years. They have tended to fluctuate; the thirty percent (30%) decrease in 2009 was negotiated by Mr. Sauder when he began working

with the City. The 2011 administrative fee is anticipated to represent approximately 6.2% of the overall cost of the dental program, the remainder being dental claims.

<u>Year</u>	<u>Per member per month (PMPM) administrative fee</u>	<u>Percent Increase or (Decrease) from Prior Year</u>
2007	\$4.48	
2008	\$4.21	(6.0%)
2009	\$2.95	(30.0%)
2010 (current)	\$3.30	11.9%
2011 (proposed)	\$3.71	12.4%

Estimated Annual expense (666 members x \$3.71 PMPM x 12) \$ 29,650.32

Estimated Administrative Cost for calendar 2011 plan year \$ 29,650.32

Blue Cross' actuaries have projected the City's calendar 2011 claims to total \$475,364. Blue Cross has developed the following total projected costs for the City's calendar 2011 dental plan costs:

Projected Net Paid Claims	\$475,364
Administration Fee	<u>\$ 29,650</u>
Total Projected Cost	\$505,014
Recommended Change in Reserves	<u>\$2,713</u>
Recommended Total Premium Equivalent	\$507,727

The following table shows the current monthly dental premiums and the proposed monthly dental premiums for the City, its employees and retirees.

Coverage	2010 Full Premiums (Retiree Premiums)	2011 Proposed Full Premiums (Retiree Premiums)	2010 City Premiums	2011 Proposed City Premiums	2010 Employee Premiums	2011 Proposed Employee Premiums
Single	\$30.58	\$30.76	\$15.29	\$15.38	\$15.29	\$15.38
Employee or Retiree Plus One	\$61.82	\$61.92	\$30.91	\$30.96	\$30.91	\$30.96
Family	\$93.70	\$93.72	\$46.85	\$46.86	\$46.85	\$46.86

Broker Services: The City has worked with Phil Sauder of Clemens and Associates since 2009 for broker and other services to the plans described above. In addition to obtaining the plans and quotes for the City, Mr. Sauder and the Clemens staff, provide expert insurance related and strategic advice to staff, assist the City with day-to-day operational and larger scale issues with the plans, assist in communicating information to employees and retirees, and assist with open enrollments. Staff often relies on Mr. Sauder, the Clemens staff to resolve the more complex claim issues that plan members sometimes have, and plan participants can call their office directly for assistance if they choose. Mr. Sauder provides staff with reports and updates on local provider issues.

As part of the RFP submitted by Mr. Sauder to the City in 2008, he quoted the City an annual flat fee of \$9,500 per year for the above described work. His fee has not changed since then and he has quoted the same fee for 2011.

**COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED:** None.

**FINANCIAL IMPACT:** Blue Cross PPO Administration: Approximately one third (33.3%) of the expense would come from FY10/11 budgeted expense in 6020-60210-70990 and 6028-60210-70990 and approximately two thirds (66.6%) would come from these line items to be budgeted for FY11/12 depending on the number of enrollees and hospital claims in each fiscal year.

PPO Claims: Approximately one third (33.3%) of the expense would come from FY10/11 budgeted expense in 6020-60210-70717 and 6028-60210-70717 and approximately two thirds (66.6%) would come from these line items to be budgeted for FY11/12 depending on the number of enrollees and hospital claims in each fiscal year. Pharmacy claims are also budgeted in the same line items and in the same manner.

Individual Stop Loss: Approximately one third (33.3%) of the expense would come from FY10/11 budgeted expense in 6020-60210-70716 and 6028-60210-70716 and approximately two thirds (66.6%) would come from funds to be budgeted in these line items for FY11/12 depending on the number of enrollees in each fiscal year.

Health Alliance Medical Plans HMO: Approximately one third (33.3%) of the expense would come from FY10/11 budgeted expense in 6020-60232-70719 and 6028-60232-70719 and approximately two thirds (66.6%) would come from these line items to be budgeted for FY11/12 depending on the number of enrollees in each fiscal year.

Dental Claims and Administration: Approximately one third (33.3%) of the expense would come from FY10/11 budgeted expense in 6020-60240-70717 and 6028-60240-70717 and approximately two thirds (66.6%) would come from these same line items to be budgeted for FY11/12 depending on the number of enrollees in each fiscal year.

Broker Services: Approximately one third (33.3%) of the expense would come from FY10/11 budgeted expense in 6020-60210-70990 and 6028-60210-70990 and approximately two thirds (66.6%) would come from these line items to be budgeted for FY11/12.



Respectfully submitted for Council consideration.

Prepared by:

Laurie Wollrab, MBA, PHR  
Compensation and Benefit Manager

Reviewed by:

Emily Bell, IPMA – CP  
Director of Human Resources

Reviewed as to legal sufficiency:Recommended by:

Rosalee Dodson  
Assistant Corporation Counsel

David A. Hales  
City Manager

(PARTIALLY EXECUTED CONTRACTS ON FILE IN CLERK'S OFFICE, NOT AVAILABLE BROKER SERVICES AGREEMENT)

**David Hales, City Manager, introduced this item. He expressed his appreciation to Roselee Dodson, Asst. Corporation Counsel, and Laurie Wollrab, Compensation & Benefit Manager, for the insurance documents. Once approved, the next phase would be open enrollment. He recommended approval of the agreements.**

**Alderman Purcell expressed his belief that the pricing were good.**

**Motion by Alderman Stearns, seconded by Alderman Purcell that the Agreements be approved, and the Mayor and City Clerk be authorized to execute the necessary documents.**

**The Mayor directed the clerk to call the roll which resulted in the following:**

**Ayes: Aldermen Stearns, Huette, Schmidt, Anderson, Sage, and Purcell.**

**Abstain: Alderman Fruin.**

**Nays: None.**

**Motion carried.**

**The following was presented:**

SUBJECT: Market – Locust East-West Corridor Study and Market Street Rail Overpass

**RECOMMENDATION:** That Council provides staff with a recommended option for addressing the Market Street Rail Overpass and staff return to Council at a future Council meeting for final approval.

**BACKGROUND:** On October 11, 2010, staff presented a report called “The Market Street Rail Overpass – Issues and Opportunities” for additional direction from the Council. In the report, a preliminary budget estimate of \$14.5 million was provided by Hanson’s engineers for the construction of a railroad bridge structure to span four (4) lanes on Market Street. This preliminary budget estimate was provided at no cost to the City. Since the October 11<sup>th</sup> Council meeting, staff has received a budget estimate of \$2.7 million from Union Pacific Railroad for the in kind replacement of the existing bridge. As previously stated in the attached report, any additional amount to extend the span of the bridge beyond the current two (2) lanes on Market Street would be paid by the City. The potential cost to the City would be almost \$12 million.

There is a significant difference between the Hanson’s preliminary budget estimate (four lane bridge) and the Union Pacific budget estimate (two lane bridge). Staff offers the following potential reasons for this large difference:

1. The preliminary budget estimate prepared by Hanson’s engineers probably included a very large contingency factor because the provided estimate was free. For example, Hanson’s engineers might have easily and justifiably used an additional forty percent (40%) contingency factor. What might have been a \$10.4 million estimate for the four (4) lane bridge was increased to \$14.5 million to allow for unknown contingencies.
2. The railroad budget estimate does not include the engineering fees and potential land acquisition needed for project completion.
3. A four (4) lane bridge has a significantly larger footprint and impact on the area. The existing foundations and retaining walls could not be reused and would need to be removed to accommodate a larger span. Additional needs would include land acquisition, lift station, and retaining walls, etc.

Staff respectfully requests that Council provide direction for one of the following alternatives:

1. Direct staff to create a Request for Qualifications (RFQ) for the design services needed to expand the Union Pacific bridge over Market Street to accommodate four (4) lanes of traffic.
  - a. Based upon the updated financial cost estimate information, staff does not recommend moving forward with expansion of the railroad bridge to accommodate four (4) lanes on Market Street.
  - b. Staff does not recommend this option.
2. Direct staff to pursue a partnership with the Illinois Department of Transportation (IDOT) for a needed feasibility study to determine if the realigning of the state and federal route of Market Street and Locust Street is warranted.
  - a. The unintended consequences of not evaluating the proper transportation routes through the west side of the City could be an impact on the west side development efforts.

- b. Long term transportation planning complies with the Council's approved Strategic Plan: Convenient Connectivity within the 2025 Vision.
  - c. Staff recommends this option.
3. Do nothing. Council can allow the Union Pacific railroad bridge to be upgraded to accommodate the high speed rail as currently budgeted by the railroad without any additional traffic lane accommodation. In addition, Council can direct staff not to pursue any partnership with IDOT on a transportation feasibility study for the state and federal route.
- a. A feasibility study will take multiple years to complete. Any physical construction improvements will take additional years to secure funding. Due to this extended time period for any road improvements to occur, staff recommends that the City begin discussions with IDOT on a potential partnership.
  - b. Staff recommends that a long term partnership with IDOT be pursued for a feasibility study for potential realignment of the state and federal route.

**COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED:** Not applicable at this time.

**FINANCIAL IMPACT:** Not applicable at this time.

Respectfully submitted for Council consideration.

Prepared by:

Recommended by:

Jim Karch, PE CFM  
Director of Public Works

David A. Hales  
City Manager

**Mayor Stockton introduced this item. He explained that staff required Council's direction. He provided a brief history of this item. David Hales, City Manager, addressed the Council. He stressed items contained in the Council Memorandum.**

**Mayor Stockton noted a map with line on it was strictly symbolic. This was still in preliminary phase.**

**Jim Karch, Director of Public Works, addressed the Council. He was interested in a long term plan working with Illinois Department of Transportation (IDOT) to move forward on this item. It was his belief that in the future, the City would request the majority of the funding from IDOT. Federal funding also would be pursued. He stressed that this project might possibly be placed into the budget in the next ten to fifteen (10-15) years.**

**Alderman Anderson not interested in widening the bridge. He believed this would not preserve the neighborhood as stated in the City's Strategic Plan.**

**Alderman Stearns expressed her belief that there was no value in widening the street. She questioned if notices were sent to the neighborhood. Mr. Karch responded that such action would be part of a feasibility study. She also requested that Mr. Karch provide his thoughts on how this plan would change Locust St. Mr. Karch stated that any thoughts given should be based on a transportation study which had not been conducted. He explained that the feasibility study needed to be completed first. He reminded Council that a state and federal route was located along Locust. IDOT and Federal Highway Authority (FHA) would be interested in making sure that the corridor would convey long term traffic projects. He was requesting Council's approval for staff to approach IDOT.**

**Alderman Schmidt expressed her belief that numerous properties on the east side were frozen due to the East Side corridor study. She would like to mitigate this from happening ton this neighborhood.**

**Alderman Purcell echoed Alderman Schmidt's comments. He questioned the impact of the study. He stated his interest in the study and the options it would bring. An east/west route would be good. Mr. Karch stated that the goal would be to present the Council with good data rather than reactive measures.**

**Alderman Fruin shared concerns about a feasibility study. He was concerned with the public relations aspect.**

**Mayor Stockton added that high level thinking was making sure citizens were able to travel from one part of the community to another well.**

**Motion by Alderman Fruin, seconded by Alderman Purcell that Council direct staff to pursue a partnership with the Illinois Department of Transportation for a feasibility study to determine if the realigning of the state and federal route of Market St. and Locust St. is warranted.**

**The Mayor directed the clerk to call the roll which resulted in the following:**

**Ayes: Aldermen Stearns, Huette, Schmidt, Anderson, Sage, Fruin and Purcell.**

**Nays: None.**

**Motion carried.**

**The following was presented:**

**SUBJECT: Request to Enter into a Professional Services Contract with Hanson Professional Services Inc. for a Travel Demand and Railroad Crossing Study, (Wards 1, 2, 4, 5, 8, and 9)**

**RECOMMENDATION:** That the Contract with Hanson Professional Services, Inc., for a Travel Demand and Railroad Crossing Study be approved in an amount not to exceed \$84,705, the Mayor and City Clerk be authorized to execute the necessary documents, and the Resolution adopted.

**BACKGROUND:** The southeastern portion of the City is in need of an east-west arterial street and recommendations for the best location to construct railroad crossings with the Norfolk Southern Railroad (NSRR) mainline in the area. The City has several major streets which cross the NSRR or are planned for future crossings. Current crossings include Morrissey Drive, Towanda Barnes Road, Abraham Road, and Bunn Street. Future crossings under consideration include Hershey Road and Hamilton Road.

The proposed travel demand and railroad crossing study is the first phase of a multi-phase design process which will prioritize the construction of five (5) proposed railroad crossings, provide recommendations for the type of crossing (at grade, over, or under), provide estimates of cost and a cost/benefit analyses for the available crossing options, and take a cursory look at the environmental conditions near the proposed improvement sites. A map has been prepared that depicts the study area, crossing locations, and proposed transportation improvements.

Subsequent phases of the project will seek to implement the recommendations of the study and seek approval for new crossings from the Illinois Commerce Commission, if necessary, at the optimized locations. This study is necessary to determine the preferred method of crossing Hershey Road south of Hamilton Road. The City is required under the terms of an annexation agreement approved February 11, 2002 to extend Hershey Road about 700 feet south of Hamilton Road to the southern limits of the Hershey Grove Development within ten (10) years.

Hanson Professional Services was selected using the Professional Services Quality Based Selection Process. This process involved: 1.) soliciting Request for Qualifications (RFQ); 2.) reviewing the submitted Statement of Qualifications based on the criteria outlined in the RFQ and narrowing the eight (8) submittals down to two (2) consultants; 3.) interviewing the two (2) consultants, and 4.) selecting and negotiating a fee with the top consultant.

Staff recommends that Council approve the Professional Engineering Design Services Contract with Hanson Professional Services Inc. and adopt the Resolution for expenditure of Motor Fuel Tax Funds.

**COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED:** Not applicable.

**FINANCIAL IMPACT:** The professional engineering design services contract with Hanson Professional Services Inc., includes a not to exceed maximum of \$84,705. Payment shall be made with Motor Fuel Tax Funds, Section No. 10-00347-00-PV, X20300-72530. The approved FY 2010-2011 Capital Improvement Budget includes \$250,000 in Motor Fuel Tax Funds for this study and design of the Hershey Road extension south of Hamilton Road.

Respectfully submitted for Council consideration.

Prepared by:

Reviewed as to legal sufficiency: Recommended by:

Jim Karch  
Director of Public Works

Todd Greenburg  
Corporation Counsel

David A. Hales  
City Manager

(PARTIALLY EXECUTED IDOT RESOLUTION 2010-12 AND PRELIMINARY ENGINEERING SERVICES AGREEMENT ON FILE IN CLERK'S OFFICE)

**Mayor Stockton introduced this item. David Hales, City Manager, addressed the Council. He reminded them that \$250,000 was in the budget to begin work, complete the design, and extend Hershey Rd. During the selection process it was determined that this project would be better served by completing Phase 1. Multiple crossings would be reviewed. It was his belief that going forward a good master plan for existing and proposed crossings with good analysis was needed. The long range street capital improvement plan would include a connection at Hamilton Rd.**

**Alderman Stearns and Purcell left at 9:25 p.m.**

**Jim Karch, Director of Public Works addressed the Council. Planning was needed. Staff wanted to present the best and the most needed project. Mr. Hales questioned the timeline associated with Phase 1. Mr. Karch anticipated completion by the end of current Fiscal Year (FY) 2009-2010. Following that timeline Phase 2 would be presented in next year's budget, (FY 2010-2011).**

**Alderman Purcell returned at 9:28 p.m.**

**Mr. Hales reminded Council of the Annexation Agreement timeline. The next FY budget would include design and construction costs. He recommended approval.**

**Alderman Schmidt questioned working with the railroad. Mr. Karch responded this was in the scope of work.**

**Alderman Stearns returned at 9:30 p.m.**

**Alderman Anderson questioned bringing the completed study back for Council prioritization. Mayor Stockton responded affirmatively.**

**Alderman Purcell stated his belief that traffic should flow over the railroad tracks at grade.**

**Motion by Alderman Fruin, seconded by Alderman Anderson that the Contract be approved and the Mayor and City Clerk be authorized to execute the necessary documents.**

**The Mayor directed the clerk to call the roll which resulted in the following:**

**Ayes: Aldermen Stearns, Huette, Schmidt, Anderson, Sage, Fruin and Purcell.**

**Nays: None.**

**Motion carried.**

**The following was presented:**

**SUBJECT:** City State Agreement, Jurisdictional Transfers, Easement Subordinations, and Funding Resolutions for the Reconstruction of the Veterans Parkway, Morris Avenue, Six Points Road, and Greenwood Avenue Intersection, (Wards 1 & 2)

**RECOMMENDATION:** That the Jurisdictional Transfer Agreement with a Resolution, Easement Subordinations and Ordinance be approved, the Mayor and City Clerk be authorized to execute the necessary documents, the Resolution appropriating \$191,245 in MFT Funds be adopted, and \$603,513 in Water Depreciation Funds for the City's estimated share of the project be approved.

**BACKGROUND:** The proposed improvements include the complete reconstruction of the Veterans Parkway/Morris Avenue/Six Points Road intersection; the replacement of existing traffic signals, and the installation of a new signal at Morris Avenue and Six Points Road. In order to alleviate some congestion at this intersection, cul-de-sacs will be constructed on Greenwood Avenue east of Morris and Springfield Road at Forrest Park. Furthermore, Greenwood Avenue and Springfield Road west of Morris will be re-routed in order to remove them from the intersection.

Greenwood Avenue will connect to Morris Avenue a few hundred feet south of the Veterans and Morris intersection. Springfield Road will connect to Six Points Road a few hundred feet west of the Morris and Six Points intersection. In addition, a new signalized intersection will be constructed. The new intersection will connect Greenwood Avenue to Veterans Parkway and be located between Main Street and Morris Avenue. The project also includes the relocation, replacement and adjustment of existing City utilities. The entire project will be managed, inspected, and coordinated by Illinois Department of Transportation (IDOT), but the City is financially responsible for some of the work as outlined in the Agreement. The project is currently scheduled for a November 11, 2010 IDOT bid letting.

**COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED:** IDOT.

**FINANCIAL IMPACT:** The estimated project costs are as follows:

	<u>Estimate</u>	<u>FY 2010-2011 Budget</u>
IDOT Federal Reimbursable	\$ 6,936,960	N/A
IDOT	\$ 1,696,740	N/A
City of Bloomington (Motor Fuel Tax Funds)	\$ 191,245	\$ 260,000
City of Bloomington (Water Depreciation Funds)	<u>\$ 603,513</u>	\$ 750,000
TOTAL	\$ 9,428,458	

As indicated, these are estimated costs. The actual construction cost and subsequent City's share will be determined after the project is complete. As shown, sufficient Water Depreciation and MFT Funds are included in the City's current fiscal year budget. Payment will be made with \$191,245 in Motor Fuel Tax Funds (X20300-72530) and \$603,513 in Water Depreciation Funds (X50200-72540).

Respectfully submitted for Council consideration.

Prepared by:

Reviewed by:

Fiscal review by:

Jim Karch  
Director of Public Works

Craig Cummings  
Director of Water

Tim Ervin  
Finance Director

Reviewed as to legal sufficiency:

Recommended by:

J. Todd Greenburg  
Corporation Counsel

David A. Hales  
City Manager

(PARTIALLY EXECUTED ORDINANCE 2010-49, EXHIBIT B RESOLUTION 2010-43 TO THE AGREEMENT, IDOT RESOLUTION 2010-44, FAP ROUTE AGREEMENT, AND SUBORDINATION OF SURFACE RIGHTS ON FILE IN CLERK'S OFFICE)

**Mayor Stockton introduced this item. David Hales, City Manager, addressed the Council. This was the last step left in order for the Illinois Department of Transportation (IDOT) to proceed with the contract. He expressed his appreciation to Jim Karch, Director of Public Works. Mr. Hales requested that Mr. Karch provide an update on the bid for this project.**

**Mr. Karch addressed the Council. The apparent low bidder was Stark Excavating. He reminded Council that this was an IDOT contract, the State holds the contract and conducts inspections. It was a major project. The key was moving the frontage roads away from the intersection.**

**Alderman Anderson questioned the timeframes. Mr. Karch stated that the underground work would begin in February/March 2011, weather permitting.**



**Alderman Sage expressed his appreciation to Mr. Hales and Mr. Karch. He recognized the diligence and hard work involved to keep this project moving. He believed this was due to the City's working relationship with IDOT.**

**Mayor Stockton stated that this project would connect to the work completed on Morris Ave. Mr. Karch explained that there would still be a small portion of Morris Ave. left to be completed. The goal was to wait for the State's work to be completed. Mayor Stockton questioned Tanner St. Mr. Karch replied that Tanner St. would require work and budget approval. Springfield Rd. would no longer exist.**

**Motion by Alderman Sage, seconded by Alderman Schmidt that the Jurisdictional Transfer Agreement with a Resolution, Easement Subordinations and Ordinance be approved, the Mayor and City Clerk be authorized to execute the necessary documents, the Resolution appropriating \$191,245 in MFT Funds be adopted, and \$603,513 in Water Depreciation Funds for the City's estimated share of the project be approved.**

**The Mayor directed the clerk to call the roll which resulted in the following:**

**Ayes: Aldermen Stearns, Huette, Schmidt, Anderson, Sage, Fruin and Purcell.**

**Nays: None.**

**Motion carried.**

**The following was presented:**

**State of Illinois Park and Recreational Facility Construction Grant Program Presentation.**

**Mayor Stockton introduced this item. David Hales, City Manager, addressed the Council. He explained that the State of Illinois wanted to provide grant money to complete parks and recreation facility projects construction. The current grant amount was \$25 million and would pay up to seventy-five percent (75%) of the actual project cost. It was a Jobs Bill to create construction jobs. He reminded Council that there were Open Space Lands and Acquisition Development (OSLAD) grants tied to Gaelic and Eagleview South Parks.**

**John Kennedy Parks, Recreation & Cultural Arts Director, addressed the Council. He stressed that this grant does not replace the OSLAD grant, nor could it be used in conjunction with same. This grant program would require a site plan. The master plan only contained a site plan for Gaelic Park. He suggested that in the upcoming year, the master plan be reviewed for potential projects. He explained that these projects must be brick and mortar. He provided some possible projects that would meet the criteria.**

**Mr. Hales questioned the upcoming grant amounts. Mr. Kennedy replied that the anticipated amounts would be in \$25 million cycles. The advantage over the OSLAD grant**

was this grant could go up to \$2.5 million. The OSLAD grant limit was \$400,000 per development.

Alderman Fruin questioned if the grant had to be tied to the municipality. He also questioned if a Senior Citizen or Youth type program was allowed. He thought there might be an opportunity to partner with a private entity. Mr. Kennedy responded that the grant applicant had to be a governmental entity. There was debate on the definition of a recreational building.

Mayor Stockton questioned if the Creativity Center would qualify. Mr. Kennedy stated that it would be a lower priority.

Mr. Hales stated that the list of priorities would be presented to Council. He explained then additional design work would be required to prepare for the next round of grant applications.

**MAYOR'S DISCUSSION:** Mayor Stockton reminded Council of the November 15, 2010, Citizen's Voice Meeting which would be held at Miller Park Pavilion at 6:00 p.m. This gave citizens the opportunity to address the Council. He asked that the meeting be held to ninety (90) minutes in total length.

**CITY MANAGER'S DISCUSSION:** Mr. Hales reminded Council that the final session with Lyle Sumack would be held on December 15, 2010 from 5:00 – 9:00 p.m.

**ALDERMEN'S DISCUSSION:** Alderman Anderson stated that Citizen Voice Guidelines were located on the website.

Alderman Stearns stated that she and Alderman Purcell had been working with an Illinois Wesleyan University intern. He had conducted research from all over the state. The surveys addressed how cities handled infill and vacant houses. She was looking forward to sharing his research.

Alderman Purcell discussed Heritage Enterprises' construction expansion at 700 E. Walnut St. The four (4) main concerns were: 1.) width of the apron; 2.) trucks turning due to on street parking; 3.) commercial traffic go north; and 4.) trucks parked during construction. He had sent an email to conduct another meeting with the neighborhood. It was his belief that there was resolution.

Alderman Schmidt reminded the Council that the last outdoor Farmer's Market was held on Saturday, November 6, 2010. An indoor Farmer's Market was scheduled for Saturday, November 20, 2010 at the US Cellular Coliseum. There would be a City Council booth at this market. She urged the City to assume a leadership role work with the Downtown Business Association (DBA) and Downtown residents. She also reminded them that the Downtown was part of the Strategic Plan. The Jean Anderson Award would be presented on November 15, 2010 beginning at 5:00 p.m.

**Alderman Fruin expressed his appreciation of the email breakdown sent by Mr. Hales. It was very helpful. It was his belief that with all the information Mr. Hales provided, it also took time away from his other duties. He expressed concern regarding the additional workload.**

**Alderman Sage expressed concern with the Library's Tax Levy. He reviewed the property taxes received from last fiscal year and this fiscal year. The Library had received a seven percent (7%) increase. He then compared that with the City's departments and the budget reductions that had occurred. He believed that their Unreserved Fund Balance needed to be discussed during the tax levy process.**

**Motion by Alderman Anderson, seconded by Alderman Schmidt, that the meeting be adjourned. Time: 10:08 p.m.**

**Motion carried.**

**Renee Gooderham  
Chief Deputy Clerk**