CITY OF BLOOMINGTON

COUNCIL MEETING AGENDA

109 E. OLIVE

TUESDAY, NOVEMBER 12, 2013 7:00 P.M.

1. **Call to Order**
2. **Pledge of Allegiance to the Flag**
3. **Remain Standing for a Moment of Silent Prayer**
4. **Roll Call of Attendance**
5. **Public Comment *(15 minutes)***
6. **Recognition/Appointments**
7. **"Consent Agenda"**

   A. **Council Proceedings of October 28, 2013, and Work Session Minutes for January 18, 2012, November 9 & 10, 2012 and October 28, 2013. (Recommend that the reading of the minutes of the previous Council Proceedings of October 28, 2013 and Work Session Minutes for January 18, 2012, November 9 & 10, 2012 and October 28, 2013 be dispensed with and the minutes approved as printed.)**

   B. **Bills and Payroll. (Recommend that the Bills and Payroll be allowed and the orders drawn on the Treasurer for the various amounts as funds are available.)**

   C. **Change Order # 1 for the Market St. Parking Garage Repairs in the amount of $10,083.08. (Recommend that the Change Order be approved.)**

   D. **Severance Agreement for Todd Greenburg. (Recommend that the Council authorize City Manager David A. Hales to sign and enter into a Severance Agreement with Corporation Counsel Todd Greenburg.)**

E. Analysis of Bids and Approval of the FY2014 Sump Pump Drainage Contract. (Recommend that the prices from George Gildner, Inc. for FY 2014 Sump Pump Drainage be accepted, in the amount of $100,000, and the Mayor and City Clerk be authorized to execute the necessary documents.)

F. Extension of Fuel Agreement for Fleet Vehicles and Equipment. (Recommend that the Fuel Purchasing Agreement with Evergreen FS be extended for one (1) year and the Purchasing Agent authorized to issue a Purchase Order for same.)

G. Illinois Housing Development Authority Grant Programs. (Recommend that Council approve the City's application to Illinois Housing Development Authority (IHDA) for the Abandoned Properties Program (APP) and temporarily suspend application renewal to the IHDA Single Family Owner Occupied Rehabilitation (SFOOR) Program.)

H. City of Bloomington Health Care Plans. (Recommend that the Client Agreements be approved and the Mayor and City Clerk be authorized to execute the necessary documents.)

i. Client Agreement with Blue Cross/Blue Shield of Illinois (Blue Cross) for Third Party Administrator (TPA) Services and Individual Stop Loss (ISL) Insurance for the Employee and Retiree Preferred Provider Organization (PPO) Health Plans.

ii. Client Agreement with Health Alliance Medical Plans (HAMP) for Employee and Retiree Health Maintenance Organization (HMO) Plan Option.

iii. Client Agreement with Blue Cross for TPA Services for the Employee and Retiree Dental Plan.

I. Variance from Chapter 38, Section 123(a) to Allow a Driveway Approach 52.5 Feet Wide at 3109 Cornelius Dr. (Recommend that the variance be approved.)

8. "Regular Agenda"

A. Economic Development Council of the Bloomington-Normal Area Property Tax Abatement Incentive Program and corresponding Memo of Understanding. (Recommend that the proposed economic development incentive program, known as the Limited Discretionary Property Tax Abatement of Improvements, be adopted and the authorized parties be allowed to execute the memo of understanding for the purpose of business attraction and expansion effort.) *(15 minutes)*

B. Proposed 2013 Tax Levy, (City and Library), and Adoption of Estimated Levy. (Recommend that the proposed tax levy be adopted as the estimate of $23,219,066 for the 2013 Tax Levy.) ***(15 minutes)***

C. Proposed Funding Ordinance for the Police and Fire Firefighter Pension Plans. (Recommend that the Text Amendment to Chapter 16, Article III, Funding Ordinance for Police and Firefighter Pension Plans, Section 46, be approved and the Ordinance passed.) ***(40 minutes)***

9. Mayor's Discussion

10. City Aldermen's Discussion

11. Executive Session – cite section

12. Adjournment

13. Notes

CITY OF Bloomington ILLINOIS

FOR COUNCIL: November 12, 2013

SUBJECT: Council Proceedings of October 28, 2013 and Work Session Minutes for January 18, 2012, November 9 & 10, 2012 and October 28, 2013

RECOMMENDATION/MOTION: That the reading of the minutes of the previous Council Proceedings of October 28, 2013 and the Work Session Minutes for January 18, 2012, November 9 & 10, 2012 and October 28, 2013 be dispensed with and the minutes approved as printed.

STRATEGIC PLAN LINK: Goal 1. Financially sound City providing quality basic services.

STRATEGIC PLAN SIGNIFICANCE: Objective 1d. City services delivered in the most cost-effective, efficient manner.

BACKGROUND: The Council Proceedings of October 28, 2013 and the Work Session Minutes for January 18, 2012, November 9 & 10, 2012 and October 28, 2013 have been reviewed and certified as correct and complete by the City Clerk.

In compliance with the Open Meetings Act, Council Proceedings must be approved within thirty (30) days after the meeting or at the Council's second subsequent regular meeting whichever is later.

In accordance with the Open Meetings Act, Council Proceedings are made available for public inspection and posted to the City's web site within ten (10) days after Council approval.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: Not applicable.

Respectfully submitted for Council consideration.

Prepared by: Tracey Covert, City Clerk

Recommended by:

David A. Hales
City Manager

Attachments: Attachment 1. Draft Council Proceedings for October 28, 2013
Attachment 2. Draft Work Session Minutes for January 18, 2012
Attachment 3. Draft Work Session Minutes for November 9 & 10, 2012
Attachment 4. Draft Work Session Minutes for October 28, 2013

Motion: ____ Seconded by: ____

	Aye	Nay	Other		Aye	Nay	Other
Alderman Black				Alderman Mwilambwe			
Alderman Fazzini				Alderman Sage			
Alderman Fruin				Alderman Schmidt			
Alderman Lower				Alderman Stearns			
Alderman McDade							
				Mayor Renner			

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 7:00 p.m., Monday, October 28, 2013.

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

The Meeting was called to order by the Mayor Pro Tem (Alderman Schmidt) who directed the City Clerk to call the roll and the following members answered present:

Aldermen: Judy Stearns, Mboka Mwilambwe, Kevin Lower, David Sage, Robert Fazzini, Jennifer McDade, Scott Black, Karen Schmidt, and Jim Fruin.

Absent: Mayor Tari Renner.

City Manager David Hales, City Clerk Tracey Covert, and Asst. Corporate Counsel George Boyle were also present.

Absent: Corporate Counsel Todd Greenburg.

The following was presented:

Oath of Office Wesley DeWitt, Firefighter.

Mike Kimmerling, Fire Chief, introduced Wesley DeWitt, Firefighter. Mr. DeWitt had successfully completed his probationary period. Mr. DeWitt's extended family was in attendance at the meeting. Mr. DeWitt held two (2) Associates Arts degrees: Fire Science and EMT – P (Emergency Medical Technician – Paramedic). Mr. DeWitt's first year as a firefighter had been busy.

Tracey Covert, City Clerk, administered the Oath.

The following was presented:

Juvenile Justice Council Presentation on the Youth Build Summer Jobs 2013 Report.

Cathy Jo Waltz, McLean County Juvenile Detention Center's Superintendent, addressed the Council. She thanked the Council for the opportunity to address them and for their support of the Youth Build Summer Jobs program. Data had been collected and a report had been provided. Youth Build facilitated the program and the Juvenile Justice Council was impressed with the program's successes. There was data to validate this program. The Program assisted youth to become productive citizens and avoid the court system. She believed that the community was lucky to have the Summer Jobs Program.

She noted that insufficient time had been provided as she had hoped to have some of the youth involved in the Program address the Council.

Alderman Schmidt noted the Program's growth and its ability to change lives.

Alderman Fazzini addressed the statistics. He noted the Program's graduation statistics. Youth Build needed to continue administering this program. Illinois State University had assisted with the data collection. It appeared that this program did more than just change lives. It also appeared that the community would benefit from similar programs.

The following was presented:

SUBJECT: Council Proceedings of October 14, 2013

RECOMMENDATION/MOTION: That the reading of the minutes of the previous Council Proceedings of October 14, 2013 be dispensed with and the minutes approved as printed.

STRATEGIC PLAN LINK: Goal 1. Financially sound City providing quality basic services.

STRATEGIC PLAN SIGNIFICANCE: Objective 1d. City services delivered in the most cost-effective, efficient manner.

BACKGROUND: The Council Proceedings of October 14, 2013 have been reviewed and certified as correct and complete by the City Clerk.

In compliance with the Open Meetings Act, Council Proceedings must be approved within thirty (30) days after the meeting or at the Council's second subsequent regular meeting whichever is later.

In accordance with the Open Meetings Act, Council Proceedings are made available for public inspection and posted to the City's web site within ten (10) days after Council approval.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: Not applicable.

Respectfully submitted for Council consideration.

Prepared by: Tracey Covert, City Clerk

Recommended by:

David A. Hales
City Manager

Motion by Alderman Fazzini, seconded by Alderman Black that the reading of the minutes of the previous Council Proceedings of October 14, 2013 be dispensed with and the minutes approved as printed.

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

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Lower, Fazzini, Sage, Fruin and Black.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Bills and Payroll

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

STRATEGIC PLAN LINK: Goal 1. Financially sound City providing quality basic services.

STRATEGIC PLAN SIGNIFICANCE: Objective 1d. City services delivered in the most cost-effective, efficient manner.

BACKGROUND: The list of bills and payrolls will be posted on the City's website on Wednesday, October 23, 2013 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: Tracey Covert, City Clerk

Financial & budgetary review by: Patti-Lynn Silva, Director of Finance

Recommended by:

David A. Hales
City Manager

Motion by Alderman Fazzini, seconded by Alderman Black that the Bills and Payroll be allowed and the orders drawn on the Treasurer for the various amounts as funds are available.

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

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Lower, Fazzini, Sage, Fruin and Black.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Purchase Three (3) Police Pursuit Vehicles Utilizing State of Illinois Joint Purchasing Contract

<u>RECOMMENDATION/MOTION:</u> That the purchase of three (3) Police pursuit vehicles from Miles Chevrolet Inc., Decatur, IL be approved utilizing State of Illinois Joint Purchasing Contract #PSD4017159, in the amount of $82,998, and the Purchasing Agent be authorized to issue a Purchase Order for same.

<u>STRATEGIC PLAN LINK:</u> Goal 1. Financially sound City providing quality basic services.

<u>STRATEGIC PLAN SIGNIFICANCE:</u> Objective 1d. City services delivered in the most cost-effective, efficient manner.

<u>BACKGROUND:</u> Currently there are three (3) marked patrol units to be replaced in this Fiscal Year (FY) budget. These units will have over 100,000 miles on them when the new units arrive and are put into service. Police equipment will be transferred from the old units to the replacement units.

Normal replacement of marked patrol cars is at 100,000 miles. Total repair and maintenance to date on all three (3) units is $54,473.64. Staff respectfully requests to replace these three (3) units which are scheduled at this time or units that need repairs that exceed their value at the time the new units are put in service. Staff respectfully requests to have the replacement units declared surplus and be sold on public auction.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: Stakeholders may find this in the FY 2014 Budget book titled "Other Funds & Capital Improvement Program" on page 20. The line item is Drug Enforcement - Capital Outlay Licensed Vehicle (20900900-72130).

Respectfully submitted for Council consideration.

Prepared by:	Jim Karch, P.E., Director of Public Works
Reviewed by:	Barbara J. Adkins, Deputy City Manager
Financial & budgetary review by:	Chris Tomerlin, Budget Analyst Patti-Lynn Silva, Director of Finance

Recommended by:

David A. Hales
City Manager

Motion by Alderman Fazzini, seconded by Alderman Black that the purchase of three (3) Police pursuit vehicles from Miles Chevrolet Inc., Decatur, IL be approved utilizing State of Illinois Joint Purchasing Contract #PSD4017159, in the amount of $82,998, and the Purchasing Agent be authorized to issue a Purchase Order.

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

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Lower, Fazzini, Sage, Fruin and Black.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Request to Approve Purchase of One (1) Pursuit Package Chevrolet Tahoe for the Fire Department

RECOMMENDATION/MOTION: That the formal bid process be waived, a 2014 Chevrolet Tahoe for the Fire Department be purchased from Currie Motors, Forest Park, IL utilizing the Northwest Suburban Purchasing Cooperative Contract, in the amount of $31,664, and the Purchasing Agent be authorized to issue a Purchase Order for same.

STRATEGIC PLAN LINK: Goal 1. Financially sound City providing quality basic services.

STRATEGIC PLAN SIGNIFICANCE: Objective 1d. City services delivered in the most cost-effective, efficient manner.

BACKGROUND: Staff recommends the pursuit rated vehicle because of its heavy duty design features. It has StabillTrak. This is a stability control system with Proactive Roll Avoidance and Traction Control. This is needed to lessen the chance of a rollover on a four (4) wheel drive vehicle.

The unit is equipped with external engine and transmission oil coolers to extend component life. The Tahoe will come pre-wired for some of the emergency equipment that will be transferred from the existing unit. It will be equipped with a 160 amp alternator to handle the electrical load of all emergency equipment.

The replaced unit will be declared surplus and sold on public auction using the Public Surplus web site.

The unit to be replaced is a 2007 Ford Expedition that is in this Fiscal Year (FY) Budget. This unit has over 60,000 miles on it at this time. Normal replacement of a vehicle of this type would be ten (10) years or 100,000 miles. This unit is assigned to an ambulance classification due to its use.

The normal replacement cycle for an ambulance is five (5) years. This unit is used as a first responding life support vehicle to provide emergency service to the outlying communities. Total maintenance cost to date for the Expedition is $16,351.93. The fire equipment will be transferred from the existing unit to the replacement unit.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: Stakeholders can locate this in the FY 2014 Budget book titled "Budget Overview & General Fund" on page 277. This is budgeted in Fire - Capital Outlay Licensed Vehicles (10015210-72130). This vehicle was budgeted at $34,711.

Respectfully submitted for Council consideration.

Prepared by:	Jim Karch, P.E., Director of Public Works
Reviewed by:	Barbara J. Adkins, Deputy City Manager
Financial & Budgetary review by:	Chris Tomerlin, Budget Analyst Patti-Lynn Silva, Director of Finance

Recommended by:

David A. Hales
City Manager

Motion by Alderman Fazzini, seconded by Alderman Black that the formal bid process be waived, a 2014 Chevrolet Tahoe for the Fire Department be purchased from Currie Motors, Forest Park, IL utilizing the Northwest Suburban Purchasing Cooperative Contract, in the amount of $31,664, and the Purchasing Agent be authorized to issue a Purchase Order.

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

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Lower, Fazzini, Sage, Fruin and Black.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Payment of an invoice from McLean County Asphalt for Repairs to the Pavement on Regency Dr. between Washington St. and Eastland Dr.

RECOMMENDATION/MOTION: That the payment for emergency repairs to the pavement provided by McLean County Asphalt be approved in the amount of $30,180.92.

STRATEGIC PLAN LINK: Goal 5. Great place – livable, sustainable City.

STRATEGIC PLAN SIGNIFICANCE: Objective 5a. Well-planned City with necessary services and infrastructure.

BACKGROUND: On July 3, 2013, a six inch (6”) water main failed in two (2) places, several hundred feet apart, on Regency Dr. between Washington St. and Eastland Dr. The water main had failed catastrophically as a large portion of the water pipe disintegrated due to corrosion. In most cases, a water main break will occur as a narrow circumferential crack around the water main. This is known as a beam break. In a smaller percentage of cases, a piece of the pipe will break away from the rest of the pipe leaving a hole in the pipe that must be repaired. This is known as a blow-out. Generally speaking, the amount of water released from the pipe increases with a blow-out as compared to a beam break. Therefore, with this pipe failure, a large amount of water was released very quickly and this caused extensive damage to the pavement on

Regency Dr. If fact, the first blow-out probably caused the second blow-out when the water pressure and flow changed dramatically in this section of pipe.

The repair to the pipe did account for some of the damage to the pavement since excavations were needed to repair the water main in two (2) places. Although excavations were required to place a repair clamp at each blow-out, the majority of the pavement damage was caused by the large area of upheaval in the pavement as the water released from the pipe failure, under pressure, moved to the area of least resistance. In this case, the water moved upward and displaced a large amount of pavement. The size of pavement repair was beyond the expertise and capabilities of the Public Works Department. After the water main was repaired, the paving contractor was called upon to make the necessary emergency repairs.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: Payment for this invoice will be made from Water Transmission and Distribution - Repair/Maintenance to Infrastructure (50100120-70550). Detailed Maintenance and Repair Time and Material documents were submitted with the invoice and Water Department staff reviewed these documents and found them to be in order. Stakeholders may locate this in FY 2014 Budget book titled "Other Funds & Capital Improvement Program" on page 139. $1,000,000 was budgeted in this account for FY 2014. As of October 16, 2013, $860,924.49 was available in this line item.

Respectfully submitted for Council consideration.

Prepared by: Craig M. Cummings, Director Water

Financial & budgetary review by: Chris Tomerlin, Budget Analyst
Patti-Lynn Silva, Director of Finance

Recommended by:

David A. Hales
City Manager

Motion by Alderman Fazzini, seconded by Alderman Black that the payment for emergency repairs to the pavement provided by McLean County Asphalt be approved in the amount of $30,180.92.

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

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Lower, Fazzini, Sage, Fruin and Black.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Annual Water Billing Software Maintenance Agreement

RECOMMENDATION/MOTION: That the maintenance agreement and payment to Springbrook Software be approved, in the amount of $28,317.38.

STRATEGIC PLAN LINK: Goal 1. Financially sound City providing quality basic services.

STRATEGIC PLAN SIGNIFICANCE: Objective 1d. City Services delivered in the most cost-effective, efficient manner.

BACKGROUND: The Water Department has utilized Springbrook software for water billing since 2001. This software has been regularly updated and is functional. In May 2008, staff was granted permission to purchase the on-line bill payment module, which is currently in use. This invoice contains the traditional maintenance cost and the additional maintenance cost for the online bill payment module. If the annual software maintenance invoice is not paid, any problems with the software would be paid on a full cost basis and on the vendor's timetable. This could lead to catastrophic failures or delays in the billing system. Staff has reviewed the invoice and finds it in order.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: This is a budgeted annual maintenance fee. $28,317.38 will be paid from Water Administration - Other Purchased Services (50100110-70690). Stakeholders can locate this in the FY 2014 Budget book titled "Other Funds & Capital Improvement Program" on page 134.

Respectfully submitted for Council consideration.

Prepared by:	Craig M. Cummings, Director of Water
Reviewed by:	Scott A. Sprouls, Director of Information Services
Financial & budgetary review by:	Chris Tomerlin, Budget Analyst Patti-Lynn Silva, Director of Finance

Recommended by:

David A. Hales
City Manager

Motion by Alderman Fazzini, seconded by Alderman Black that the maintenance agreement and payment to Springbrook Software be approved in the amount of $28,317.38.

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

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Lower, Fazzini, Sage, Fruin and Black.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: HoJo Pump Station Gravity Sewer Feasibility Study

RECOMMENDATION/MOTION: That Maurer-Stutz be authorized to proceed with the design and construction plans for a gravity sewer at a cost of $49,136.50.

STRATEGIC PLAN LINK: Goal 2. Upgrade City infrastructure and facilities and Goal 5. Great place – livable and sustainable City.

STRATEGIC PLAN SIGNIFICANCE: Objective 2c. Functional, well maintained sewer collection system and 5a. Well planned City with necessary services and infrastructure.

BACKGROUND: On April 22, 2013, Council approved a contract with Maurer-Stutz to perform a feasibility study regarding the replacement of the HoJo pump station with a gravity sewer. The contract with Maurer-Stutz also includes design and construction plan preparation for the gravity sewer or rehabilitation of the existing station.

Since April 22, 2013, Maurer-Stutz has completed the study and determined that replacement with a gravity sewer is feasible. The Feasibility Study Report was provided to the Council. As shown in the report, there is negligible cost difference between the gravity sewer replacement and pump station rehabilitation options. In addition, elimination of the pump station removes ongoing inspection and maintenance requirements, thereby reducing the risk for Worker's Compensation claims. Based upon the feasibility study, Maurer-Stutz , City staff recommends proceeding with the gravity sewer replacement option.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: The current contract with Maurer-Stutz is for $49,136.50. To date, $10,563.75 of this contract has been expended for the feasibility study. The remaining $38,572.75 will be used for preliminary gravity sewer design. Additional funding will be needed to perform the final gravity sewer design and construction plan preparation. This additional funding will be included in the proposed FY2015 Budget.

Respectfully submitted for Council consideration.

Prepared by:	Jim Karch, PE, CFM, Director of Public Works
Reviewed by:	Barbara J. Adkins, Deputy City Manager
Financial & budgetary review by:	Chris Tomerlin, Budget Analyst Patti-Lynn Silva, Director of Finance
Legal review by:	J. Todd Greenburg, Corporation Counsel

Recommended by:

David A. Hales
City Manager

Motion by Alderman Fazzini, seconded by Alderman Black that Maurer-Stutz be authorized to proceed with the design and construction plans for a gravity sewer at a cost of $38,572.75.

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

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Lower, Fazzini, Sage, Fruin and Black.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Professional Engineering Services Contract with Knight E/A, Inc. for Intersection Improvements and Traffic Signal Installation Design Services, RFQ No. 2014 - 26, and adoption of the Motor Fuel Tax (MFT) Resolution

RECOMMENDATION/MOTION: That the prices from Knight E/A, Inc., for a Professional Engineering Services Contract be accepted in the amount of $122,111, the MFT Resolution be adopted, and the Mayor and City Clerk be authorized to execute the necessary documents.

STRATEGIC PLAN LINK: Goal 2. Upgrade City infrastructure and facilities, and Goal 5. Great place – livable and sustainable City.

STRATEGIC PLAN SIGNIFICANCE: Objective 2a. Better quality roads and sidewalks and 5a. Well-planned City with necessary services and infrastructure.

BACKGROUND: The intersections of General Electric Rd. and Keaton Pl./Auto Row, Hershey Rd. and Arrowhead Dr., and Hershey Rd. and Clearwater Ave. are currently signalized. The following outlines the existing stop control condition for the intersections.

Intersection	Existing Traffic Control Condition
GE Rd. and Keaton Pl./Auto Row	Keaton Pl./Auto Row stops for GE Rd.
Hershey Rd. and Arrowhead Dr.	All-way stop-controlled
Hershey Rd. and Clearwater Ave.	All-way stop-controlled

To improve vehicular and pedestrian traffic flow and safety at these intersections, the services of a professional engineering company are needed to perform traffic analysis, complete intersection design studies, and prepare construction plans, specifications and estimates as required to utilize MFT funding.

Knight E/A, Inc. was selected using the Professional Services Quality Based Selection Process. This process involved:

1.) Sending out Request for Qualifications (RFQ) specific to the project;
2.) Reviewing the submitted Statement of Qualifications based on the criteria outlined in the RFQ and narrowing the twelve (12) submittals down to three (3) consultants;
3.) Interviewing the three (3) consultants; and
4.) Selecting a top consultant and negotiating a fee with them.

These four (4) tasks are often referred to as a two (2) step professional services selection process. The City's Procurement Manager reviewed this process relative to the subject contract and confirmed that the procedure was performed in accordance with applicable standards. A list of the engineering firms that submitted Statements of Qualifications and the three (3) engineering firms that were selected for interviews were provided to the Council.

In accordance with the Brooks Act - Federal Government Selection of Architects and Engineers (Public Law 92-582), the Illinois Local Government Professional Services Selection Act (50 ILCS 510) and the Architectural, Engineering, and Land Surveying Qualifications Based Selection Act (30 ILCS 535), the Quality Based Selection Process must be followed if federal or state grants, loans or any other federal or state monies are used to fund any portion of the project.

Under the proposed professional engineering services contract, the selected engineering firm will perform analysis, complete studies and prepare design plans and specifications. Dependent upon City staffing levels and availability, there is potential to utilize the selected engineering firm to perform construction observation and inspection. If required, an amendment to the agreement for this future work will be created and submitted to Council for approval at that time. This phased approach lets City staff determine work load at the time of construction and more accurately determine outside assistance requirements. The contract amount included in the Professional Engineering Services Contract will be a not-to-exceed amount. The final overall rates and fee proposed by Knight E/A, Inc. is fair, appropriate and competitive for the scope of work included.

The Motor Fuel Tax Resolution is on file in the Clerk's office.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: RFQ was mailed to local and other Illinois based Professional Engineering Companies on September 5, 2013. In addition, the RFQ was posted on the City web site and advertised in the Pantagraph on September 6, 2013.

FINANCIAL IMPACT: The three (3) traffic signals are budgeted in FY 2014 in the Motor Fuel Tax Budget under Motor Fuel Tax - Street Construction and Improvements (20300300-72530). Staff has received and reviewed detailed Maintenance and Repair Time and Material documents with the invoice and found the documentation to be in order. Stakeholders may locate this in the FY 2014 Budget book titled "Other Funds & Capital Improvement Program" on pages 10, 274, 282 - 287.

Respectfully submitted for Council consideration.

Prepared by:	Jim Karch, P.E., CFM, Director of Public Works
Reviewed by:	Barbara J. Adkins, Deputy City Manager
Financial & budgetary review by:	Chris Tomerlin, Budget Analyst Patti-Lynn Silva, Director of Finance

Recommended by:

David A. Hales
City Manager

Motion by Alderman Fazzini, seconded by Alderman Black that the prices from Knight E/A, Inc., for a Professional Engineering Services Contract for Intersection Improvements and Traffic Signal Installation Design be accepted, in the amount of $122,111, the MFT Resolution adopted, and the Mayor and City Clerk be authorized to execute the necessary documents.

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

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Lower, Fazzini, Sage, Fruin and Black.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Intergovernmental Agreement with District 87 for Providing Salt for 2013/2014 Winter Season at a cost of $58.34 per ton

RECOMMENDATION/MOTION: That the Agreement be approved and the Mayor and City Clerk be authorized to execute the necessary documents.

STRATEGIC PLAN LINK: Goal 1. Financially sound City providing quality basic services.

STRATEGIC PLAN SIGNIFICANCE: Objective 1e. Partnering with others for the most cost-effective service delivery.

BACKGROUND: The City purchases salt every year for its snow operations through the Illinois State Contract. In the past, the City has sold a small amount of salt to District 87 to supplement their snow operations. In an effort to assist our local school district, staff has negotiated an agreement this year to assist District 87 for a small amount of salt. The amount of salt covered under the agreement is 2.8% of the normal amount used in any given year and should not affect the quality of snow operations that the citizens are used to receiving.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: District 87.

FINANCIAL IMPACT: The City will charge District 87 a cost of $58.34 per ton which is comprised of the raw material cost of $53.34 per ton in addition to an overhead costs which includes storage, hauling and loading fee of $5.00 per ton.

Respectfully submitted for Council consideration.

Prepared by:	Jim Karch, PE, CFM, Director of Public Works
Reviewed by:	Barbara J. Adkins, Deputy City Manager
Financial & budgetary review by:	Chris Tomerlin, Budget Analyst Patti-Lynn Silva, Director of Finance
Legal review by:	Rosalee Dodson, Asst. Corporation Counsel

Recommended by:

David A. Hales
City Manager

Intergovernmental Agreement Between the City of Bloomington
and Bloomington Public Schools, District 87

In order to better conserve taxpayer dollars, the City of Bloomington (hereafter "City") and Bloomington Public Schools, District 87 (hereafter "District 87") hereby enter into the following agreement regarding road salt from the date of its execution through April 30, 2014.

1. The City store and load the salt from its 502 South East Street salt storage facility. District 87 will provide the transportation from this salt storage facility.

2. The City of Bloomington would prefer, but does not require, that the total salt distribution be taken by District 87 at one time. Loading of the salt will need to be arranged by District 87 with the City a minimum of 48 hours prior to the date of request. The City reserves the right to deny the timeline of pickup given based upon daily operations of the City.

3. The salt will be paid for by District 87 at a cost of $58.34 per ton (this cost includes the raw material cost of $53.34 per ton plus a storage, handling and loading fee of $5 per ton).

4. The amount of salt provided to District 87 shall not exceed 250 tons prior to April 30, 2014.

5. This agreement shall be effective as of the date it is passed by the final party to do so.

Passed this 28th day of October, 2013.

Tari Renner, Mayor
City of Bloomington

ATTEST:

Tracey Covert
City Clerk

Passed this ________day of ___________________________, 2013

Mary Yount, Board President
Bloomington Public Schools, District 87

Motion by Alderman Fazzini, seconded by Alderman Black that the Agreement with District 87 for providing salt be approved and the Mayor and City Clerk be authorized to execute the necessary documents.

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

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Lower, Fazzini, Sage, Fruin and Black.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Application of Everlong, Inc., d/b/a Daddios, located at 527 N. Main St., requesting a TAS liquor license, which allows the sale of all types of alcohol by the glass for consumption on the premises seven (7) days a week

RECOMMENDATION/MOTION: That a TAS liquor license for Everlong, Inc., d/b/a Daddios, located at 527 N. Main St., be created, contingent upon compliance with all applicable health and safety codes.

STRATEGIC PLAN LINK: Goal 4. Grow the local economy.

STRATEGIC PLAN SIGNIFICANCE: Objective 4a. Retention and growth of current local business.

BACKGROUND: The Bloomington Liquor Commissioner Tari Renner called the Liquor Hearing to order regarding the application of Everlong, Inc., d/b/a Daddios, located at 527 N. Main St., requesting a TAS liquor license, which allows the sale of all types of alcohol by the glass for consumption on the premises seven (7) days a week. Present at the hearing were Liquor Commissioners Tari Renner, Steve Stockton, Geoffrey Tompkins and Jim Jordan; George Boyle, Asst. Corporation Counsel; Brendan Heffner, Police Chief and Kenneth Bays, Acting Asst. Police Chief; and Tracey Covert, City Clerk; and Gary Pagano, owner/operator and Applicant representative.

Commissioner Renner opened the liquor hearing and requested that the Applicant address this application.

Commissioner Stockton noted that this application involved a change of ownership. Commissioner Renner responded affirmatively.

Commissioner Tompkins questioned the issuance/creation of new liquor licenses in Downtown.

Commissioner Renner noted that the Council was concerned that the Downtown was at the saturation point. He restated that this would not be the creation of a new additional liquor license.

Commissioner Stockton cited discussions regarding the Downtown. He noted that there had been formal and informal moratoriums in the Downtown. This application gave the City the opportunity to reduce the number of taverns in the area. He acknowledged that there should not be any additional licenses.

Commissioner Renner stated that if there were issues then the City would close the establishment.

Commissioner Jordan questioned the current establishment's history. He noted that Daddios currently did not serve any food. Establishments that only served liquor may escalate issues in the Downtown.

Commissioner Renner noted that there had been a number of incidents in the Downtown which were impacted/influenced by a number of factors. He noted the Bassnectar/Illinois State University Homecoming occurred on the same weekend, (October 4 & 5, 2013). The Council did not want any more problems in the Downtown. He restated that this application involved a change of ownership.

Commissioner Jordan questioned Daddios' past history and also questioned if there had been any issues.

Commissioner Renner expressed his opinion that this could go both ways. An establishment with no problems could become problematic and a problematic establishment could become nonproblematic.

Commissioner Stockton stated that there were a number of issues in the Downtown. It was hard to pin these issues on one (1) establishment. He hoped that Mr. Pagano would continue Daddios good record.

Gary Pagano, owner/operator and Applicant representative, addressed the Commission. He had worked in the Downtown for fifteen (15) years. He had been employed at Daddios for ten (10) years. He had been the owner/operator of Reality Bites located at 414 N. Main St. for the past two (2) years. He hoped to continue his good efforts at both Daddios and Reality Bites.

Commissioner Renner informed Mr. Pagano that the Commission was being more aggressive. He cited the recent record fine levied on Chaser's located at 110 W. Washington St. The City was interested in good business owners.

Commissioner Stockton questioned the City's vision for the Downtown. He believed that there may be pressure on licensed establishment in the future. The Council was interested in the health and welfare of the Downtown.

Commissioner Tompkins questioned Daddios' operations. Mr. Pagano stated the business hours: Thursday – 8:00 p.m. until 1:00 a.m. and Friday and Saturday, 7:00 p.m. until 2:00 a.m.

Commissioner Renner questioned if there would be any changes. Mr. Pagano stated that there were no planned changes. He hoped to retain the existing staff. He planned to move the staff from Reality Bites, Daddios and Elroy's amongst the three (3) establishments.

Commissioner Jordan questioned if each establishment would have its own individual manager. Mr. Pagano responded affirmatively.

George Boyle, Asst. Corporation Counsel, restated that there were no major changes planned at Daddios. Mr. Pagano responded affirmatively.

Commissioner Stockton questioned if there were any conditions placed upon the current license holder. Tracey Covert, City Clerk, addressed the Commission. There were no conditions placed upon the existing liquor license.

Commissioner Renner opened the hearing for public input. No one came forward to address the Commission.

Motion by Commissioner Stockton, seconded by Commissioner Jordan that that the application by Everlong, Inc., d/b/a Daddios, located at 527 N. Main St., requesting a TAS liquor license, which allows the sale of all types of alcohol by the glass for consumption on the premises seven (7) days a week be approved contingent upon compliance with life safety codes.

Motion carried, unanimously.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Public notice was published in the Pantagraph on September 30, 2013 in accordance with City Code. In accordance with City Code, approximately 150 courtesy copies of the Public Notice were mailed on September 27, 2013. In addition, the Agenda for the October 8, 2013 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 application represents a change of ownership. Annual fee for a TAS liquor license is $2,210.

Respectfully submitted for Council consideration.

Recommended by:

Tari Renner
Mayor

Motion by Alderman Fazzini, seconded by Alderman Black that a TAS liquor license for Everlong, Inc., d/b/a Daddios, located at 527 N. Main St., be created, contingent upon compliance with all applicable health and safety codes.

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

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Lower, Fazzini, Sage, Fruin and Black.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Application of Twostep, Inc., d/b/a Elroy's, located at 102 W. Washington St., for a TAS liquor license, which allows the sale of all types of alcohol by the glass for consumption on the premises seven (7) days a week

RECOMMENDATION/MOTION: That a TAS liquor license for Twostep, Inc., d/b/a Elroy's, located at 102 W. Washington St., be created, contingent upon compliance with all applicable health and safety codes.

STRATEGIC PLAN LINK: Goal 4. Grow the local economy.

STRATEGIC PLAN SIGNIFICANCE: Objective 4a. Retention and growth of current local business.

BACKGROUND: The Bloomington Liquor Commissioner Tari Renner called the Liquor Hearing to order regarding the application of Twostep, Inc., d/b/a Elroy's, located at 102 W. Washington St., requesting a TAS liquor license, which allows the sale of all types of alcohol by the glass for consumption on the premises seven (7) days a week. Present at the hearing were Liquor Commissioners Tari Renner, Steve Stockton, Geoffrey Tompkins and Jim Jordan; George Boyle, Asst. Corporation Counsel; Brendan Heffner, Police Chief and Kenneth Bays, Acting Asst. Police Chief; and Tracey Covert, City Clerk; and Gary Pagano, owner/operator and Applicant representative.

Commissioner Renner opened the liquor hearing and requested that the Applicant address this application.

Commissioner Stockton noted that this application involved a change of ownership. Commissioner Renner responded affirmatively.

Commissioner Tompkins questioned the issuance/creation of new liquor licenses in Downtown.

Commissioner Renner noted that the Council was concerned that the Downtown was at the saturation point. He restated that this would not be the creation of a new additional liquor license.

Commissioner Stockton cited discussions regarding the Downtown. He noted that there had been formal and informal moratoriums in the Downtown. This application gave the City the opportunity to reduce the number of taverns in the area. He acknowledged that there should not be any additional licenses.

Commissioner Renner stated that if there were issues then the City would close the establishment.

Commissioner Jordan questioned the current establishment's history.

Commissioner Renner noted that there had been a number of incidents in the Downtown which were impacted/influenced by a number of factors. He noted the Bassnectar/Illinois State University Homecoming occurred on the same weekend, (October 4 & 5, 2013). The Council did not want any more problems in the Downtown. He restated that this application involved a change of ownership.

Commissioner Jordan questioned Elroy's past history and also questioned if there had been any issues.

Commissioner Renner expressed his opinion that this could go both ways. An establishment with no problems could become problematic and a problematic establishment could become nonproblematic.

Commissioner Stockton stated that there were a number of issues in the Downtown. It was hard to pin these issues on one (1) establishment. He hoped that Mr. Pagano would continue Elroy's good record.

Gary Pagano, owner/operator and Applicant representative, addressed the Commission. He had worked in the Downtown for fifteen (15) years. He had been employed at Daddios for ten (10) years. He had been the owner/operator of Reality Bites located at 414 N. Main St. for the past two (2) years. He hoped to continue his good efforts at Elroy's, Daddios and Reality Bites.

Commissioner Renner informed Mr. Pagano that the Commission was being more aggressive. He cited the recent record fine levied on Chaser's located at 110 W. Washington St. The City was interested in good business owners.

Commissioner Stockton questioned the City's vision for the Downtown. He believed that there may be pressure on licensed establishment in the future. The Council was interested in the health and welfare of the Downtown.

Commissioner Renner questioned Elroy's operations. Mr. Pagano stated the business hours: Sunday through Thursday – 11:00 a.m. until 1:00 a.m. and Friday and Saturday, 11:00 a.m. until 2:00 a.m.

Commissioner Tompkins questioned the license classification. Tracey Covert, City Clerk, addressed the Commission. The application was for a TAS liquor license. The current license holder, We Can't Golf, Inc. had applied for an RAS, (Restaurant, All types of alcohol, Sunday sales), which was approved but never taken out.

George Boyle, Asst. Corporation Counsel, questioned Mr. Pagano's interest in the corporation. Mr. Pagano stated 100%. He was the sole stockholder.

Mr. Boyle noted that a camera system had recently been installed at Elroy's. Mr. Pagano expressed his belief in applying a preventive approach.

Commissioner Stockton questioned BASSET, (Beverage Alcohol Sellers & Servers Education & Training), certification. Mr. Pagano informed the Commission that Elroy's was in compliance.

Commissioner Renner questioned if there would be any changes. Mr. Pagano stated that there were no planned changes. He hoped to retain the existing staff. He planned to move the staff from Reality Bites, Daddios and Elroy's amongst the three (3) establishments.

Commissioner Jordan questioned if each establishment would have its own individual manager. Mr. Pagano responded affirmatively.

Commissioner Stockton questioned if there were any conditions placed upon the current license holder. Tracey Covert, City Clerk, addressed the Commission. There were no conditions placed upon the existing liquor license.

Commissioner Renner opened the hearing for public input. No one came forward to address the Commission.

Motion by Commissioner Stockton, seconded by Commissioner Jordan that that the application by Twostep, Inc., d/b/a Elroy's, located at 102 W. Washington St., requesting a TAS liquor license, which allows the sale of all types of alcohol by the glass for consumption on the premises seven (7) days a week be approved contingent upon compliance with life safety codes.

Motion carried, unanimously.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Public notice was published in the Pantagraph on September 30, 2013 in accordance with City Code. In accordance with City Code, approximately 113 courtesy copies of the Public Notice were mailed on September 27, 2013. In addition, the Agenda for the October 8, 2013 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 application represents a change of ownership. Annual fee for a TAS liquor license is $2,210.

Respectfully submitted for Council consideration.

Recommended by:

Tari Renner
Mayor

Motion by Alderman Fazzini, seconded by Alderman Black that a TAS liquor license for Twostep, Inc., d/b/a Elroy's, located at 102 W. Washington St., be created, contingent upon compliance with all applicable health and safety codes.

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

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Lower, Fazzini, Sage, Fruin and Black.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Application of Dyno Liquor, Inc., d/b/a Empire Food & Liquor, located at 1102 N. Hershey Rd., for a PAS liquor license which would allow the sale of all types of packaged alcohol for consumption off the premises seven (7) days a week

RECOMMENDATION/MOTION: That a PAS liquor license for Dyno Liquor, Inc., d/b/a Empire Food & Liquor, located at 1102 N. Hershey Rd., be created, contingent upon compliance with all applicable health and safety codes with the following conditions: 1.) removal of the gasoline pumps and 2.) receipt of the lease between the building owner and CFMI, Inc. (including addressing information for both parties).

STRATEGIC PLAN LINK: Goal 4. Grow the local economy.

STRATEGIC PLAN SIGNIFICANCE: Objective 4a. Retention and growth of current local business.

BACKGROUND: The Bloomington Liquor Commissioner Tari Renner called the Liquor Hearing to order regarding the application of Dyno Liquor, Inc., d/b/a Empire Food & Liquor, located at 1102 N. Hershey Rd., 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 Tari Renner, Steve Stockton, Geoffrey Tompkins and Jim Jordan; George Boyle, Asst. Corporation Counsel; Brendan Heffner, Police Chief and Kenneth Bays, Acting Asst. Police Chief; and Tracey Covert, City Clerk; and Mukhtiar "Hap" Singh, owner/operator and Applicant representative.

Commissioner Renner opened the liquor hearing and requested that the Applicant address this application.

Commissioner Stockton noted that this application involved a change of ownership. Commissioner Renner responded affirmatively.

George Boyle, Asst. Corporation Counsel, questioned the current liquor license classification. Tracey Covert, City Clerk, noted that CFMI, Inc. held a GPAS, (Gasoline, Packaged, All types of alcohol, Sunday sales), liquor license.

Commissioner Stockton stated that another GPAS liquor license would be retired. Ms. Covert noted that the Applicant had stated that the gasoline pumps would be removed.

Hap Singh, owner/operator and Applicant representative, addressed the Commission. He cited his twenty (20) years of experience with liquor sales. He had held a number of liquor licenses. Empire's staff was well trained.

Commissioner Jordan cited the recent requirement for BASSET, (Beverage Alcohol Seller & Server Education & Training), certification. Mr. Singh noted the store staff's experience. Tracey Covert, City Clerk, restated that BASSET certification was required by City Code.

Commissioner Tompkins questioned pedestrian traffic to the store.

Commissioner Renner opened the hearing for public input. No one came forward to address the Commission.

Commissioner Stockton questioned the building's owner. Mr. Singh stated that the building's owner resided out of state, *(G. Robert Mecherle, lessor to CFMI, Inc., lessee).* His company planned to sublease the store.

Mr. Boyle informed Mr. Singh that the manager plus one (1) staff person who was on premise must be BASSET certified. He noted that Vina Patel was listed as the corporate president. Ms. Patel resided in Schaumburg, IL. Mr. Singh noted that he was the manager and had an apartment in the City.

Commissioner Stockton noted that the Commission had been provided with an Agreement for the Purchase and Sale of a Business between Abbas Dossaji and Dyno Liquor, Inc. and Sublease between CFMI, Inc. and Dyno Liquor, Inc. He questioned the current liquor license holder and the current building owner. He requested that Mr. Singh provide names and addresses for both. Mr. Singh agreed to provide this information to the City Clerk's Office.

Mr. Boyle addressed the copy of the lease. Commissioner Stockton requested a copy of the original lease between the building owner and CFMI, Inc. Commissioner Tompkins questioned if the original lease allowed the lessee to sublease the property.

Commissioner Tompkins addressed the Applicant's Emergency Call In Listing. He noted that four (4) individuals were listed at the same residential address. Mr. Singh stated that they were his brothers.

Commissioner Renner restated that the City needed certain documentation. In addition, there was the new requirement regarding BASSET certification.

Motion by Commissioner Stockton, seconded by Commissioner Jordan that that the application by Dyno Liquor, Inc., d/b/a Empire Food & Liquor, located at 1102 N. Hershey Rd., 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 be approved contingent upon compliance with life safety codes with the following conditions: 1.) removal of the gasoline pumps and 2.) receipt of the lease between the building owner and CFMI, Inc. (including addressing information for both parties).

Motion carried, unanimously.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Public notice was published in the Pantagraph on September 30, 2013 in accordance with City Code. In accordance with City Code, approximately 153 courtesy copies of the Public Notice were mailed. In addition, the Agenda for the October 8, 2013 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 application represents a change of ownership. Annual fee for a PAS liquor license is $1,400.

Respectfully submitted for Council consideration.

Recommended by:

Tari Renner
Mayor

Motion by Alderman Fazzini, seconded by Alderman Black that a PAS liquor license for Dyno Liquor, Inc., d/b/a Empire Food & Liquor, located at 1102 N. Hershey

Rd., be created, contingent upon compliance with all applicable health and safety codes with the following conditions: 1.) removal of the gasoline pumps and 2.) receipt of the lease between the building owner and CFMI, Inc. (including addressing information for both parties.

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

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Lower, Fazzini, Sage, Fruin and Black.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Application of Demir Corporation, d/b/a Ephesus Restaurant, located at 1406 E. Empire St., for a RBS liquor license which would allow the sale of beer and wine only by the glass for consumption on the premises seven (7) days a week

RECOMMENDATION/MOTION: That a RBS liquor license for Demir Corporation, d/b/a Ephesus Restaurant, located at 1406 E. Empire St. be created, contingent upon compliance with all applicable health and safety codes.

STRATEGIC PLAN LINK: Goal 4. Grow the local economy.

STRATEGIC PLAN SIGNIFICANCE: Objective 4a. Retention and growth of current local business.

BACKGROUND: The Bloomington Liquor Commissioner Tari Renner called the Liquor Hearing to order regarding the application of Demir Corporation, d/b/a Ephesus Restaurant, located at 1406 E. Empire St., requesting an RBS liquor license, which allows the sale of beer and wine only by the glass for consumption on the premises seven (7) days a week. Present at the hearing were Liquor Commissioners Tari Renner, Steve Stockton, Geoffrey Tompkins and Jim Jordan; George Boyle, Asst. Corporation Counsel; Brendan Heffner, Police Chief and Kenneth Bays, Acting Asst. Police Chief; and Tracey Covert, City Clerk; and Sakin Demir and Matt Demir, owner/operator and Applicant representatives.

Commissioner Renner opened the liquor hearing and requested that the Applicants address this application. Matt Demir, Applicant representative, addressed the Commission. He would act as Sakin Demir, his father's translator.

Commissioner Renner noted that the request was for a beer and wine only liquor license. He questioned the business hours. Mr. Demir provided the business hours: Sunday – 11:00 a.m.

until 8:00 p.m.; Monday through Thursday – 11:00 a.m. until 9:00 p.m.; and Friday and Saturday – 11:00 a.m. until 10:00 p.m.

Commissioner Stockton informed the Commission that he had visited the restaurant for lunch. He questioned if this would be Mr. Demir's first liquor license. Mr. Demir responded affirmatively. His father had been in the restaurant business for several years. Commissioner Stockton believed that Ephesus had been open and operating for two (2) years. Mr. Demir stated that customers had requested alcoholic beverages to accompany their food orders.

Commissioner Stockton noted that it was Ephesus' intention to serve alcohol with food. Mr. Demir responded affirmatively. The application was made based upon customers' requests.

Commissioner Stockton questioned Mr. Demir's previous liquor sales experience. Mr. Demir responded none.

Commissioner Stockton questioned if Mr. Demir was familiar with local and state liquor laws. Mr. Demir informed the Commission that his father had completed STEPS training (BASSET certified) at Heartland Community College.

Commissioner Tompkins questioned if the Applicant had read and understood Chapter 6. Alcoholic Beverages and state liquor laws. He also questioned if there would be any employees under the age of twenty-one (21). Mr. Demir responded negatively regarding the employees.

Commissioner Jordan noted that Mr. Demir had completed BASSET, (Beverage Alcohol Seller & Server Education & Training), training. He recommended that all employees who serve alcohol be BASSET certified.

Commissioner Stockton questioned if the Demirs were from Turkey. Mr. Demir responded affirmatively, (Istanbul).

Motion by Commissioner Stockton, seconded by Commissioner Jordan that that the application by Demir Corporation, d/b/a Ephesus Restaurant, located at 1406 E. Empire St., requesting an RBS liquor license, which allows the sale of beer and wine only by the glass for consumption on the premises seven (7) days a week be approved contingent upon compliance with life safety codes.

Motion carried, unanimously.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Public notice was published in the Pantagraph on August 30, 2013 in accordance with City Code. In accordance with City Code, approximately 87 courtesy copies of the Public Notice were mailed. In addition, the Agenda for the October 8, 2013 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 application represents a new liquor establishment. Annual fee for a RBS liquor license is $1,100.

Respectfully submitted for Council consideration.

Recommended by:

Tari Renner
Mayor

Motion by Alderman Fazzini, seconded by Alderman Black that a RBS liquor license for Demir Corporation, d/b/a Ephesus Restaurant, located at 1406 E. Empire St. be created, contingent upon compliance with all applicable health and safety codes.

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

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Lower, Fazzini, Sage, Fruin and Black.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Application of Luther Oaks, Inc., d/b/a Luther Oaks, located at 601 Lutz Rd., for a RAS liquor license which would allow the sale of all types of alcohol by the glass for consumption on the premises seven (7) days a week

RECOMMENDATION/MOTION: That a RAS liquor license for Luther Oaks, Inc., d/b/a Luther Oaks, located at 601 Lutz Rd., be created, contingent upon compliance with all applicable health and safety codes.

STRATEGIC PLAN LINK: Goal 4. Grow the local economy.

STRATEGIC PLAN SIGNIFICANCE: Objective 4a. Retention and growth of current local business.

BACKGROUND: The Bloomington Liquor Commissioner Tari Renner called the Liquor Hearing to order regarding the application of Luther Oaks, Inc., d/b/a Luther Oaks, located at 601 Lutz Rd., requesting an RAS liquor license, which allows the sale of all types of alcohol by the glass for consumption on the premises seven (7) days a week. Present at the hearing were Liquor Commissioners Tari Renner, Steve Stockton, Geoffrey Tompkins and Jim Jordan; George Boyle, Asst. Corporation Counsel; Brendan Heffner, Police Chief and Kenneth Bays, Acting Asst. Police Chief; and Tracey Covert, City Clerk.

Commissioner Renner opened the liquor hearing and noted that there had been a change of corporation.

Commissioner Stockton questioned the genesis of this application.

Tracey Covert, City Clerk, addressed the Commission. City staff had been informed last month that a new corporation had been formed. The corporate officers for Luther Senior Living of Illinois, Inc., (current liquor license holder), were the same for Luther Oaks, Inc. Two (2) local Directors had been added to the new corporation: John Kibler and Herb Sieg.

Commissioner Tompkins expressed his opinion that it would have been preferable to have an applicant representative present at the hearing.

Motion by Commissioner Tompkins, seconded by Commissioner Jordan that that the application by Luther Oaks, Inc., d/b/a Luther Oaks, located at 601 Lutz Rd., requesting an RAS liquor license, which allows the sale of all types of alcohol by the glass for consumption on the premises seven (7) days a week be approved contingent upon compliance with life safety codes.

Motion carried, unanimously.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: The Agenda for the October 8, 2013 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: Request is for a change of ownership. Annual fee for a RAS liquor license is $2,210.

Respectfully submitted for Council consideration.

Recommended by:

Tari Renner
Mayor

Motion by Alderman Fazzini, seconded by Alderman Black that a RAS liquor license for Luther Oaks, Inc., d/b/a Luther Oaks, located at 601 Lutz Rd., be created, contingent upon compliance with all applicable health and safety codes.

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

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Lower, Fazzini, Sage, Fruin and Black.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Suspension of Ordinances to Allow Consumption of Alcohol at Miller Park Pavilion on February 8, 2014

RECOMMENDATION/MOTION: That the Ordinance be passed.

STRATEGIC PLAN LINK: Goal 5. Great place – livable, sustainable City.

STRATEGIC PLAN SIGNIFICANCE: Objective 5d. Appropriate leisure and recreational opportunities responding to the needs of residents.

BACKGROUND: The Bloomington Liquor Commissioner Tari Renner called the Liquor Hearing to order to hear the request of Kevin Adams and Helen Hester to allow moderate consumption of alcohol at their February 8, 2014, wedding reception to be held at Miller Park Pavilion. Present at the hearing were Liquor Commissioners Tari Renner, Steve Stockton, Geoffrey Tompkins and Jim Jordan; George Boyle, Asst. Corporation Counsel, Brendan Heffner, Police Chief and Kenneth Bays, Acting Asst. Police Chief, and Tracey Covert, City Clerk; and Helen Hester, bride and request representative.

Commissioner Renner opened the liquor hearing and requested that the requestor's representative address this request. Helen Hester, bride, addressed the Commission. Her wedding was scheduled for February 8, 2014 at the Miller Park Pavilion. She planned to invite 225 guests. The Chateau located at 1601 Jumer Dr. would be retained to provide the food and liquor service, which would be limited to beer and wine only. The reception would start at 4:00 p.m. The Miller Park Pavilion must be vacated by 11:00 p.m.

Motion by Commissioner Stockton, seconded by Commissioner Jordan that the request of Kevin Adams and Helen Hester to allow moderate consumption of alcohol at the Miller Park Pavilion for their February 8, 2014 wedding be approved.

Motion carried, unanimously.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: The Agenda for the October 8, 2013 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.

Respectfully submitted for Council consideration.

Reviewed by: John R. Kennedy, Director of Parks, Rec and Cultural Arts

Recommended by:

David A. Hales
City Manager

ORDINANCE NO. 2013 - 80

AN ORDINANCE SUSPENDING PORTIONS OF SECTION 701 OF CHAPTER 31 AND SECTION 26(d) OF CHAPTER 6 OF THE BLOOMINGTON CITY CODE FOR A WEDDING RECEPTION AT THE MILLER PARK PAVILION

WHEREAS, Kevin Adams and Helen Hester are planning to hold their wedding reception at the Miller Park Pavilion from 3:00 p.m. to 11:00 p.m. on February 8, 2014; and

WHEREAS, Kevin Adams and Helen Hester have requested permission from the City to serve beer and wine during this event; and

WHEREAS, in order to legally possess alcohol in a City Park, Section 701(a), (b) and (c) of Chapter 31 of the Bloomington City Code, which prohibits the drinking, selling and possessing alcohol beverages with the City parks and Section 26(d) of Chapter 6 of the Bloomington City Code, which prohibits possession of open alcohol on public property must be suspended;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BLOOMINGTON, ILLINOIS;

Section 1: That Sections 701(a), (b) and (c) of Chapter 31 and Section 26(d) of Chapter 6 of the Bloomington City Code, 1960, as amended, are suspended for the duration of the wedding reception at the Miller Park Pavilion on February 8, 2014 under the conditions set forth in the rental agreement.

Section 2: Except for the date of date set forth in Section 1 of this Ordinance, Sections 701(a), (b) and (c) of Chapter 31 and Section 26(d) of Chapter 6 of the Bloomington City Code, 1960, shall remain in full force and effect. Nothing in this Ordinance shall be interpreted as repealing said Sections 701(a), (b) and (c) of Chapter 31 and Section 26(d) of Chapter 6.

Section 3: This Ordinance shall be effective on the date of its passage and approval.

Section 4: This Ordinance is adopted pursuant to the home rule authority granted the City of Bloomington by Article VII, Section 6 of the 1960 Illinois Constitution.

PASSED this 28th day of October, 2013

APPROVED this 29th day of October, 2013.

APPROVED:

Tari Renner
Mayor

ATTEST:

Tracey Covert
City Clerk

Motion by Alderman Fazzini, seconded by Alderman Black that the Ordinance be passed.

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

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Lower, Fazzini, Sage, Fruin and Black.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Suspension of Ordinances to Allow Consumption of Alcohol at Miller Park Pavilion on December 21, 2013

RECOMMENDATION/MOTION: That the Ordinance be passed.

STRATEGIC PLAN LINK: Goal 5. Great place – livable, sustainable City.

STRATEGIC PLAN SIGNIFICANCE: Objective 5d. Appropriate leisure and recreational opportunities responding to the needs of residents.

BACKGROUND: The Bloomington Liquor Commissioner Tari Renner called the Liquor Hearing to order to hear the request of Derek Logue and Megan Holzhauer to allow moderate consumption of alcohol at their December 21, 2013, wedding reception to be held at Miller Park Pavilion. Present at the hearing were Liquor Commissioners Tari Renner, Steve Stockton, Geoffrey Tompkins and Jim Jordan; George Boyle, Asst. Corporation Counsel, Brendan Heffner, Police Chief and Kenneth Bays, Acting Asst. Police Chief, and Tracey Covert, City Clerk; and Luci Peckmann, mother of the bride and request representative.

Commissioner Renner opened the liquor hearing and requested that the requestor's representative address this request. Luci Peckmann, mother of the bride, addressed the Commission. Her daughter's wedding was scheduled for December 21, 2013 at the Miller Park Pavilion. She planned to invite 170 guests. Times Past Inn located at 1216 Towanda Ave. would be retained to provide food, (buffet dinner), and liquor service, which would be limited to beer and wine only. The reception would start at 5:00 p.m. The Miller Park Pavilion must be vacated by 11:00 p.m.

Motion by Commissioner Tompkins, seconded by Commissioner Stockton that the request of Derek Logue and Megan Holzhauer to allow moderate consumption of alcohol at the Miller Park Pavilion for their December 21, 2103 wedding be approved.

Motion carried, unanimously.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: The Agenda for the October 8, 2013 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.

Respectfully submitted for Council consideration.

Reviewed by: John R. Kennedy, Director of Parks, Rec and Cultural Arts

Recommended by:

David A. Hales
City Manager

ORDINANCE NO. 2013 - 81

AN ORDINANCE SUSPENDING PORTIONS OF SECTION 701 OF CHAPTER 31 AND SECTION 26(d) OF CHAPTER 6 OF THE BLOOMINGTON CITY CODE FOR A WEDDING RECEPTION AT THE MILLER PARK PAVILION

WHEREAS, Derek Logue and Megan Holzhauer are planning to hold their wedding reception at the Miller Park Pavilion from 4:00 p.m. to 11:00 p.m. on December 21, 2013; and

WHEREAS, Derek Logue and Megan Holzhauer have requested permission from the City to serve beer and wine during this event; and

WHEREAS, in order to legally possess alcohol in a City Park, Section 701(a), (b) and (c) of Chapter 31 of the Bloomington City Code, which prohibits the drinking, selling and possessing alcohol beverages with the City parks and Section 26(d) of Chapter 6 of the Bloomington City Code, which prohibits possession of open alcohol on public property must be suspended;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BLOOMINGTON, ILLINOIS;

Section 1: That Sections 701(a), (b) and (c) of Chapter 31 and Section 26(d) of Chapter 6 of the Bloomington City Code, 1960, as amended, are suspended for the duration of the wedding reception at the Miller Park Pavilion on December 21, 2013 under the conditions set forth in the rental agreement.

Section 2: Except for the date of date set forth in Section 1 of this Ordinance, Sections 701(a), (b) and (c) of Chapter 31 and Section 26(d) of Chapter 6 of the Bloomington City Code, 1960, shall remain in full force and effect. Nothing in this Ordinance shall be interpreted as repealing said Sections 701(a), (b) and (c) of Chapter 31 and Section 26(d) of Chapter 6.

Section 3: This Ordinance shall be effective on the date of its passage and approval.

Section 4: This Ordinance is adopted pursuant to the home rule authority granted the City of Bloomington by Article VII, Section 6 of the 1960 Illinois Constitution.

PASSED this 28th day of October, 2013.

APPROVED this 29th day of October, 2013.

APPROVED:

Tari Renner
Mayor

ATTEST:

Tracey Covert
City Clerk

Motion by Alderman Fazzini, seconded by Alderman Black that the Ordinance be passed.

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

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Lower, Fazzini, Sage, Fruin and Black.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Petition from Capital City Lodging, LLC Requesting Approval of a Final Plat for JOS Subdivision, located west of Veterans Pkwy. and north of Empire St., (Rt. 9)

RECOMMENDATION/MOTION: That the Final Plat be approved and the Ordinance passed.

STRATEGIC PLAN LINK: Goal 3. Grow the local economy - approval of this plat opens this area up for two (2) businesses to locate there.

STRATEGIC PLAN SIGNIFICANCE: Objective 3a. Retention and growth of current local businesses.

BACKGROUND: The subject plat divides the area formerly occupied by the Holiday Inn into two (2) lots. One is currently slated to be a Pizza Ranch. The proposed two (2) lot subdivision falls under the rules for expedited Final Plats and therefore a Preliminary Plan is not required.

The $100 plus $5/lot fee has been paid, Chapter 24 Section 3.5.6(b)(4).

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: All survey, plat and recording costs are paid by Capital City Lodging, LLC.

Respectfully submitted for Council consideration.

Prepared by:	Jim Karch, Director of Public Works
Financial & budgetary review by:	Chris Tomerlin, Budget Analyst Patti-Lynn Silva, Director of Finance
Legal review by:	Rosalee Dodson, Asst. Corporation Counsel

Recommended by:

David A. Hales
City Manager

PETITION FOR APPROVAL OF FINAL PLAT

State of Illinois)
) ss.
County of McLean)

TO: THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF BLOOMINGTON, MCLEAN COUNTY, ILLINOIS

Now comes Capital City Lodging, LLC, an Illinois limited liability company hereinafter referred to as your petitioner, respectfully representing and requesting as follows:

1. That your petitioner is the owner of the freehold or lesser estate therein of the premises hereinafter legally described in Exhibit A which is attached hereto and made a part hereof by this reference, of is a mortgagee or vendee in possession, assignee of rents, receiver, executor (executrix), trustee, lessee or other person, firm or corporation or the duly authorized agents of any of the above persons having proprietary interest in said premises;

2. That your petitioner seeks approval of the Final Plat for the subdivision of said premises to be known and described as JOS Subdivision;

3. That your petitioner also seeks approval of the following exemptions or variations from the provisions of Chapter 24 of the Bloomington City Code, 1960**:** None.

WHEREFORE, your petitioner respectfully prays that said Final Plat for JOS Subdivision submitted herewith be approved with the exemptions or variations as requested herein.

Respectfully submitted,

CAPITAL CITY LODGING, LLC,
an Illinois limited liability company,

By: Jack O. Snyder
Sole Member

ORDINANCE NO. 2013 - 82

AN ORDINANCE APPROVING THE FINAL PLAT OF JOS SUBDIVISION

WHEREAS, there was heretofore filed with the City Clerk of the City of Bloomington, McLean County, Illinois, a Petition for approval of the Final Plat of JOS Subdivision, legally described in Exhibit A attached hereto and made a part hereof by this reference; and

WHEREAS, said Petition requests the following exemptions or variations from the provisions of the Bloomington City Code-1960, as amended: None**;** and

WHEREAS, said Petition is valid and sufficient and conforms to the requirements of the statutes in such cases made and provided and the Final Plat attached to said Petition was prepared in compliance with requirements of the Bloomington City Code except for said requested exemptions and/or variations; and

WHEREFORE, said exemptions and/or variations are reasonable and in keeping with the intent of the Land Subdivision Code, Chapter 24 of the Bloomington City Code-1960, as amended.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BLOOMINGTON, MCLEAN COUNTY, ILLINOIS:

1. That the Final Plat of JOS Subdivision and any and all requested exemptions and/or variations be, and the same is hereby approved.

2. That this Ordinance shall be in full force and effective as of the time of its passage this 28th day of October, 2013.

APPROVED:

Tari Renner
Mayor

ATTEST:

Tracey Covert
City Clerk

EXHIBIT A

Legal Description

A part of the West Half of the Southeast Quarter of Section 35, Township 24 North, Range 2 East of the Third Principal Meridian, described as follows: Commencing at a point which is the intersection of the East Line of the West Half of the Southeast Quarter of Section 35, Township 24 North, Range 2 East of the Third Principal Meridian with the North Right-of Way Line of SBI Route 9; thence south 88º-22’west 239.20 feet along the said North Right-of-Way Line; thence south 88º-59’ west 499.01 feet along the said North Right-of-Way Line; thence south 89º-42’ west 108.08 feet along the said North Right-of Way Line to the Southeast Corner of a tract conveyed to the Standard Oil Company and recorded on September 13, 1954 as Document No. 28888 in Book 636, page 162 in the Office of the Recorder of Deeds, McLean County, Illinois; thence north 00º-18’ west 150.00 feet along the East Line of said tract to the Northeast Corner thereof, which point is also the Point of Beginning. From said Point of Beginning, thence north 89º-42’ east 88.90 feet along a line parallel with the said North Right-of-Way Line; thence north 02º-45’ west 512.57 feet along a line parallel with the East Right-of-Way Line of U.S. Route 66; thence south 87º-15’ west 471.00 feet to a point which is 60.00 feet east of the said East Right-of-Way Line; thence south 02º-45’ east 401.58 feet along a line parallel with said East Right-of-Way Line; thence south 38º-03’ east 114.98 feet to a point on the North Line of said Tract conveyed to Standard Oil Company; thence north 89º-42’ east along the North Line of said tract to the Point of Beginning, in McLean County, Illinois.

(Containing 5.362 acres, more or less)

Motion by Alderman Fazzini, seconded by Alderman Black that the Final Plat be approved and the Ordinance passed.

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

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Lower, Fazzini, Sage, Fruin and Black.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Petition from Greyhound Properties LLC Requesting Approval of a Final Plat for Morrissey Crossing Subdivision, Located south of Veterans Pkwy. and west of Morrissey Dr.

<u>RECOMMENDATION/MOTION:</u> That the Final Plat be approved and the Ordinance passed.

<u>STRATEGIC PLAN LINK:</u> Goal 3. Grow the Local Economy. Approval of this plat allows the Qik N Ez, located at 1607 Morrissey Dr., to incorporate video gambling into its establishment as state law requires sites to have at least three (3) acres of land for this purpose.

STRATEGIC PLAN SIGNIFICANCE: Objective 3a. Retention and growth of current local businesses.

BACKGROUND: This Final Plat consists of three (3) lots in the area formerly known as Brandtville. The subject plat subdivides the land into three (3) lots. The plat also dedicates easements for several existing City owned and maintained utilities that heretofore may not have had formal easements. The area is currently zoned B-1, Highway Business District. There is no Preliminary Plan for this area. There are no public improvements proposed or required at this time. As such, there are no tap-on fees or sureties required. The proposed three (3) lot subdivision falls under the rules for expedited Final Plats and therefore a Preliminary Plan is not required.

There is an existing commercial development on Lots 1 and 2. Lot 3 is currently undeveloped. City Code compliant storm water detention shall be provided on Lot 3 at the time of development. Lots 1 and 2 currently have a partial fee in lieu of detention provided. City Code compliant storm water detention shall be provided on either of those lots at time of development where not covered by a previous fee in lieu of detention.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: All survey, plat and recording costs are paid by Greyhound Properties LLC.

Respectfully submitted for Council consideration.

Prepared by:	Jim Karch, Director of Public Works
Financial & budgetary review by:	Chris Tomerlin, Budget Analyst Patti-Lynn Silva, Director of Finance
Legal review by:	Rosalee Dodson, Asst. Corporation Counsel
Recommended by:	

David A. Hales
City Manager

PETITION FOR APPROVAL OF FINAL PLAT

State of Illinois)
) ss.
County of McLean)

TO: THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF BLOOMINGTON, MCLEAN COUNTY, ILLINOIS

Now comes Greyhound Properties LLC, an Illinois Partnership, hereinafter referred to as your petitioner, respectfully representing and requesting as follows:

1. That your petitioner is the owner of the freehold or lesser estate therein of the premises hereinafter legally described in Exhibit A which is attached hereto and made a part hereof by this reference;

2. That your petitioner seeks approval of the Final Plat for the subdivision of said premises to be known and described as Morrissey Crossing, Bloomington, Illinois, which Final Plat is attached hereto and made a part hereof;

3. That your petitioner also seeks approval of the following exemptions or variations from the provisions of Chapter 24 of the Bloomington City Code, 1960: None

WHEREFORE, your petitioner respectfully prays that said Final Plat for Morrissey Crossing subdivision submitted herewith be approved with the exemptions or variations as requested herein.

Respectfully submitted,

By: Wendy Chronister
Manager, Greyhound Properties LLC

ORDINANCE NO. 2013 - 83

AN ORDINANCE APPROVING THE FINAL PLAT OF MORRISSEY CROSSING SUBDIVISION

WHEREAS, there was heretofore filed with the City Clerk of the City of Bloomington, McLean County, Illinois, a Petition for approval of the Final Plat of the Morrissey Crossing Subdivision, legally described in Exhibit A attached hereto and made a part hereof by this reference; and

WHEREAS, said Petition requests the following exemptions or variations from the provisions of the Bloomington City Code-1960, as amended: None.
and

WHEREAS, said Petition is valid and sufficient and conforms to the requirements of the statutes in such cases made and provided and the Final Plat attached to said Petition was prepared in compliance with requirements of the Bloomington City Code except for said requested exemptions and/or variations; and

WHEREFORE, said exemptions and/or variations are reasonable and in keeping with the intent of the Land Subdivision Code, Chapter 24 of the Bloomington City Code-1960, as amended.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BLOOMINGTON, MCLEAN COUNTY, ILLINOIS:

1. That the Final Plat of the Morrissey Crossing Subdivision and any and all requested exemptions and/or variations be, and the same is hereby approved.

2. That this Ordinance shall be in full force and effective as of the time of its passage this 28th day of October, 2013.

APPROVED:

Tari Renner
Mayor

ATTEST:

Tracey Covert
City Clerk

EXHIBIT A

Lot 1 in Arthur Brandt Subdivision in the City of Bloomington, according to the Plat thereof recorded June 15, 1987 as Document No. 87-11834, EXCEPT the following described real estate: Beginning at the South West corner of said Lot 1; thence East 865.79 feet along the south line of said Lot 1 to the South East corner thereof, said Corner being also the South West corner of Lot 2 in said Subdivision; thence North 503.19 feet along the West line of said Lot 2 which forms an angle to the right of 90 degrees 06 minutes with the last described course to the North West corner of said Lot 2; thence East 433.62 feet along the North line of said Lot 2 which forms an angle to the right of 269 degrees 54 minutes with the last described course to the West Right-of-Way line of S.B.I. Route 39 (marked U.S. Route 150); thence North West 52.73 feet along said West Right-of-Way Line which forms an angle to the right of 71 degrees 30 minutes with the last described course; thence West 910 feet along a line which forms an angle to the right of 108 degrees 30 minutes with the last described course; thence North West 163.10 feet along a line which forms an angle to the right of 249 degrees 14 minutes with the last described course; thence West 314.44 feet along a line which forms an angle to the right of 110 degrees 22 minutes with the last described course to the West line of said Lot 1; thence South 703.05 feet along the West line of said Lot 1 which forms an angle to the right of 90 degrees 30 minutes with the last described course to the Point of Beginning, ALSO EXCEPT That part conveyed to The State Illinois, Department of Transportation by Warranty Deed recorded January 16, 1992 as Document No. 92-1183; ALSO EXCEPT A part of Lot 1 in the Arthur Brandt Subdivision more particularly described as follows: Commencing at the Northeast corner of Lot 2 in the Arthur Brandt Subdivision (at the New Right-of-Way line of S.B.I. 39 & F.A.U. U.S. 150); thence North 20 degrees 00 minutes 00 seconds West, 52.81 feet along the Westerly Right-of-Way line of S.B.I. 39 & F.A.U. 6406. U.S. 150 to the Point of Beginning; thence, North 20 degrees 00 minutes 00 seconds West, 12.62 feet along the Westerly Right-of-Way of S.B.I. 39 and F.A.U. 6404. U.S. 150; thence, South 89 degrees 55 minutes 08 seconds West, 846.41 feet; thence, North 01 degrees 23 minutes 44 seconds West, 120.17 feet; thence South 88 degrees 06 minutes 27 seconds West, 96.65 feet; thence South 22 degrees 19 minutes 42 seconds East,163.12 feet; thence North 88 degrees 29 minutes 53 seconds East, 888.89 feet to the Point of Beginning, ALSO EXCEPT Commencing at the Northwest corner of the Northeast 1/4 of said Section 15; thence South 88 degrees 35 minutes 29 seconds West, 369.34 feet to the Point of Beginning; thence South 88 degrees 35 minutes 29 seconds West 160.00 feet; thence South 01 degrees 16 minutes 56 seconds East, 762.58 feet; thence North 88 degrees 06 minutes 27 seconds East, 200.01 feet; thence North 01 degree 16 minutes 56 seconds West, 365.96 feet; thence south 88 degrees 43 minutes 04 seconds West, 40.00 feet; thence North 01 degree 16 minutes 56 seconds West, 394.74 feet to the Point of Beginning, ALSO EXCEPTING THEREFROM that part conveyed in Deed recorded December 26, 2008 as Document No. 2008-33227, in McLEAN COUNTY, ILLINOIS.

PART OF P.I.N.'S

21-15-201-020	21-15-201-023
21-15-201-026	21-15-201-028
21-15-201-029	21-15-201-030
21-15-201-031	21-15-201-042
21-15-126-020	21-15-126-021

Motion by Alderman Fazzini, seconded by Alderman Black that the Final Plat be approved and the Ordinance passed.

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

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Lower, Fazzini, Sage, Fruin and Black.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Petition from FOB Development, Inc., Requesting Approval of a Final Plat for the Empire Business Park Subdivision, Sixth (6^{th}) Addition, commonly located at Trinity Ln. and Magory Dr., north of Empire St.

RECOMMENDATION/MOTION: That the Final Plat be approved and the Ordinance passed.

STRATEGIC PLAN LINK: Goal 5. Great place – livable, sustainable City.

STRATEGIC PLAN SIGNIFICANCE: Objective 5e. More attractive City: commercial areas and neighborhoods.

BACKGROUND: This subdivision is located south of Golden Eagle South Subdivision, west of Airport Park Subdivision, north of Empire Street, (IL Rt. 9), and east of Airport Rd. The Final Plat is in conformance with the Third Revised Preliminary Plan approved on August 12, 2013. The parcel is located at the northeast corner of Trinity Ln. and Magory Dr., north of the new McDonalds and across from the Advocate BroMenn Medical Office Building. Outlots 10 & 11 will remain in private ownership and contain private storm water detention basins that serve the subdivision. The basins were built as part of the original subdivision and will be owned and maintained by a property owner's association. A new public sidewalk will be built adjacent to Lot 9 on Trinity Ln. A bank building is planned for the new lot.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: FOB Development and the Farnsworth Group.

FINANCIAL IMPACT: The cost of all public improvements, platting, and recording will be borne by the petitioner.

Respectfully submitted for Council consideration.

Prepared by: Jim Karch, PE, CFM, Director of Public Works

Reviewed by: Barbara J. Adkins, Deputy City Manager

Financial & budgetary review by:	Chris Tomerlin, Budget Analyst Patti-Lynn Silva, Director of Finance
Legal review by:	Rosalee Dodson, Asst. Corporation Counsel

Recommended by:

David A. Hales
City Manager

PETITION FOR APPROVAL OF FINAL PLAT

State of Illinois)
) ss.
County of McLean)

TO: THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF BLOOMINGTON, MCLEAN COUNTY, ILLINOIS

Now comes FOB Development, Inc. hereinafter referred to as your petitioner, respectfully representing and requesting as follows:

1. That your petitioner is the owner of the freehold or lesser estate therein of the premises hereinafter legally described in Exhibit ”A” which is attached hereto and made a part hereof by this reference, is are a mortgagee or vendee in possession, assignee of rents, receiver, executor (executrix), trustee, lessee or other person, firm or corporation or the duly authorized agents of any of the above persons having proprietary interest in said premises;

2. That your petitioner seeks approval of the Final Plat for the subdivision of said premises to be known and described as: Empire Business Park Sixth Addition;

3. That your petitioner also seeks approval of the following exemptions or variations from the provisions of Chapter 24 of the Bloomington City Code, 1960: none.

WHEREFORE, your petitioner respectfully prays that said Final Plat for the Empire Business Park Sixth Addition Subdivision submitted herewith be approved with the exemptions or variations as requested herein.

Respectfully submitted,

By: William C. Wetzel

ORDINANCE NO. 2013 - 84

AN ORDINANCE APPROVING THE FINAL PLAT OF THE EMPIRE BUSINESS PARK SIXTH ADDITION SUBDIVISION

WHEREAS, there was heretofore filed with the City Clerk of the City of Bloomington, McLean County, Illinois, a Petition for approval of the Final Plat of the Empire Business Park Sixth Addition Subdivision, legally described in Exhibit "A" attached hereto and made a part hereof by this reference; and

WHEREAS, said Petition requests the following exemptions or variations from the provisions of the Bloomington City Code-1960, as amended: none; and

WHEREAS, said Petition is valid and sufficient and conforms to the requirements of the statutes in such cases made and provided and the Final Plat attached to said Petition was prepared in compliance with requirements of the Bloomington City Code except for said requested exemptions and/or variations; and

WHEREFORE, said exemptions and/or variations are reasonable and in keeping with the intent of the Land Subdivision Code, Chapter 24 of the Bloomington City Code-1960, as amended.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BLOOMINGTON, MCLEAN COUNTY, ILLINOIS:

1. That the Final Plat of the Empire Business Park Sixth Addition Subdivision and any and all requested exemptions and/or variations be, and the same is hereby approved.

2. That this Ordinance shall be in full force and effective as of the time of its passage this 28th day of October, 2013.

APPROVED:

Tari Renner
Mayor

ATTEST:

Tracey Covert
City Clerk

EXHIBIT A

Tract 1:

A Part of the Southwest Quarter of Section 31, Township 24 North, Range 3 East of the Third Principal Meridian, in the City of Bloomington, McLean County, Illinois, more particularly described as follows: Beginning at the Southwest Corner of Lot 1 in Empire Business Park Subdivision in the City of Bloomington, Illinois, according to the plat thereof recorded January 17, 2007 as Document No. 2007-1452 in the McLean County Recorder's Office. From said Point of Beginning, thence northeast 245.35 feet along the Southeast Line of said Lot 1; thence southeast 158.00 feet along a line which forms an angle to the left of 90°-00'-00" with the last described course; thence south 178.64 feet along a line which forms an angle to the left of 150°-14'-42" with the last described course; thence west 237.16 feet along a line which forms an angle to the left of 90°-00'-00" with the last described course to the East Right-of-Way Line of Trinity Lane; thence northwesterly 201.88 feet along said East Right-of-Way Line being the arc of a curve concave to the southwest with a radius of 945.00 feet and the 201.49 foot chord of said arc forms an angle to the left of 105°-37'-15" with the last described course to the Point of Beginning.

Tract 2:

A part of the Southwest Quarter of Section 31, Township 24 North, Range 3 East of the Third Principal Meridian, in the City of Bloomington, McLean County, Illinois, more particularly described as follows: Commencing at the Southwest Corner of Lot 1 in Empire Business Park Subdivision in the City of Bloomington, Illinois, according to the plat thereof recorded as Document No. 2007-1452 in the McLean County Recorder's Office, thence northeast 245.35 feet along the Southeast Line of said Lot 1 to the Point of Beginning. From said Point of Beginning, thence southeast 158.00 feet along a line which forms an angle to the right of 270°-00'-00" with the last described course; thence east 127.41 feet along a line which forms an angle to the right of 120°-04'-18" with the last described course; thence northeast 194.91 feet along a line which forms an angle to the right of 149°-55'-42" with the last described course; thence northeast 135.59 feet along a line which forms an angle to the right of 202°-12'-00" with the last described course; thence east 285.69 feet along a line which forms an angle to the right of 187°-52'-18" with the last described course; thence north 566.33 feet along a line which forms an angle to the right of 90°-00'-00" with the last described course; thence west 45.63 feet along a line which forms an angle to the right of 90°-00'-00" with the last described course; thence northeast 639.87 feet along a line which forms an angle to the right of 297°-31'-00" with the last described course; thence north 72.35 feet along a line which forms an angle to the right of 152°-29'-00" with the last described course; thence west 18.69 feet along a line which forms an angle to the right of 90°-00'-00" with the last described course; thence southwest 721.45 feet along a line which forms an angle to the right of 117°-31'-00" with the last described course; thence west 46.14 feet along a line which forms an angle to the right of 242°-29'-00" with the last described course; thence southwest 95.50 feet along a line which forms an angle to the right of 149°-55'-58" with the last described course to the easternmost corner of said Lot 1; thence southwest 209.48 feet along the East Line of said Lot 1 which forms an angle to the right of 135°-00'-00" with the last described course; thence southwest 589.89 feet along the Southeast Line of said Lot 1 which forms an angle to the right of 224°-59’-44” with the last described course to the Point of Beginning, containing 6.96 acres, more or less.

Tract 3:

A part of the Southwest Quarter of Section 31, Township 24 North, Range 3 East of the Third Principal Meridian, in the City of Bloomington, McLean County, Illinois, more particularly described as follows: Beginning at the Southeast Corner of Outlot 70 in Golden Eagle South Subdivision in the City of Bloomington per plat recorded as Document No. 99-7564 in the McLean County Recorder’s Office. From said Point of Beginning, thence west 525.84 feet along the South Line of said Golden Eagle South Subdivision; thence south 405.38 feet along a line which forms an angle to the right of 90°-00’-00” with the last described course; thence east 525.84 feet along a line which forms an angle to the right of 90°-00’-00” with the last described course to the Southerly Extension of the East Line of said Subdivision; thence north 405.38 feet along said East Line which forms an angle to the right of 90°-00’-00” with the last described course to the Point of Beginning, containing 4.89 acres, more or less.

Motion by Alderman Fazzini, seconded by Alderman Black that the Final Plat be approved and the Ordinance passed.

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

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Lower, Fazzini, Sage, Fruin and Black.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Purchase of Playground Equipment for Pepper Ridge and Suburban East Park

RECOMMENDATION: That the formal bid process be waived, the playground equipment for Pepper Ridge Park and Suburban East Park be purchased from Cunningham Recreation, representatives of GameTime Manufacturing, in the amount of $78,292.02, execute the grant application at a value of $58,894.50, and the Purchasing Agent be authorized to issue the Purchase Order.

STRAGETIC PLAN LINK: Goal 2. Upgrade City infrastructure and facilities; Goal 4. Strong neighborhoods; and Goal 5. Great place – livable, sustainable City.

STRAGETIC PLAN SIGNIFICANCE: Objective 2d. Well-designed, well maintained City facilities emphasizing productivity and customer service; 4d. Improved neighborhood infrastructure; and 5d. Appropriate leisure and recreational opportunities responding to the needs of residents.

BACKGROUND: When preparing the current Fiscal Year (FY) Budget, staff identified playground equipment at Suburban East Park as being in need of replacement and budgeted $75,000 for this project. Suburban East Park equipment is the oldest equipment in inventory, is showing its age and lacks in new play technology.

Throughout the course of the year, it has become apparent to staff that the playground equipment at Pepper Ridge Park is showing substantial wear and tear and is a top candidate for playground equipment. The equipment at Pepper Ridge Park gets a substantial amount of more usage since it is adjacent to the Pepper Ridge Elementary School.

Staff has recently been informed that the City is eligible for an 'Everybody Plays Playground' Grant from Game Time. This grant, if payment is made in full at time of order, would provide a 50/50 match towards the purchase of playground equipment, (not including swings). If payment is not made at time of order and thirty (30) days terms are requested, the cost to the City would be an additional $8,472.10. Utilization of this grant would allow the City to purchase new playground equipment for both Suburban East and Pepper Ridge Parks within the budgeted amount of $75,000. The deadline to take advantage of this grant is November 15, 2013 and with delivery by December 31, 2013. Installation would be performed by Park Maintenance's certified playground installers in spring or summer 2014 depending on weather conditions.

Staff has come up with a playground design to accommodate both the two to five (2 – 5) year old and five to twelve (5 – 12) year old age groups, meets all CPSC (Consumer Product Safety Commission) and ADA (Americans with Disabilities Act), requirements and will be expected to last twelve to fifteen (12 – 15) years for both projects. The design at Pepper Ridge Park has been endorsed by Pepper Ridge Elementary School's Principal.

The regular cost for the modular playground pieces, swings, other site amenities and freight is $137,186.52. The grant would provide $58,894.50, the cost to the City would be $78,292.02. The reason the grant is not fifty percent (50%) of the total cost is because only modular playground equipment is eligible for the grant. The swings, other site amenities and freight are not grant eligible expenses.

The City has trained certified playground installers in the Parks Maintenance Division who will perform the installation of this equipment.

Staff has compared this net cost to other playground manufactures products and believes this is an exceptional pricing offer. Other comparable designs from other manufacturers would cost at least an additional $18,000. GameTime Manufacturing and their sales representatives at Cunningham Recreation have provided excellent customer service for more than fifteen (15) years to the City. Staff is very confident in their ability to deliver quality products and service.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Cunningham Recreation representatives, Principal at Pepper Ridge Elementary School.

FINANCIAL IMPACT: The playground equipment is budgeted in the Park Dedication - Capital Outlay Equipment Other than Office (24104100-72140) for $75,000 in FY 2014. Stakeholders may find this in the FY 2014 Budget book titled "Other Funds & Capital Improvement Program" on page 70. One set of playground equipment was budgeted for $75,000. Parks will spend less in another Park Dedication line item to make up the additional cost of $3,292.02 in FY 2014.

Respectfully submitted for Council consideration.

Prepared by:	John R. Kennedy, Director of Parks, Rec & Cultural Arts
Reviewed by:	Barbara J. Adkins, Deputy City Manager
Financial & budgetary review by:	Chris Tomerlin, Budget Analyst Patti-Lynn Silva, Director of Finance

Recommended by:

David A. Hales
City Manager

Alderman Lower believed that this item represented discretionary spending. This purchase should be put off as the playground equipment was still usable. He believed that citizens would not support a tax increase for items such as these.

David Hales, City Manager, addressed the Council. He described this item as a unique opportunity.

John Kennedy, Parks, Recreation & Cultural Arts Director, addressed the Council. The current playground equipment complied with code. It lacked user requested amenities. It was old and dated as play areas were lacking. The playgrounds were installed in 1994 and were twenty (20) years old. The goal was to replace playground equipment every twelve to fifteen (12 – 15) years. He cited the private company grant which would provide almost a fifty percent (50%) grant.

Alderman Stearns stated that the grant had not been approved.

Mr. Kennedy informed the Council that City staff had been assured that these grant dollars were available. He restated that these grant dollars were from the manufacturer.

Alderman Fazzini stated that the City was known for good parks. He cited the grant dollar opportunity. The City needed to stop moving things down the road as these items will cost more in the future.

Motion by Alderman Fazzini, seconded by Alderman Fruin the formal bid process be waived, the playground equipment for Pepper Ridge Park and Suburban East Park be purchased from Cunningham Recreation, representatives of GameTime Manufacturing, in the amount of $78,292.02, execute the grant application at a value of $58,894.50, and the Purchasing Agent be authorized to issue the Purchase Order.

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

Ayes: Aldermen Mwilambwe, Schmidt, McDade, Fazzini, Sage, Fruin and Black.

Nays: Alderman Stearns and Lower.

Motion carried.

The following was presented:

SUBJECT: Presentation - City of Bloomington's Draft Facility Condition Assessment

RECOMMENDATION/MOTION: None. This is a presentation of findings only.

STRATIGIC GOAL: The findings and recommendations to be provided in this presentation will meet strategic goal #2, Upgrade City infrastructure and facilities. This is directly related to the objectives by providing well maintained City facilities.

STRATEGIC PLAN SIGNIFICANCE: This assessment will introduce the findings of Faithfull and Gould related to nearly forty (40) City owned facilities. Building conditions, systems, life-safety issues and expected corrective costs will be discussed.

BACKGROUND: In April, 2013, the Council approved and staff contracted with Faithful and Gould to conduct a property conditions assessment of nearly forty (40) City's facilities. This assessment included facilities from the Water Plant, Center for the Performing Arts, Public Works buildings and City Hall, to name a few.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: Staff expects the report to provide the funding amounts needed to address years of deferred maintenance coupled with the details needed to provide budgeting numbers for future facility's needs.

Respectfully submitted for Council consideration.

Prepared by: Mark R. Huber, Director - PACE

Reviewed by: Barbara J. Adkins, Deputy City Manager

Recommended by:

David A. Hales
City Manager

David Hales, City Manager, introduced this item. He noted the planned twenty (20) year Capital Improvement Program. He cited the various plans: Downtown, Sewer, Water, Fire and Facilities. The Facility Condition Assessment addressed the condition of City facilities. The City needed to plan and budget for City facilities. The City needed to be proactive, methodical and organized to obtain the maximum useful life from its facilities.

Barb Adkins, Deputy City Manager, addressed the Council. She believed that this report was a long time coming. Faithful and Gould's approach was hands on and detailed. The Council had allocated $250,000 for facilities management. This report addressed the areas of structural integrity and mechanicals.

Benjamin Dutton, Faithful and Gould's, (F & G), Vice President, addressed the Council. He expressed his appreciation for the opportunity to present this information to the Council. He planned to share the results of six (6) months of work. F & G had sorted and analyzed the data. F & G performed strategic facility consulting services. F & G would tell the City what it had, the properties' condition, and what needed to be spent. He would also address the risk, i.e. answer why the City needed to do the work. Objectives were identified. F & G had visited forty-nine (49) buildings and assessed the condition of each building. All systems were reviewed. This repair work would require capital expenditures. F & G would inform the City of what needed to be done, when and at what cost over the next ten (10) years.

Mr. Dutton referred the Council to F & G's Executive Summary. The report contained hundreds of recommendations. He noted that expenditures had been divided by categories, (Deferred Maintenance, Scheduled Maintenance, Capital Renewal, Energy & Sustainability; and Risk & Security). He described deferred maintenance as catch up work. He addressed Fiscal Years (FY) 2015 and 2016. This work needed to be done now. He cited the cost, (FY 2015 = $7,764,969 and FY 2016 = $7,005,984). These costs did not include operating and maintenance costs. These costs addressed maintaining the status quo.

Mr. Dutton added that in the next five (5) years the Public Works/Engineering facilities located along East St. would disappear. The expenditures included for the Fire Department were condition related, (i.e. $2,035,826 in the next ten years).

Mr. Hales addressed the Five Bugles' report. F & G did not duplicate this report. F & G looked at mechanicals, (i.e. HVAC, Heating, Ventilating & Air Conditioning). Mr. Hales noted that the use of this department's buildings had changed.

Mr. Dutton noted that condition was not suitability. The City's facilities needed over $33 million worth of work. The City had maintained its facilities well. He addressed capital replacement/repair. The industry standard was to budget one to two percent, (1 – 2%), of the buildings' value on capital. He directed the Council to a bar chart entitled Results – Expenditure by Year. The chart contained red lines which demonstrated what should be spent on City facilities, (i.e. $2.5 - $4.5 million).

Mr. Dutton addressed another bar chart entitled Results - Expenditure by Type. Building infrastructure & fabric addressed needed replacement. Types presented were Building Infrastructure & Fabric; Mechanical Electrical & HVAC; Utilities Generation & Distribution; and Carbon (Energy Conservation).

The last bar chart addressed Result – Expenditure by Department. The chart included the following departments: Facility Management; Water; Parks & Recreation; Fire; Police; and Public Works. The department with the largest expenditure and risk was the Water Department.

Mr. Dutton described this presentation as a call to action. The City had two (2) options: 1.) defer and spend more later or 2.) fund and spend less. This report provided a strategic plan which would assist the City in approaching its facilities conditions. The decision to defer would result in a cycle of repair without planning. If the Council chose to fund facilities conditions the City would not be waiting for failure.

Alderman Fazzini believed that the City had been provided with a good starting point, (i.e. $15 million over the next two years). He cited the recent $10 million bond issue. He described this report as Phase 2, $15 million for buildings. This would mean that a lot of the work would be completed at a faster pace. The cost would be lower today then in ten (10) years. He hoped the items to be addressed had a longer life expectancy then ten (10) years.

Alderman Sage questioned specific life safety issues. Mr. Dutton responded that the life safety issues varied based upon the buildings' uses. A high risk would be building failure. Everything was scored and ranked.

Alderman Sage requested a context/framework. Mr. Dutton cited egress and structural issues which needed to be addressed. The City needed to budget $2 million per year for facilities management.

Alderman Fruin stated that Phase 1 had been a $10 million street/sewer bond. It appeared that Phase 2 would address a bond issue for facilities. He questioned the number of phases. He also questioned how many municipalities were in a similar situation and the various scenarios to address same. Mr. Dutton stated that the majority of municipalities issued bonds in five (5) year cycles to address same.

Alderman Fruin cited the forty-nine (49) buildings surveyed. He questioned if the City should sell some of these properties and their marketability.

Mr. Hales stated his concern addressed financing the needed improvements. He added that the Sewer Plan contained $130 million of needs. He added that the City had operational needs. City staff needed realistic options. He cited the Water Department as an example. The City could sell this department to a private company. There would be advantages and disadvantages to same. The City needed to look at capital operating needs. He readdressed the twenty (20) year Capital Improvement Program. This program would require large significant amounts of money. The City needed to perform public outreach regarding the affordability question. An option might be to extend the plan. Some of these facilities involved Enterprise Funds. The first step had been a realistic assessment. The City had the ability to plan. He encouraged the Council to look at the total big picture. City staff could pull together a financial plan. The City would need to be creative. The City did not have the details for each facility. He cited the large volume of information that would be received. This assessment took a holistic approach. Recommendations would be presented in January/February 2014.

Alderman Lower addressed his interest in the nuts and bolts. He had been a system analyst. He questioned why City facilities were failing. He wanted to know why the City should invest in same and when. Finally, he wanted to know the facilities life expectancy.

Mr. Dutton informed the Council that F & G had performed life cycle analysis. It did not just address the lowest cost. Expenditures had been grouped by conditions with costs and consequences.

Alderman Mwilambwe acknowledged that it appeared that the work was long overdue. The City should have a plan. He questioned what would be put in place to avoid this situation ten (10) years in the future. The City needed to develop a policy and not pass this issue on to future Councils. The City also needed a repair/reserve policy.

Mr. Hales cited the various master plans which addressed what should be done. These studies have been completed by experts. The Council had been informed of consequences. Addressing these needs would take courage. The City needed additional money. The Council could raise revenue and/or reduce services. The Council now knew the consequences. The City needed to involve the citizens/businesses in a robust engagement. Action needed to continue to make the City great. It would require the Council to make an investment in the City. This was a difficult environment. This would be a long term process. F & G Assessment provided a foundation.

Mr. Dutton informed the Council that the City would receive a hard copy report and a database which would grant the City with the ability to maintain same. Generally, work was scheduled in five (5) year cycles. F & G could be retain as a consultant.

Alderman Stearns cited the Council's commitment to these buildings. She specifically questioned Fire Station #5. Mr. Hales responded negatively. Future facilities would be planned by working with other government entities. Alderman Stearns expressed her confusion. The Council had been provided with a huge list. Mr. Hales acknowledged that City staff was addressing same.

Alderman Black looked forward to the nuts and bolts. He supported an aggressive approach and a bond issue to address same. He was interested in long term savings over short term. He believed that long term represented better value. Mr. Dutton noted F & G's long term focus.

Alderman Black expressed his interest in economic development. The City's facilities needed to be able to handle growth. He also supported combining City facilities with other local governmental units.

Alderman Fazzini made three (3) comments: 1.) this report included big numbers; City facilities would be demolished and/ replaced; 2.) in response to the number of phases; there would be five (5): 1.) streets/sewers; 2.) deferred maintenance; 3.) sewers; 4.) pensions; and 5.) storm water; 3.) $4 million income stream; the City could issue $50 million in bonds, as that would provide the City with the capacity. He noted the low interest rates. There were a variety of fees/taxes available.

Alderman McDade thanked Mr. Dutton for the Assessment. The City had a plan for needed maintenance. The next steps would be to make this Assessment part of the budget process.

Mr. Hales noted that City staff needed to review the Assessment. The final report would be presented to the Council and public. City staff would pull out the most critical needs. Options included another bond issue which must address the question of the revenue for same. He also cited the pension funding policy.

Alderman McDade was excited by the various plans. She noted the upcoming Council retreat and budget process. The City had the data to quantify needs. This Assessment would serve as a foundation.

Mr. Hales stated that the Council would not take any action this evening. The full report would be received in the future.

CITY MANAGER'S DISCUSSION: None.

MAYOR'S DISCUSSION: None.

ALDERMEN'S DISCUSSION: Alderman Fazzini noted City Hall's new water feature. He had visited six (6) other city halls. He had noted the appearance of these buildings. City staff had completed the work.

Motion by Alderman McDade, seconded by Alderman Stearns, that the meeting be adjourned. Time: 8:01 p.m.

Motion carried.

Tracey Covert
City Clerk

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WORK SESSION
Strategic Planning
January 18, 2012

Council present: Aldermen Mboka Mwilambwe, Bernard Anderson, Judy Stearns, Jim Fruin, David Sage, Karen Schmidt, Steven Purcell, Jennifer McDade, Rob Fazzini and Mayor Stephen Stockton.

Staff present: David Hales, City Manager, Barb Adkins, Deputy City Manager, Todd Greenburg, Corporation Counsel, and Tracey Covert, City Clerk.

Others present: Lynn Montei, Lynn Montei Associates.

The meeting was called to order at City Hall at 5:03 p.m.

Mayor Stockton described the Council's last meeting as productive. He noted Lynn Montei's efforts. An outline had been prepared. The Council needed to work together as a team in order to move the City forward. He expressed his interest in a visioning process.

Ms. Montei addressed the Council. The Council was a partnership. The Council needed to develop efficient, productive pathways. The Council had begun to connect. She noted a recent incident and Council's caring for the community. She believed that the citizens appreciated the Council's efforts.

Ms. Montei opened the meeting by requesting that each person make a statement of appreciation.

Alderman Fazzini arrived at 5:11 p.m.

Ms. Montei noted that the Council had established a set of principals to guide their work. The Council was interested in efficient and productive meetings. The Council was headed in the right direction. She reviewed the objectives. She read from the Process Principles handout. This addressed the content/purpose for being here. The key was Guideline for Listening. It can be empowering when one feels heard. The application can be difficult. She encouraged the Council to practice this skill.

Systems thinking took a long term view and considered the big picture. The City and the Council needed to see the whole. Principles of Engagement addressed why the Council was here, the Council's shared values and being a community of action. Creative Stance addressed the Council's ability to focus and create what is wanted. Living, Organic System meant this was a work in progress. The City was not a mechanism. The Council needed to renew, recharge and regenerate.

An agenda had been prepared.

Item 3. Debrief the "Practice Period" October 15 – January 18. She readdressed the goal of a high functioning Council. She addressed successes – meeting efficiencies. She requested Council experiences/feedback.

Alderman Fazzini addressed setting the tone. The Consent Agenda should be completed in five (5) minutes.

Alderman Sage noted time boxing Regular Agenda items. The Council had done well with the time estimates. This was a simple straight forward step.

Mayor Stockton noted the Council's unified spirit to make things work. There was a general determination to pull together and make things work.

Alderman Fazzini believed that the Council supported the Mayor. All were trying to enforce the time limits.

Alderman Schmidt noted that meetings had been starting on time.

Alderman McDade noted the list's length. She believed that the Council had completed eighty percent (80%) of the items. Meetings had been shorter. There was clarity. The Council was engaged. She saw the benefit.

Alderman Anderson believed that Council agenda's had been narrowed. The number of items was manageable.

Ms. Montei noted that there appeared to be consensus that it had been worth the time taken.

Alderman Purcell addressed Synthesis #1, (see pages 4 and 5). He cited group decisions, and setting of goals and guidelines. There were some limitations and trade offs. It had been a beginning.

Ms. Montei noted that the learning process continued.

Alderman Anderson addressed public understanding and expectations. Council consolidated it comments by getting to the point.

Alderman Fruin believed that the Council had a better understanding. The Council was demonstrating to the public that the Council was organized.

Ms. Montei noted that there was an appearance of order. She questioned other experiences/benefits. She also questioned Work Sessions.

Mr. Hales stated that items had been time boxed.

Mayor Stockton added that Executive Sessions and Work Session stayed within meeting times. There had been short breaks between meetings.

Ms. Montei noted that these were things that the Council wanted to do and it had found ways to accomplish same. She questioned top priorities and challenges.

Alderman McDade noted a count down clock for all to see in the Council Chambers. There were individual time limits and the visual was helpful. The City was uniform in addressing all who wanted to speak. Aldermen Discussion should also provide a uniform amount of time to each alderman. This was an area for improvement.

Alderman Anderson echoed Alderman McDade's comment. He did not believe that this was a complex issue. The Council needed to set the pace.

Ms. Adkins informed the Council that Scott Sprouls, IT Director, was researching same.

Mayor Stockton was unsure of the cost. He addressed the broadcast projector and placing time on the screen. There was also the voting system. Each item had a cost.

Ms. Montei acknowledged that there had been movement. This meeting was not the proper forum.

Alderman Fruin noted that other Council's have these items.

Alderman Schmidt noted that Aldermen's Discussion had become a monologue. She questioned what other Council's did. She expressed her interest in a dialogue/conversation. She questioned the purpose served by Aldermen's Discussion. She also addressed Alderman Fruin's statement prior to voting. The entire Council embraced this statement. However, it appeared that Alderman Fruin was different from the rest of the Council. This statement was not needed. The Council might need rules of engagement.

Alderman Sage echoed the no conflict of interest statement.

Mr. Hales and Mr. Greenburg viewed this statement as a disclaimer.

Alderman Fruin supported the concept. He requested that this statement be added to the Council's agenda if the entire body embraced same.

Mayor Stockton stated that something could be added to the Council's rules. A statement could be filed with the City Clerk on the calendar year.

Alderman Fazzini recommended that this statement be included in the Consent Agenda mechanics.

Alderman Stearns questioned the term conflict of interest. There were a variety of interpretations. It was not a simple concept. She noted that Council members had recused themselves due to employment and/or a spouse's service on a board/commission. She might not be comfortable with a blanket statement. Such a statement might be legal but she questioned ethical issues.

Ms. Montei recommended that the subject of appropriate Council behavior might be a future Council Work Session topic.

Alderman Mwilambwe recommended that the Corporation Counsel draft sample language.

Alderman Fazzini encouraged the Council to visit with Mr. Greenburg.

Alderman Schmidt expressed her appreciation for the conversation. The Council needed to have a common understanding, which would serve as a base line.

Ms. Montei noted that there were gray areas remaining.

Alderman Fruin believed that there were two (2) elements: conflict of interest and financial contributions.

Mr. Greenburg noted that the IML (IL Municipal League) has had presentations regarding conflict of interest. This issue could be addressed at a Work Session.

Mayor Stockton cited public perception. He believed that the Council would be interested in hearing from the public.

Alderman Purcell commented on Aldermen's Discussion which should be a discussion of concerns. He also addressed open public discussions with set time limits.

Mayor Stockton addressed the issue of time limits. He questioned appropriate topics at the end of a Council meeting. He also addressed Work Sessions.

Alderman Anderson cited a maximum of three (3) minutes which would match public comment.

Alderman Schmidt addressed practicality. Council members needed to speak with the Mayor prior to the meeting. Aldermen's Discussion needed to move beyond a monologue.

Alderman Sage believed that comments under Aldermen's Discussion should be quick. He did not believe that the Council would be interested in holding a Work Session at the end of the Council meeting. He also recommended that this issue would be better addressed at a Work Session.

Ms. Montei noted that a procedural conversation was needed. This issue would not be resolved this evening.

Alderman Fruin expressed his support for spending time on this issue. He encouraged the Council to share their comments with the Mayor.

Ms. Montei addressed the City Director's Retreat.

Mr. Hales noted the Rules of Procedure Ordinance. There had been Council discussions. It was hoped that this proposed text amendment would go forward.

Ms. Montei questioned Council's support for this item.

Alderman McDade addressed the text amendment and provided her observations.

Alderman Schmidt addressed codification.

Mr. Hales addressed this item from the staff level. He cited the City's legal staff's efforts to minimize the ordinance from the Mayor's draft specific rules/procedures.

Mayor Stockton noted that the proposed text amendment would provide the rules under which the Council would operate. The Mayor would be responsible for enforcement. The rules were practical. He did not believe that this draft violated existing ordinances. There had been three (3) levels: 1.) absolutes; 2.) things that should change; and 3.) comprehensive excess baggage.

Ms. Montei encouraged the Council to complete this process. There might be some yielding involved in order to find a common ground. The Council needed to be ready to modify the existing ordinance.

Mr. Hales did not believe that there was a consensus on the Council.

Mr. Greenburg noted that there was a draft text amendment.

Alderman Schmidt did not believe that there would be nine (9) votes in support of same.

Mr. Hales expressed his opinion that the shortened version would be an effective tool for the Mayor.

Mayor Stockton expressed his willingness to try. He cautioned the Council that he would be exercising judgment.

Alderman Fazzini noted that currently the Council had nothing. Something would be better.

The Council took a break at 6:15 p.m.

Mr. Hales addressed the Council to present a briefing regarding the Director's Retreat. He addressed various topics. City department heads: work/life balance and prioritized expectations. Council: eliminate negative thinking and top down communications. Employees: down top communications, managed competition, and positive response/respect, engaged. Highest priorities: affirmative/recognition, performance appraisal system. There was interest in specific steps to address the Council's priorities.

Alderman Anderson requested that Mr. Hales share this information with the Council in a written format. He expressed interest in finding ways for the Council to assist City staff.

Alderman Sage recommended that this issue be the topic of a Work Session. There was no consensus regarding the role of the Council, (Board of Directors, operating officers, etc.) The Council needed to stay out of the day to day operations of the City.

Ms. Montei noted that the Council's agenda needed to stay focused on the policy. The Council needed to model itself based upon best practices which she believed were out there.

Alderman Schmidt echoed that the Council had been negative with City staff. She also cited communication flow. The Council had gotten off its Action Plan. The Council pushed for things that were not on the Action Plan. The Council needed to refocus.

Ms. Montei noted that the negativity went in all directions. The Council needed to return to a proactive, creative stance.

Alderman McDade addressed protocol to contact staff. She looked forward to a supportive process that everyone could understand.

Alderman Anderson recommended that the Council use Mr. Hales as a conduit. The first question for a citizen should be have you spoken to City staff. A process needed to be identified.

Mr. Hales expressed his concern with the City's ability to respond quickly. He added that adequate resources were an issue.

Ms. Montei noted the Council's comments. She believed that there was push back. Each Council member needed to own up to individual responsibility. Actions needed to be reflected in words. The Council needed to agree to . . . she cited when it was okay to turn a City Blackberry off as an example.

Mr. Hales suggested no response on weekends. In an emergency, the Council should contact either himself and/or Barb Adkins, Deputy City Manager. If the Council had a general inquiry, then they should contact the department director. City staff (department director) would be responsible for keeping the City Manager/Deputy City Manager informed. The Council needed to focus on policy. City staff would focus on the day to day. It was a question of balance and who played what role.

Ms. Montei believed that this was a role in progress.

Mayor Stockton supported the Council's role as a Board of Directors. Their role was policy making. The Council needed to determine its focus. He acknowledged that constituents would call and ask. He stressed that citizens should contact City staff first. Citizens needed to contact either Mr. Hales and/or the appropriate department head.

Mr. Hales expressed his interest in general rules. He acknowledged that there might be exceptions. City employees were responsible for the provisions of customer service. Interaction should be through the City Manager's office.

Alderman Anderson noted that there would be exceptions. He did not believe that complaints should be directed from citizens to City staff.

Alderman Sage noted that the Council should not publicly criticize. He stated the Council influence and ability to intimidate. There should be no exceptions and no discussions.

Alderman Fruin expressed support for conversion flow. The Council operated in a twenty-four hours a day/seven days a week/365 days a year (24/7/365) environment. The Council needed to acknowledge receipt of same and place it on a to do list. City staff needed more help.

Alderman Purcell stated that he had contacted either Mr. Hales and/or the appropriate department head. He went through channels for big issues.

Ms. Montei informed the Council that notes had been taken and a plan needed to be developed. The Council cared about the City department heads' comments. There would be challenges.

Ms. Montei addressed Guiding Principles. (She directed the Council to the goldenrod handout.) Ms. Montei reviewed same. She addressed three (3) categories: 1.) communication style; 2.) attitude; and 3.) process. Ms. Montei addressed the Council's interest in positive communication, staff expertise, integrity/ethics, the Council's role as policy makers, and to trust staff with appropriate follow up.

Alderman Sage added that the Council needed to clearly articulate the issue, the topic and research the whats.

Ms. Montei noted that dialogue could bring clarity and raise the need for a policy decision. She stated her intention to draft a synthesis/consensus.

Ms. Montei directed the Council to the next agenda item, (Review & Refine Synthesis #1). She addressed the purpose, this was a draft statement. She noted the words enrichment and enjoyment. Discussion followed regarding the Purpose Statement. The

Council needed to articulate the vision. There should be a community vision. The Purpose Statement and Vision could be the same.

Alderman Schmidt recommended that the Purpose Statement stop at the word strategically, (To give voice and leadership to the vision and priorities of the Bloomington community and to steward it resources strategically.)

Ms. Montei believed that the Statement needed to answer the question why.

Mayor Stockton believed that this should be a value statement. The ending phrase should include the word balance. The first phrase should address the Council's role.

Ms. Montei noted the Council's unique contribution. The Statement as presented was too broad.

Alderman Fruin expressed his opinion that it was a good place to start. The City was a good place to live, work and play.

Ms. Montei believed that more work was needed. She added the phrase quality of life might play a part.

Alderman Sage recommended that verbs end in "ing".

Alderman Fazzini prided himself on the City being a friendly, caring community. He believed that the City strived to be and do same.

Ms. Montei addressed the four (4) vision statements: 1.) Policy Focus; 2.) Future Focus; 3.) Leadership and 4.) Focus on the Public Good. Draft statements had been created.

Mayor Stockton noted the similarities to the Guiding Principles.

Ms. Montei addressed the Policy Focus.

Mr. Hales believed that this was what the citizens wanted.

Ms. Montei addressed Future Focus. She noted that this could also be described as a future vision.

Ms. Montei addressed Leadership. She cited passion and commitment.

Alderman Mwilambwe recommended that the word "compassion" be added.

Ms. Montei addressed Focus on the Public Good. The draft statement was too long. This must be done day to day and would be a balancing act.

Mr. Hales believed that the first priority should be to serve the needs of the whole.

Ms. Montei noted that the Council needed to be attuned to the community's needs and desires.

Alderman McDade liked the statement. However, she questioned who else was out there and was voiceless.

Ms. Montei stated that there needed to be verbage which addressed how to lead with bullet points from the Council. The remaining pages of the handout addressed the framework. She questioned what compelled the Council.

Mayor Stockton addressed the handout entitled "Defining Our Future: A Vision Emerges from Community Involvement". He described this document as a white paper. He hoped that this document would be used by the Council as a link to a focus on the future. Vision would serve as the foundation. The Council needed to determine where the community should go. He cited the Planning Commission and its role regarding the Comprehensive Land Use Plan, (CLUP). He noted the action taken by the City of Peoria's Planning Commission. A decision needed to be made regarding the responsible party. He presented three (3) options/levels: 1.) the Council and an ad hoc committee could be formed; 2.) Planning Commission; and 3.) include other government entities, (Town of Normal, County of McLean, public school districts, etc.). He requested feedback from the Council regarding a starting point. The City would hold off on the CLUP until direction is received regarding community vision. He anticipated that there would be a lot of questions.

Ms. Montei welcomed the Council's questions, (i.e. cost, level, need, ownership, etc.). The Council needed to take a leadership role by putting something out there. She cited a future Work Session which could be linked to a Focus on the Future.

Alderman Purcell informed the Council that he had been attending Planning Commission meetings. He had heard the City of Peoria's presentation. This approach would require a number of meetings. This would be large, encompassing project.

Alderman Sage expressed his concern regarding priorities. The City had a full Action Agenda. The Agenda contained project work and daily operations. He questioned what would be removed from the Action Agenda to accommodate this item.

Ms. Montei noted the issue of balance.

Alderman Sage restated that the City would have to stop doing something in order to free up capacity.

Mayor Stockton noted that the vision would be the fundamental foundation. The Council needed to engage the community which in turn would draw up the plan.

Mr. Hales added that there were phases of visioning. The community at large needed to be involved. The project would also require staff resources and a facilitator. The project size/scope would impact the cost, (i.e. the larger the project, the higher the cost). He addressed the question of citizen engagement. The community would need to articulate the vision. Based upon timing and resources needed, this item was not listed on the Action Plan. This would be a critical policy decision for the Council.

Alderman Mwilambwe believed that this item was worthwhile. There needed to be additional investigative work in order to bring clarity. Illinois State University, (ISU), conducted a similar exercise, "educating IL Plan". It helped the University to see where it needed to go and guided staff decisions. ISU wanted to have a small college feel with large opportunities. It helped ISU to develop a brand, (i.e. who we are).

Alderman McDade agreed that this would be a good process. She appreciated the Mayor's thoughts on this issue. The issue was timing and priorities. The City was currently retooling its web site. The City was not there yet. Basic communication channels needed to be in place. The City was not in position to undertake this item.

Ms. Montei questioned when the timing would be right. She encouraged the Council to place this item on the time line. The Council needed to talk about this item and budget for same. There would be valuable conversations regarding the value, suitability and timing for this item.

Alderman Fazzini expressed his appreciation for the white paper. The process should have started two (2) years ago. The Action Agenda needed to fit within the vision. He questioned how the City could move forward without a vision.

Todd Greenburg, Corporation Counsel, addressed the Council. The Council could start the conversation and put the question before the public.

Alderman Sage noted that two (2) Citizen Summits had been held and a Citizen Survey had been completed. He recommended that the Council review the results of same.

Mr. Hales suggested a strategic planning newsletter as a tool.

Mayor Stockton believed that the Council could find a middle ground.

Alderman Sage questioned the value. He believed that it would validate past actions taken.

Mayor Stockton stated that this item would expand resources, provide a broad debate and raise questions about the community's future. Actions steps might lead the City to a new place.

Alderman McDade believed that the work should be done by the Mayor, Council and citizens. Staff should not be expected to collect existing data, organize and review same. She questioned the scope of work and its costs. Options might address future processes. The Mayor, Council and citizens needed to determine the costs/benefits of this item.

Alderman Anderson recommended that information be compiled by the next Citizen Voice Meeting.

Alderman Fazzini welcomed statements of interest from other groups.

Ms. Montei questioned a time frame for the work. She questioned if this project was inspiring. The key issue was balance.

Mr. Hales presented an option – a short visioning plan. The process would take six (6) months to complete. He reminded the Council that the CLUP was on hold. He called the project a vision/strategic plan. He questioned if this would be sufficient. Exercises would be completed to validate same. The document would be citizen created.

Ms. Montei agreed that this approach could be done well. If no one argues with it, it can be a rich approach.

Mayor Stockton expressed his interest in the process. There needed to be a community debate.

Alderman Fruin noted that this item would discuss the community's future. The City needed young adults (20s/30s) to participate. This would be their future.

Alderman Anderson recommended that high school youth also be included.

Alderman McDade believed that there would be interest in a youth summit. There were models available.

Alderman Mwilambwe cited retirees.

Mayor Stockton again requested Council feedback.

The meeting adjourned at 8:05 p.m.

Respectfully submitted,

Tracey Covert
City Clerk

WORK SESSION
Strategic Planning
November 9, 2012

Council present: Aldermen Mboka Mwilambwe, Rob Fazzini, Judy Stearns, Jim Fruin, David Sage, Karen Schmidt, Steven Purcell, and Jennifer McDade and Mayor Stephen Stockton.

Council absent: Alderman Bernard Anderson.

Staff present: David Hales, City Manager, Barb Adkins, Deputy City Manager, Todd Greenburg, Corporation Counsel, and Tracey Covert, City Clerk.

Others present: Lynn Montei, Lynn Montei Associates.

The meeting was called to order at Business Furniture, 205 N. Main St., Suite 100, at 8:05 a.m.

David Hales, City Manager, addressed the Council. He thanked all for attending this two (2) day meeting.

Mayor Stockton stated that Lynn Montei had been helpful last year. He hoped these two (2) days would be productive. The schedule was fluid. He added that there were specific issues, i.e. liquor.

Ms. Montei had been entrusted to allow space for Council development. There would be continued opportunities for growth. She addressed the draft agenda. She acknowledged that if the Council focused its attention, there would be a sense of power which would allow the Council to be productive and generate creative ideas. The Council could create a new future. There was a diverse sent of perspectives.

She opened the day with an appreciation exercise. Each individual was encouraged to express appreciation for something.

Alderman Purcell expressed his appreciation for the Public Works Department's leaf collection crews. He cited their dedication.

Alderman McDade expressed her appreciation for the community for what it has been and what it could be. She enjoyed looking forward and planning for future generations.

Alderman Sage expressed his appreciation for living in the greatest country in the world.

Alderman Schmidt expressed her appreciation to Barb Adkins, Deputy City Manager. She noted their fourteen (14) year working relationship. Ms. Adkins listened and solved problems.

Barb Adkins, Deputy City Manager, expressed her appreciation for working for the greatest city.

Lynn Montei expressed her appreciation to Business Furniture for providing this uplifting space.

Mayor Stockton expressed his appreciation to the Council and City staff. It took everyone to improve the Council meetings.

David Hales, City Manager, expressed his appreciation for each new day. Each day was an opportunity to learn, improve, and acknowledge your blessings.

Alderman Fruin expressed his appreciation for the department heads and City staff. He acknowledged Mr. Hales' team. He noted their responsiveness. Staff work was complete. He noted the progress and improvements made.

Alderman Stearns expressed her appreciation for her constituents and citizens. They had a voice in city government. They were the reason she was here on the Council. She was the citizens' employee.

Alderman Mwilambwe expressed his appreciation for past, present and future City leaders. Leaders had set the vision. He looked forward to giving back. The vision must be extended to City staff that carries out same. He noted City staff's loyalty.

Todd Greenburg, Corporation Counsel, expressed his appreciation to City staff. He believed that staff did a good job. He noted their responsiveness to citizens. He cited the number of telephone calls where citizens complain about ordinance violations. He added that the City was a more cohesive unit.

Alderman Fazzini expressed his appreciation for the high level of community pride. He appreciated the opportunity to serve.

Ms. Montei cited the positive impact upon one's day when it starts with appreciation. She reviewed the draft agenda.

Alderman Sage questioned how the Council would stay on schedule and not lose focus. Ms. Montei believed that the Council was aware of each others intentions. She hoped to create conditions where the Council could see each other differently. She believed that there was something better. She questioned if the Council believed that something better was possible.

Ms. Montei addressed the Process Principals for City of Bloomington Council Work Session, December 2012. She noted that this document was the Process Principals from last year. The Council has been largely reactive. A clear vision was lacking. The Council needed to step back to create the future. Actions had been taken in isolation.

She challenged the Council to listen well without judgment. She believed that the Council could respect one another even though there might not be agreement.

She had prepared a Bloomington City Council Development Framework, (handout). She reviewed the first page of same. She noted that there were four vision statements. In addition, there was a draft listing of guiding principals. She noted that these principals had not been ratified by the Council.

Mayor Stockton added that the Council would have the opportunity to discuss and further same.

Alderman Stearns expressed her opinion that these principals were subjective and open to interpretation. Ms. Montei noted that this listing represented the foundation.

She had also prepared a Parking Lot Topics of Interest, November 7, 2012. She noted that there were nineteen (19) items listed.

Alderman Stearns cited constituent complaints. There needed to be a time line for a rapid response policy which all would be committed to.

Alderman Schmidt added interaction/collaboration with other governmental units.

Alderman Fruin noted benchmarks for terms like “whole community” and “diversity”. Principals were subjective. The terms “whole community” and “diversity” needed to be defined.

Ms. Montei affirmed that there needed to be more specific understanding of common terms.

Alderman Fazzini addressed Vision IV. Focus on the Public Good. He cited aldermanic versus at large. The City versus the ward could be another parking lot topic.

Alderman Schmidt added that the Downtown was represented by two (2) wards. The Downtown belonged to all.

Staff present: Mike Kimmerling, Fire Chief; Bob Wall, Asst. Police Chief; Mark Huber, Director – PACE.

Rich Buchanan, Liquor Commissioner arrived at 9:00 a.m.

DOWNTOWN POLICY

Ms. Montei encouraged the Council that during the conversation all embrace the Process Principals, (Systems Thinking; Principals for Engagement; Creative Stance; Living, Organic Systems; and Guidelines for Listening).

Mr. Hales addressed economic development. An issue was the lack of a vision/master plan for the Downtown. The Farr Plan, Downtown Bloomington Strategy dated 2010, (DBS) had not been adopted by the Council. Developers need some type of plan to react to.

Mayor Stockton echoed Mr. Hales' comments. There was interest in the Downtown. There needed to be coordination among the developers. He cited incentives as an example. He questioned why the DBS had not been adopted. The Council needed to adopt what if could.

He addressed a liquor policy. The Liquor Commission had a vision which included districts similar to the DBS. There needed to be specificity. At this time, there was no common basis.

Alderman Fazzini added that developers and bankers were limited due to the lack of a vision. He questioned where the vision for the Downtown was.

Alderman Stearns made an observation: controlling the situation was tied to a Downtown plan. She did not support same as there was no funding mechanism for the plan. She understood that having no focus, no plan was problematic. The DBS was not the answer. She believed that there were solutions which were separate from the DBS. The situation involving liquor and the Downtown bars was not tied to a Downtown plan.

Ms. Montei noted that it can be difficult to handle specific issues. The Downtown might and might not address same. It sounded like a Downtown plan/liquor licenses were on the table.

Alderman McDade expressed her support. There were two (2) conversations: 1.) liquor issues in the Downtown today and 2.) the need for a Downtown vision. These were two (2) separate issues. Liquor issues would be addressed today at constituent request.

Alderman Fruin believed that the topics discussed needed a common base line for understanding. He cited a Comp Plan for the Downtown as an example. He noted the different issues within the Downtown. He cited four (4) key buildings: 1.) Commerce Bank located at 120 N. Center St.; 2.) Pantagraph located at 301 W. Washington St.; 3.) Elks located at 110 N. Madison St., and 4.) Front N Center located at 102 N. Center St. It appeared that there was no common understanding that some information was confidential.

Ms. Montei noted that there needed to be a common base line for information and understanding.

Alderman Purcell noted that retail had shifted to the east side. The Downtown was an entertainment district with mixed use. He believed that the Downtown bar owners should pay the policing cost. He questioned how to maintain the Downtown as its use has changed. He also questioned how to fund the City's services. There were other parts of the community that needed attention. He cited Veterans Pkwy., Empire St. and Eastland Mall as examples.

Alderman Sage echoed Aldermen Stearns and McDade's comments. There were two (2) parts to the Downtown. Short term – liquor issues, he cited the DETF's, (Downtown Entertainment Task Force), recommendations. Long term – vision for Downtown, provide a framework for context. He was unsure how to accomplish same. The City needed a focused, actionable plan. He questioned what the Council wanted the Downtown to be.

Alderman Mwilambwe agreed that liquor was an issue. He cited the negatives: public urination, vandalism, etc. He addressed the Downtown Plan. Hot topics included aesthetics, retail, parking, and historic preservation. The Council needed to move forward.

Alderman Fruin believed that the City needed small immediate wins. Solutions were needed today. He believed that it was possible to reach an agreement and build upon same. He cited server training as a quick, short term gain which could be built upon.

Alderman Sage wanted steps towards a long term vision.

Alderman Stearns questioned the effectiveness of server training. She questioned if it would lead to a decline in over serving. She wanted to see results.

Ms. Montei reflected upon the Council's meeting efficiency. She believed that the Council had bottled up feelings.

Mayor Stockton noted that there were individuals pushing the City to adopt a Downtown Plan. He added that funding would be a huge hurdle. The City does not have to adopt the DBS. This plan could be used as a basis for or the City could start anew. He addressed the liquor license issue. He questioned where the liquor establishments were supposed to go. He also questioned if there was anywhere in the Downtown for same.

He cited the US Cellular Coliseum (USCC) located at 101 S. Madison St. He noted that the Commerce Bank was for sale. There were a few developers interested. The key question was the Downtown plan. In addition, the Pantagraph, the Elks and Front N Center buildings were also for sale. This was the time.

The City needed to deal with the issue, "rowdiness", as it impacted investment. The City must develop a vision for the Downtown.

Ms. Montei noted that there appeared to be frustration around this topic. It did not feel good.

Alderman Schmidt addressed short term fixes. There needed to be a plan. Farr had led the discussion for over two (2) years. It was a good plan. She cited liquor issues. There were individuals who invested in the Downtown with the belief that there was a plan.

Break – 9:30 – 9:45 a.m.

Ms. Montei recommended that a two (2) pronged approach be used. Immediate actions would be addressed in the short term. The context for a Downtown Plan would be addressed in the long term. She believed that both were needed.

Alderman Purcell recommended that the work start by implementing a few things.

Ms. Montei added that the short term items should be specific and immediate. There needed to be an estimated time line for the Downtown Plan. She sensed that there was urgency surrounding liquor issues.

Mayor Stockton recommended that the Council start with immediacy issues.

Alderman Fruin recommended focused enforcement.

Alderman Sage addressed two (2) issues: 1.) Downtown liquor issues and 2.) Downtown Plan. The work should begin with the first item.

Ms. Montei concurred that today Downtown liquor issues were urgent. The next item, Downtown Plan, would require a strategy/time line.

Alderman Fazzini cited the focus on the negative things. He noted the facility being used. For Business Furniture, the space fit what was wanted. The firm liked the "Downtown" feel. The City was centrally located to Decatur, Springfield and Champaign. The immediate steps would be where the work would begin.

Mayor Stockton noted that problems had been seen which some believed additional enforcement would positively impact. He cited the following examples: noise, fighting, public urination, litter, vandalism, etc.

Alderman McDade wanted a firm grasp of the issues. These concerns have been aired publicly. She cited the DETF's recommendations. She also noted the BNCCC, (Bloomington Normal Community Campus Committee). She had a keen understanding of the challenges. The Council needed to look at solutions: 1.) increased Police Department resources; 2.) post conditions; and 3.) server training. The City needed to take action.

Alderman Fazzini recommended that the Council take a step back. He noted the concentration of taverns in the Downtown. He cited the estimated $790,000 revenue stream from same and questioned if these bars were worth the problem. If the Council does not want Downtown bars then it needed to reduce the number of same. These businesses would have to be replaced with something else where liquor would not be the primary focus. These actions must be taken concurrently. The proposed Jazz Club would have been a way to start a change.

Ms. Montei questioned shared value. The Plan would have to have principals. She addressed immediate things, the background and the City needed to be poised for opportunities.

Alderman Stearns noted that solutions have been proposed. The list was not exhaustive. She was interested in solutions with results. She questioned what would be tolerated. She cited legal and police issues. There were police officers who had ideas. She cited street closures as an example. These businesses were profitable. The City needed to set standards that were enforceable. The Council needed to address the Downtown's appearance, presentation and feel. The Council needed to determine what would be tolerated.

Marabeth Clapp, Liquor Commissioner, arrived at 9:55 p.m.

Ms. Montei noted that there needed to be parameters for behavior.

Alderman Fazzini wanted the Downtown tone to change. He cited traffic tickets issued for speeding by the City versus the Town of Normal. He believed that the City needed to hire additional police officers.

Alderman Sage stated that the City needed to develop a plan. The DETF addressed enforcement, license display and server training. The Council needed to determine what it wanted done and how to enforce same. He noted a part time compliance person and stepped up enforcement as possible solutions. He also addressed how a license is displayed. The Council should look to the Police and PACE Departments. A compliance person could determine if the conditions were being met or not. If a violation is discovered, the business would be closed for the night. The Council needed to differentiate between the whats and the hows. The Council addressed the whats and staff addressed the hows.

Alderman McDade added that the Council needed to support the whats and hows. Staff has the expertise. She cited the Police Department and other departments that have ideas. The Council must empower staff with resources. The Council needed to send a clear message. Staff would be empowered. The Council expected staff to be creative and request the resources needed.

Geoffrey Tompkins, Liquor Commissioner, arrived at 10:05 a.m.

Alderman Fazzini stated that the Council needed to quickly set the tone. The Council would send a strong message by closing a Downtown bar. Mr. Greenburg addressed the Council. He reviewed due process.

Alderman Sage did not believe that the Downtown could be changed in one (1) night. There needed to be demonstratable steps that would turn the ship.

Mayor Stockton agreed that the Council needed to set the tone. He questioned what the Downtown should be like. He cited the presence of the college bars. A real change may be a long term goal. He noted the current customer base and the goal of changing the behavior. He cited noise, litter and over serving which impacted the decorum of the Downtown and lead to enforcement issues. License conditions could be posted, server training could be required and more police could be hired. He questioned what was the right thing and college town expectations.

Ms. Montei encouraged the Council to define Downtown decorum. She noted the following: white papers had been cited, different tolerance levels, definitions for parameters and decorum, and police makes judgment calls.

Alderman Schmidt addressed benchmarks. She cited a decrease need for police officers, increase in retail/restaurants; and decrease in Ordinance Violations, (litter, public urination).

Alderman Mwilambwe expressed his opinion that the Council's discussion had fallen into the hows. The issue was with approvals. He noted the Liquor Commission's efforts. The Council needed to send a clear, strong message.

Alderman Sage echoed Alderman Mwilambwe's comments. The Council needed to send a message.

Alderman Mwilambwe questioned why the situation had been allowed. These businesses were making money and doing whatever. This was not acceptable.

Alderman Stearns stated that one could not tie lawlessness to free enterprise.

Mr. Hales addressed the issue of accountability. It appeared that the Council wanted greater enforcement. There needed to be role clarity, i.e. who was responsible for what. He noted the statutory authority of the Liquor Commission. He added that there were issues but resources would be needed if he would be accountable for the results.

Alderman Fruin addressed accountability. The City needed to be with the bar owners as they were the root. The City needed to address its concerns which started with liquor service, vehicle for hire shuttles, etc.

Alderman Sage added that the City needed a communication plan. The City needed to be a fair partner and set expectations going forward.

Alderman McDade wanted someone to own this piece and be accountable. This was a neighborhood issue. The goal was improvement within a short timeframe. This needed to be assigned to staff with the resources needed. She cited the Police Department as a possibility. The Downtown's residents were concerned. The Council's role should be an oversight one and be a top priority.

Alderman Purcell recommended that the Corporation Counsel Office also be included. He did not believe that the rules would not be applied City wide. The rules needed to be enforceable. He noted that Downtown was the hot spot but all liquor establishments should be included.

Alderman Sage addressed role clarity. Enforcement had not been successful. He expressed his preference that the City Manager be assigned the responsibility. Mr. Hales would have to be flexible and use a number of staff options.

Mr. Hales stated that staff could develop the hows. However, the legal authority rested with the Liquor Commission. He would need to collaborate with same.

Ms. Montei noted that resources were needed. She cited staffing levels and the addition of new responsibilities.

Mr. Greenburg stated that guidance was needed. He noted the frustration and friction between the Council and Commission. He added that there was an informal moratorium regarding taverns in the Downtown. He also addressed enforcement versus prevention. The Commission's role was to process liquor applications. There was no formal authority to deny.

Ms. Montei noted that one option might be prevention.

Alderman Fruin noted the tension between the Council and Commission. He believed that the Council needed to provide direction to the Commission.

Mr. Greenburg addressed a moratorium. The Council would need to consider grandfathering existing license holders. The goal might be to reduce the number of Downtown liquor licenses in the future. The Council would need to consider the impact as the Downtown had become an entertainment district.

Mayor Stockton noted that the Commission had been invited to attend the retreat and listen to the Council's dialogue. Mr. Greenburg's comments addressed a long term plan. He questioned where the college age individuals would go. He questioned if the enforcement standard would be zero tolerance. The City could regulate the bars but not individual behavior on the street.

Ms. Montei stated that the Commission could address license posting and server training. She believed that it was within the City's purview to address street behavior.

Mr. Greenburg noted that there was direct enforcement for underage sales.

Alderman Purcell noted that the City's PACE Department had the ability to track mud on the street. He questioned why liquor was different.

Alderman McDade believed that the City had the tools to address enforcement. The Council needed to agree, to build a consensus, and to do things differently in the future. The City needed to deter behavior. Staff needed to determine what this would look like and at what cost. License conditions needed to be enforced and create risk.

Mr. Hales cited occupancy limits which he believed were being exceeded. The Commission could set lower limits than currently being set by staff. He questioned what to address first. He cited activity in the public right of way as an example.

Alderman Fazzini stated that the Council needed to take ownership. Someone needed to be in charge and change the tone. Enforcement tools were available. He cited fines and closing the business for the evening as examples.

Alderman Stearns addressed immediacy, ownership and occupancy limits. The City had the ability to change the tone. She believed that there was a role for the Corporation Counsel Office. She believed that the Downtown bar owners wanted to work with the City. The Commission needed to have a meeting and inform them that this was how it was going to be.

Alderman Sage addressed role clarity. He cited police enforcement. He noted that the Commission addressed what happened inside of the establishment. The Police Department addressed behavior outside on the street. The approach was counterproductive. The City Manager should be accountable for both. Enforcement regarding Downtown liquor issues had been seen and not seen. The Council needed to move on.

Mayor Stockton noted that there were a number of enforcement tools. The City was not able to catch all underage persons. The Police Department conducted audits which were proactive efforts. The Police Department also conducted random identification checks. Currently, the bars were not held accountable for fake ids. He believed that the bars were making an effort to check identification. He also addressed server training. The City could start to hold the bars accountable for same. He questioned the Council's goal regarding enforcement.

Mr. Greenburg noted the testimony of a police officer at a recent court proceeding. The Police Department faced a number of issues on the street. He noted the large number of Ordinance Violations, (OV), for public urination and public intoxication.

Bob Wall, Asst. Police Chief, addressed the Council. He noted the students' ability to obtain quality professional fake ids. Bar staff performed due diligence. There were enforcement issues.

Ms. Montei addressed immediate actions. She noted that the Commission was present and listening to the Council's dialogue.

Alderman Sage noted that the focus needed to be on the whats. The City needed to move forward. He cited enforcement, license display, server training, and making the City Manager accountable for same.

Ms. Montei noted that there was a proposal on the table.

Alderman Fazzini noted that the City Manager had been selected as the individual.

Mr. Hales stated that he would need to determine a plan, identify the resources, and assign staff to perform specific tasks. At a future date, there would be a report to the Council. He planned to use collaboration and delegation.

Alderman Stearns stated that everyone was not trained. She expressed her interest in measurable change. She wanted to see something. She interested in something better.

Ms. Montei recommended that a realistic timeframe be established.

Mr. Hales requested thirty (30) days to develop an initial action plan. He added that resources were needed.

Alderman Fazzini cited the Council's reputation. This was an important issue, i.e. setting the tone for the Downtown.

Mayor Stockton addressed possible text amendments. The City Manager would be responsible to initiate same. Server training would be placed on the Commission's November 14, 2012 meeting agenda. He anticipated opposition to same. He believed that the Town of Normal was interested in working on a common ordinance. The Police Department's role was enforcement. The Commission would be involved in license display and determining what must be displayed. The City Manager would measure the progress.

Alderman Fruin addressed wins and empowering the City Manager regarding enforcement. He did not believe that the Council needed a report from the City Manager. The delay had been due to the lack of an agreement. He believed that server training/certification could be completed in two (2) hours at a cost of $30.

Mr. Hales addressed a plan of action. This would not be a request for approval. Resources would be needed. City staff would be needed to address Downtown liquor issues. The bar owners would need to be involved. He expressed his concern that the City's approach might be seen as too aggressive. Issues would need to be labeled immediate, urgent, etc. The following stakeholders would need to be included: citizens, residents, property owners, and businesses. He would keep the Council informed.

Alderman Purcell cited the need for additional police officers. He questioned how to fund same. People would be needed to address enforcement.

Mr. Hales stated that initially the City would redeploy existing resources. Additional resources would be needed down the road.

Alderman Purcell noted that the focus had been on Downtown issues. He questioned the dollars spent on the Downtown.

Alderman Schmidt noted the statutory authority of the Commission. She questioned disagreements between the City Manager and Commission.

Mr. Greenburg compared the two (2) to a police chief and a judge. The Commission acted as the judge, (licenses). The City Manager acted as the executive branch, (resources). He noted that only the Commission had the authority to close a licensed establishment.

Alderman Mwilambwe expressed his support of the conversation. He questioned a communication plan for the public and the Downtown.

Mr. Hales noted that these plans would have to be developed. A first step would be to meet with the bar owners. Information would have to be disseminated.

Alderman Mwilambwe questioned the value at the end of the day. The Council must be resolved to address Downtown liquor issues.

Mr. Hales would provide the Council with a draft which would provide a sense of urgency. Staff would be accountable for short term progress.

Alderman Fazzini questioned who had the authority to close an establishment.

Mr. Greenburg restated the Commission. He noted that there must be a risk to the public peace. He used a riot as an example. He also cited due process and cross examination.

Mayor Stockton noted changes preferred by the Police Department and Commission.

Alderman Purcell recommended ordering all patrons to exit an establishment in order to determine occupancy. Mr. Greenburg restated that there must be a public safety threat.

Asst. Chief Wall noted the burden on the Police Department. He questioned the Council's vision for the Downtown, (entertainment district). He cited unintended consequences for businesses and citizens.

Ms. Montei recommended that the Council take Asst. Chief Wall's comments under advisement, (i.e. be mindful of implications).

Mr. Hales restated his intentions to keep the Council informed of serious issues. He cited occupancy as an example.

Alderman McDade stated that there would be unintended consequences. Today, Downtown liquor issues were addressed in the court of public opinion. She noted the discussion and additional items cited. The City Manager would be held accountable. The Council should expect collaboration between the Council, Commission and staff. All needed to be on the same team. The goal was to change how things were done.

Alderman Sage welcomed questions/comments from Mr. Hales. He questioned if the Council had provided sufficient direction. Mr. Hales responded affirmatively. He planned to come back to the Council with the hows, (issues).

Alderman Sage expressed his interest in seeing a report prior to any action being taken. There needed to be a line of sight regarding enforcement and license display. These issues must be fully addressed prior to initiation. He cited the reputation of the Council and City. The Council had not granted approval.

Alderman Stearns added that there should be no decisions regarding new liquor licenses in the Downtown. There should not be any public statement regarding knowing what success would look like. The City Manager would be held accountable.

Alderman McDade believed that there must be agreement regarding new liquor licenses in the Downtown. The Council needed to acknowledge that it had heard the message; it was aware of the issues and was taking steps to address same. The City Manager would be accountable for developing a plan. There would be no new liquor licenses in the Downtown as the City explores this issue. Three (3) existing licenses were placed on a list as they were currently searching for a new location.

Mr. Hales recommended no new tavern liquor licenses in the Downtown.

Alderman McDade expressed her discomfort with any liquor license with the following classifications: RAS, E and Q, (Restaurant, All types of alcohol, Entertainment and Qualified).

Ms. Montei stressed that the Council needed to nail down what it agreed to.

Alderman Fazzini stated his objection to and confusion regarding the City Manager developing a plan in the next thirty (30) days. It appeared that Alderman Fruin wanted staff to take action but Alderman Sage did not.

Commissioner Tompkins left the retreat at 11:30 a.m.

Mr. Hales addressed outreach to license holders. He planned to start with noncontroversial items. He would use judgment.

Mayor Stockton addressed one (1) more issue, measurement of an R liquor license. The Commission has the ability to issue an inquiry. He believed that there needed to be a better way to measure compliance with City Code. He noted unintended consequences. He believed that there were a few establishments that might not qualify as a restaurant, (i.e. Bloomington Center for the Performing Arts (BCPA) located at 600 N. East St.; Castle Theater located at 209 E. Washington St.; and A Renee located at 306 N. Center St.) He hoped that the Council would give quick attention to same.

Alderman McDade restated that there should not be any new T, Tavern liquor licenses in the Downtown. She believed that there were those who did not want any new liquor licenses in the Downtown. This item could be added to the list of things that she believed would be solved. The list was unbalanced. She also cited the license display and server training.

Ms. Montei noted that there would be a lunch break from 11:35 a.m. until 12:45 p.m.

Ms. Montei addressed the moratorium issue and the R ratio.

Alderman Fruin questioned what counted towards non alcohol sales. He cited the BCPA, Castle Theater, USCC, and the City's golf courses as examples.

Ms. Montei addressed the Downtown Plan. The Council needed to move forward. She questioned immediate steps.

Alderman McDade presented three (3) options: 1.) withdraw; 2.) address the work proposed; and 3.) draft a future text amendment that would establish a cap.

Alderman Fazzini noted that the last item had not been addressed.

Alderman McDade recommended that the Council draft a statement and send a signal.

Mayor Stockton expressed his concern that the Council could not take formal action.

Alderman McDade believed that the policy should address the different experience wanted in the Downtown. The Council needed to address the big picture.

Mayor Stockton expressed his interest in something solid, a Council policy.

Mr. Hales believed that the City could set a cap which could be changed. There could be unique situations and the Council might have to determine if the cap should be applied. There could be a time limit imposed. He questioned what the Council hoped to accomplish/address under a cap on T liquor licenses. City staff could draft an ordinance.

Alderman Fazzini believed that there was a value to the existing liquor licenses. The City needed to increase control over the number of liquor licenses. He noted the proposed E, and R establishments. He supported a cap on T liquor licenses. The City needed to change the mix of licensed establishments in the Downtown. He hoped to see an improvement in a short period of time.

Alderman Sage stated that the Council should proceed carefully when setting a policy. He noted the creditability issues with Downtown liquor licenses. He questioned if additional license classifications would add to the Downtown's challenges. The Council wanted to correct the perspective that the Downtown was not in control.

Alderman Fruin expressed his concern regarding a broad brush approach. There were responsible business owners. He also wanted to change the mix in the Downtown. The City needed to attract other businesses. A restaurant would be a compliment to the BCPA and/or USCC. He acknowledged that there were problematic license holders. He had attended Commission and DETF's meetings. Information/recommendations needed to be carried beyond these two (2) groups. The Council needed to go beyond the DBS. There were pockets of creditability. He cited Rosie's located at 106 E. Front St. and Lancaster's located at 513 N. Main St. as examples.

Ms. Montei attempted to couch her message. The Council had recognized issues. The City was in a reaction mode. The Council needed to send a message. She questioned if there was the motivation to fix the problem and attract the positive. There needed to be a strong message.

Alderman McDade recommended that there should be a six (6) month cap for either all or certain license types. The DBS was not relevant. There was a creditability issue. The Council needed to go forward and look to the future. The Council needed to focus on a problem and solve same. The Council needed to show leadership.

Alderman Fruin believed that the issue involved T liquor licenses. He questioned how one could find out an establishment's liquor license classification. There was no confidence in the level of enforcement.

Ms. Montei restated that it was important that the Council send the right message.

Mayor Stockton believed that the issue went beyond revenue. He cited the proposed E and Q license classifications. He noted the number of eighteen to twenty (18 – 20) year olds in the community. The computation for an R liquor license could be changed. There was a new interpretation of this classification which might impact existing businesses. The Council must be careful with the message sent. There was the potential for a new restaurant in the Downtown and existing taverns were looking for new locations.

Mr. Greenburg noted that under the current code ticket sales were not tangible items. This issue should be resolved by year end. The current interpretation would impact the BCPA and USCC.

Ms. Montei noted that "six (6) months" could be added to the statement.

Mr. Hales believed that the focus was on the T liquor licenses. There were major enforcement issues.

Mr. Greenburg believed it would be easy to redefine tangible items.

Alderman Fruin expressed his concern that the Council would be restricting interest in the Downtown. This approach could be problematic. Communication was key. He cited unintended consequences.

Ms. Montei noted six (6) months with a focus on T liquor license.

Alderman Sage expressed his concern regarding the proposed E liquor license which would allow eighteen to twenty (18 – 20) year olds to be present. He cited enforcement issues. He believed that currently there were enforcement issues at the Castle Theater. The issue was R versus T. He added his understanding that an R liquor license meant that the majority of an establishment's revenue was from food sales. The City needed to validate the current R liquor licenses. There needed to be sufficient follow up.

Ms. Montei restated six (6) months, a commitment to work through issues, and test enforcement. She questioned what the Council wanted to see, what the Council wanted in the future, and the impact of today's actions. She questioned if the proposed text amendment would only cap T liquor licenses only or all liquor license applications for six (6) months.

Alderman Fruin addressed Downtown versus City wide. The Downtown needed to be defined. He needed to understand.

Mr. Greenburg stated that a text amendment could be restricted to the Downtown. The area could be defined.

Ms. Montei believed that there were four (4) aldermen that were only interested in T Taverns and five (5) aldermen that were interested in all.

Mr. Hales stated that a text amendment would be drafted and placed on a future Council agenda.

Alderman Mwilambwe left the retreat at 1:20 p.m.

Alderman Fazzini requested that the text be changed. He recommended the following phrase "set new tone for". The Council wanted a cleaner, safer Downtown that the City could be proud of.

Alderman Fruin recommended a healthy, safe, friendly atmosphere.

Mayor Stockton cautioned the Council to not make the Downtown sound scary.

Ms. Montei suggested that a six (6) month time period could be added.

Alderman Schmidt questioned where the Council was going.

Mr. Hales recommended that the Council draft a press release.

Alderman McDade addressed the proposed six (6) month period. She questioned if the time line could be changed.

Mr. Hales suggested that an item be placed on the November 26, 2012 Council meeting agenda.

Tracey Covert, City Clerk, raised a pending application and that there were two (2) businesses, (Flingers located at 608 N. Main St. and CII East located at 102 S. East St.), that had lost their leases.

Alderman Fazzini recommended that the number of liquor licenses be capped. The Council may also need to address change of ownership/location.

Alderman Sage addressed the six (6) months time period. There would be a change in the Council in May 2013. The current Council wanted to own resolution. The Council could address the finer points at a later date.

Alderman Fruin questioned evidence of change.

Mr. Hales cited building projects.

Mr. Greenburg recommended that language be included that addressed applications filed by a date certain. There could be exceptions for change of ownership and/or change of location.

Alderman Fazzini recommended the addition of a cap on new liquor licenses.

Alderman Fruin cited the DBS. He addressed a Downtown strategy. Taverns should read the same but apply the word new.

Alderman Sage believed that the conversation had been focused by the DETF.

Alderman Schmidt addressed the DETF. The DETF's recommendations were driven from the DBS. She addressed liquor licenses. She believed that all liquor licensed in the Downtown should be capped. The Council needed to support the Downtown stakeholders.

Ms. Montei recommended that the Council stay focused.

Alderman Schmidt requested consideration of a cap on Downtown liquor licenses.

Mr. Hales requested that the Council be clear about what would appear on the Council's November 26, 2012 meeting agenda. This would drive the press release. The Council needed to take into consideration those who would be impacted.

Ms. Montei noted that City staff would facilitate. The Council must be able to embrace a draft ordinance. The Council needed to understand the impact of its decision.

Mr. Hales expressed his hope that the City would hear from those impacted.

Ms. Montei noted that the Council did not have all of the details. She requested that the Council be reserved.

Alderman Sage believed that there was a majority consensus that this change would enhance/improve the Downtown.

Alderman McDade requested that the last sentence be removed. She added good progress and/or captured progress. The Council may need to consider a text amendment.

Alderman Fruin noted the discussion. He questioned if the Council knew where it wanted to go.

Alderman McDade stated that the Council needed to go forward. Council needed to accept responsibility and the City Manager would be held accountable.

Alderman Fazzini believed that the last sentence was the teeth. He urged the Council to consider adoption.

Alderman Stearns questioned if the last sentence was needed. She questioned support for and could not agree with same.

Mayor Stockton expressed his support for the last sentence. The Commission has to follow the existing ordinance. The Commission could not past ordinances. He noted the DBS.

Ms. Montei noted that the Council's action would impact all liquor license holders. City staff would draft an ordinance. There would be no room for exceptions.

Mr. Hales requested that the Council be clear. City staff would not accept liquor license applications. The Commission would not hear same. He questioned if City staff should present the Council with options.

Alderman Sage expressed his concern regarding what might happen at the Council meeting.

Ms. Montei noted that the Council would find out. The Council needed to trust each other to be their best self. She encouraged the Council to move on. She addressed the R ratio.

Mayor Stockton set the stage.

Break: 1:50 – 2:05 p.m.

Mayor Stockton believed that this issue was clear cut. R liquor licenses addressed tangible items. The ratio between alcohol sales versus non alcohol sales should be less than fifty percent (50%). The Commission believed that this was possible under the right business plan. Restaurants were policed on a complaint basis. Personal observations were appropriate.

Alderman Schmidt cited the DETF. The DETF had heard from the liquor license holders. She recommended that the City contact the liquor distributors.

Mayor Stockton noted that the Commission had the authority to request records and audit liquor sales and purchases. Past restaurant tickets would list the sale of tangible items. He noted the City's legal staff had recently provided a new interpretation of tangible items. He cited the City's BCPA as an example of an R liquor license holder that might not qualify. He believed that this facility would meet the definition of an E. He also cited bowling alleys. Their sales included shoe rentals, etc. which impacted their percentage of sales. There were a number of current license holders which would be impacted. He cited A Renee as an example. The ordinance needed to be amended. The City could establish a separate class for City owned facilities. An R liquor license required more than an open kitchen. The E and/or Q represented something in between.

Alderman Sage questioned what was known versus what was thought.

Mayor Stockton had developed a form. He questioned the impact upon the USCC, BCPA and Castle Theater.

Ms. Montei questioned if there was a recommendation.

Mr. Hales questioned role clarity. The City Manager and City staff would be responsible for enforcement of the rules. City staff completed the work of the Commission. City staff would need to proactively address issues. The Commission and City staff would prepare/present a text amendment. It could not be too open and needed to address specific items.

Mr. Greenburg addressed Dan Rolph's (Six Strings liquor license holder located at 525 N. Center St.), accusations.

Mayor Stockton informed the Council that he had been questioned by the Pantagraph. The press was aware of the issue. The issue came to light with draft of the E and Q classifications. He believed that the proposed class E and Q would have addressed these issues.

Alderman Fazzini suggested that the Council adopt a text amendment which would address ticket sales. He also believed that accusations would occur.

Mayor Stockton was not sure that changing the definition of an R liquor license would do. He suggested that a new liquor license classification was needed.

Alderman McDade believed that the issue needed to be addressed simply. This needed to be done before the calendar year end. City staff needed to draft a text amendment.

Mr. Greenburg stated that seating capacity could be used, ticket sales could be allowed, etc.

Mr. Hales noted that the Town of Normal had similar issues with the Corn Crib.

Mayor Stockton wanted to keep the issues separate.

Mr. Greenburg addressed ticket sales – tangible or not. There had been no formal opinion in the past.

Ms. Montei addressed steps: City staff would draft the text amendment and Mr. Greenburg would address seating capacity.

Alderman Sage expressed his preference that the City amend what it had and not create new liquor license classifications.

Ms. Montei did not believe that the Council had enough information. She reminded the Council of no blame.

Mr. Hales acknowledged the Council's discussion. The City Manager and City staff would begin to audit R liquor license holders. He noted the challenge of being proactive with the available resources.

Alderman Fazzini did not want to see existing liquor licenses lose their business.

Ms. Montei addressed the time line.

Mr. Greenburg cited year end.

Mr. Hales noted that the Council only had three (3) Council meetings before the year end.

Ms. Montei addressed the Downtown Plan and a time frame. She encouraged the City to see the big picture. She questioned what the Council wanted the Downtown to be.

Mayor Stockton addressed non liquor, balanced Downtown, the area around the USCC, etc. He cited the issue of a Downtown hotel. The Convention and Visitors Bureau had cited the loss of business meetings. The USCC lack exhibition space. He noted the Festival of Trees. This facility did not work as it lacked good exhibit space. He questioned how to enhance the USCC and additional investment in same. The USCC had a lot of open space.

Ms. Montei noted that there was a laundry list of issues. She questioned which issues the Council wanted to solve/address. She also questioned what the Council wanted to create.

Mr. Hales noted the City's investment including time and effort. He cited the DBS. The Council needed to involved Downtown residents. The City could utilize the individuals who participated in the DBS. The key question was what needed to be changed. Items which faced opposition included the couplet and a form based code. He wanted the process to be efficient, effective and productive. The process also needed to be Council driven. There needed to be a revised master plan. Sub elements included the area around the USCC, economic development, and area plans (i.e. USCC, warehouse district and BCPA).

Alderman Schmidt expressed support for Mr. Hales' comments.

Commissioner Buchanan left the meeting at 2:45 p.m.

Alderman Sage recommended that the conversation be continued. The plan consisted of a number of sections. There was some value on a surface level. Some topics needed to be removed.

Mr. Hales requested that the Council state upfront which items would not be included.

Alderman Fruin noted that $300,000 had been spent studying the Downtown. He cautioned the Council regarding another Downtown study.

Alderman Purcell addressed the Downtown hotel. This should be a private/public partnership. The City should not finance a hotel.

Alderman Sage had reservations.

Mayor Stockton made two (2) observations: Farr was toxic and prospective tax rebates for items that fit into the City's Incentive Plan.

Mr. Hales did not believe that the timing was right for serious investor.

Mayor Stockton believed that the Commerce Bank building might be sold in the next thirty (30) days.

Alderman Fazzini questioned the ability to make a Downtown hotel work.

Ms. Montei noted the economy and the City's tone/vision. The City was attractive and the potential was huge.

Alderman Stearns addressed financing and an implementation plan. Items could be removed from the DBS and implemented. She cited the City's infrastructure and capital needs. She also noted pensions and the bond rating agencies.

Mr. Hales stated that the Council needed to be visionary. He cited the positive economic impact.

Commissioner Clapp left the meeting at 2:55 p.m.

Alderman Stearns stated that the bar district needed to be cleaned up.

Ms. Montei addressed a Downtown strategy: how to do what, by whom, etc.

Mr. Hales questioned if the City owned the plan.

Mr. Greenburg noted that the plan was not copyrighted.

Barb Adkins, Deputy City Manager, added that it was the Downtown Bloomington Association's (DBA) plan. The City provided $75,000 to the DBA. The DBA paid for the plan.

Alderman Schmidt recommended that the DBA perform the initial refinement.

Alderman Fazzini supported Council review of same.

Mayor Stockton noted that the plan listed nineteen (19) goals and forty-five (45) actions.

Alderman Fruin noted the cost. The Council needed to correct misstatements.

Break: 3:00 – 3:12 p.m.

Alderman Schmidt left at 3:00 p.m.

Alderman Mwilambwe returned at 3:12 p.m.

Ms. Montei addressed the Downtown plan. It was not on the Action Plan. Items on this plan had a high level of importance.

Ms. Adkins cited the Downtown Streetscape Plan.

Ms. Montei questioned resources from enforcement, R liquor license ratio, Downtown Plan, etc.

Alderman Sage believed that the Council needed to remove items from the Action Plan.

Ms. Montei noted that there were huge commitments. She cited Munis software as an example.

Mr. Hales cited updated Comprehensive Land Use Plan, a Citizen Driven Community Vision (Statements of Interest had been solicited), and a variety of Master Plans, (infrastructure).

Ms. Montei noted that the City was short on resources. Items needed to be prioritized.

Alderman Fazzini supported Council review of the Action Plan.

Alderman Mwilambwe expressed his willingness to review same.

Alderman McDade expressed her support. She noted the Council's process regarding the rules of procedure.

Alderman Sage stated that there needed to be a baseline and consensus regarding same.

Alderman Fazzini recommended that the Council present a plan to the DBA.

Mr. Hales offered to provide hard copies of the DBS. Ms. Adkins would provide same.

Alderman Fruin recommended that the Council start with a list.

Mayor Stockton restated that the DBS contained nineteen (19) goals and forty-five (45) recommendations.

Alderman Purcell questioned implementation, dollars involved, and where the funds would come from.

Mr. Hales noted that the infrastructure plan would be expensive. A plan represented a vision. The Council would start with collaboration. Key questions included resources and financing plan.

Alderman Purcell noted that there were other parts of the community looking for the City's help. He noted the investment in the Downtown to date.

Mayor Stockton noted that there were low cost items involved. The Council needed to identify other areas which needed economic attention.

Ms. Montei questioned who would receive the Council's feedback.

Mr. Hales noted that City staff would address the hows.

Alderman Fazzini recommended that the Council strike through what was unacceptable. His goal was for the task to be completed by the end of November.

Alderman McDade addressed the financing piece which would be separate from the vision.

Mr. Hales noted that it was a City project.

Alderman Stearns could not support these actions. She did not see a path towards something. She could not support separating a plan from its costs. She questioned other plans.

Mr. Hales noted that a number plans would be presented to the Council, (i.e. Fire, sidewalk, southwest water well, etc.). The Council would need to determine which items were critical versus noncritical. In addition, the Council would need to determine funding mechanisms for these items. The Downtown TIF (Tax Increment Financing) District was closed. It was time for something else. He noted the various liquor issues. He cited transition to the adjacent neighborhoods.

The time line would be a couple of weeks.

Alderman Fruin recommended that the Council start with a summary list.

Mr. Hales would provide a framework and a copy of the Downtown strategy.

Ms. Montei stated that the Action Plan would be addressed tomorrow. She addressed the next day's agenda.

Mayor Stockton noted that committee structure/operation and work flow would be discussed.

Mr. Hales informed the Council that there was a handout.

Alderman McDade hoped that attention would be directed towards the big picture. Every year at budget time there was a discussion regarding priorities/subsidies.

Mayor Stockton addressed the value of these discussions.

Mr. Hales cited the BCPA.

Alderman McDade was unsure as to the context. Key items needed to be discussed.

Alderman Purcell noted that there were a number of items which needed to be funded. He questioned the best utilization of City dollars. There would never be enough money that was the challenge.

Alderman Fazzini addressed City branding. The City needed to attract business and people to insure future viability.

Alderman Mwilambwe addressed Council functionality. Progress had been made. He questioned the next level. The Council needed to capture and sustain its efforts in the face of tough issues.

Alderman Fazzini cited retail economic development.

Ms. Montei believed that this issue should be addressed with Justine Robinson, Economic Development Coordinator, at another time.

Alderman Stearns questioned how the Council could start work on the budget when it did not have the CAFR (Comprehensive Annual Financial Report).

Mr. Hales noted that Sikich, outside auditor, would make a presentation to the Council.

Alderman Stearns wanted answers to her questions.

Mr. Hales stated that there were a number of alternatives beyond the tax levy. He would present recommendations. His goal was to adopt a plan by December 10, 2012.

Mayor Stockton addressed the Open Meetings Act, (OMA).

Alderman Fruin questioned the parking lot list.

Ms. Montei questioned the items the Council wanted to have time for. The Council developed the list of issues. These items could be discussed beyond the annual retreat.

Mr. Hales noted that the list was a summary. He recommended that the Council focus on those items where the majority of the Council showed an interest. These items needed to be prioritized due to time constraints. He acknowledged that from time to time there would be unique, special interest. Any action would be impacted by the lack of resources.

Ms. Montei noted that this was a high level Action Plan. It should be a helpful tool. Currently, it was overwhelming.

Mr. Hales noted that some items were part of long range goals which were linked to the City's vision. The Action Plan represented steps toward same.

Mayor Stockton recommended that the Council review the items, remove some items and establish procedures for same.

Meeting adjourned. Time: 4:15 p.m.

Respectfully submitted,

Tracey Cover
City Clerk

APPENDIX

Press Release dated November 9, 2012

The Bloomington City Council has identified as a high priority the immediate need for actions to ~~enhance~~ the late night environment in downtown. In its work session today, the Council directed City Manager David Hales to lead coordinated efforts to enhance the health and safety of your downtown environment. This action reflects the input and direction from multiple stakeholders regarding needed changes in the downtown.

The Council expects shared responsibility and collaboration among public and private stakeholders. To this end, the Council will direct policy and provide coordination among the Council, the Liquor Commission and City staff.

The City Manager will engage downtown stakeholders as he takes the actions necessary to insure a vibrant downtown. In the coming week, Council will consider an ordinance that caps liquor licenses in downtown.

WORK SESSION
Strategic Planning
November 10, 2012

Council present: Aldermen Mboka Mwilambwe, Rob Fazzini, Bernard Anderson, Jim Fruin, David Sage, Steven Purcell, and Jennifer McDade and Mayor Stephen Stockton.

Council absent: Alderman Karen Schmidt and Judy Stearns.

Staff present: David Hales, City Manager, Barb Adkins, Deputy City Manager, Todd Greenburg, Corporation Counsel, and Tracey Covert, City Clerk.

Others present: Lynn Montei, Lynn Montei Associates.

The meeting was called to order at Business Furniture, 205 N. Main St., Suite 100, at 8:13 a.m.

David Hales, City Manager, addressed the Council. He noted Property Tax Levy alternatives. There was an Executive Summary from the Library plus survey information. The Council should contact Georgia Bouda, Library Director, with any questions.

Alderman Anderson expressed his preference for records to be presented in an electronic format.

Alderman Fazzini requested ipads for the entire Council.

Ms. Montei recommended that the Council review the evaluations. They were overwhelmingly positive. The environment was respectful. Discussions were open. Consensus had been found. The lows addressed blame, the restaurant liquor licenses, and small progress. Ms. Montei believed that the Council would be led to larger progress. The Council was meeting in a neutral environment. Concerns addressed reverting to old ways, the neighborhood focus instead of a focus on the whole. She encouraged the Council to make their comments concise in order for the Council to work through the day's agenda. The experience should be a good one.

The day started with expressions of appreciation.

Alderman Anderson saw complaints as treasures. Mistakes were learning experiences.

Mayor Stockton expressed appreciation to Business Furniture for donating the space. It provided the Council with a different environment. Business Furniture allowed non for profits to use the space free of charge. He also appreciated the Downtown.

Alderman Fazzini expressed appreciation for Alton Franklin. Mr. Franklin has said some things that made sense.

Todd Greenburg, Corporation Counsel, noted the City's regular attendees. Their comments had become less personal. He believed that they had gain an appreciation for how difficult it was to govern.

Alderman McDade expressed her appreciation of Aldermen Fazzini and Mwilambwe. During the last year, she found new perspectives challenging. She understood that it took different perspectives to make it all work.

Barb Adkins, Deputy City Manager, expressed her appreciation for elected officials. Citizens often only tell half of the story. City staff represented the other side and needed to be given the benefit of the doubt.

Mr. Hales expressed his appreciation for the City's department heads. He noted their feedback at the staff retreat. They kept things moving. He cited an email from Mr. Greenburg which addressed follow up and reliance on one another.

Alderman Mwilambwe expressed his appreciation for government systems which were deliberative and thoughtful. He needed to be patient and work for the better.

Alderman Sage cited a willingness to listen. He added the technology enhancement to the Council chambers. The Council was not as judgmental and/or closed minded.

Alderman Fruin complimented the group. He noted concise comments. The Council was getting better. He had hoped that the Council would have accomplished more yesterday. He added that consensus was reached.

Tracey Covert, City Clerk, recognized the elected officials and City staff.

Alderman Purcell appreciated community service. He was closing his service on the Council. He had always served the community. He appreciated working with the Council. He was moving into a new position willingly.

Ms. Montei believed that everyone should start the day by offering appreciation. She addressed the day's agenda: 1.) committee structure & operation; 2.) big picture, etc.; 3.) branding; 4.) Council functionality; 5.) prebudget/levy discussions; 6.) Open Meetings Act (OMA); and 7.) Action Plan.

Mr. Hales cited a joint meeting with the Liquor Commission.

Alderman Purcell believed that this had already occurred. He noted their attendance at the retreat on November 9, 2012.

Mayor Stockton noted the Commission's presence. They were in attendance to listen. There had been no exchange between the Council and Commission.

Alderman Fruin agreed that there had been no exchange with nor had the Council heard from the Commission. Everyone was not in attendance (Council and Commission). There had been no two (2) way communication.

Mayor Stockton cited the White Paper. The Commission had input on same.

Ms. Montei cited the timeliness for a meeting which should be tied to a strategy.

Alderman Fruin noted yesterday's meeting. The Council/Commission's thoughts needed to be consistent in how they interpreted a plan for the Downtown. The Downtown needed a diversity of businesses. He questioned what diversity meant. He restated the importance of consistent interpretation of a plan which had not been adopted/applied/implemented.

Ms. Montei stated that plans/reports needed to include definitions. There needed to be value to any plan in terms of context. Her advice going forward was that definition of terms needed to be included in studies/reports. The City needed to be disciplined in the use of terms.

Alderman Fruin addressed a time box. He cited reports being received at Work Sessions. He questioned future action.

Ms. Montei stated that the Council had a lot of pending items. The Council needed to be disciplined in a time line for action/making decisions.

Mr. Hales added that there needed to be a majority decision.

Alderman McDade cited prioritization. She cited groups, ad hoc, tasks force, etc. Reports were received and some were shelved. There needed to be understanding, questions should be asked regarding same. She cited the DETF (Downtown Entertainment Task Force) report as an example. The Council was not bound by reports. These resources should be used to help form policy. City resources were impacted. She questioned context.

Ms. Montei questioned if these reports were connected to certain groups. Internal reports were called for by the Council. It appeared that the Council was not comfortable with some reports. The Council needed to move things along. She cited the investment made.

Mayor Stockton believed that studies represented one piece. The Council needed to consider the budget. He acknowledged that the public's belief seemed to be that the Council needed to be bold in its actions and take the risk.

Alderman Mwilambwe addressed communicating with the community. The Council needed to be disciplined with its messages. He addressed a Council strategy. Consultants had been retained to perform studies. This gave the community a perception of and anticipation for action.

Alderman Sage believed that there needed to be an understanding of terms. He cited received, accepted, approved and adopt as examples. There were consequences to Council actions. He addressed deliverables and line of sight. The Council needed to aware of issues. The Council was influenced by issues and decided issues.

Ms. Montei encouraged the Council to be mindful of time.

Alderman Mwilambwe stated that the public needed to be trained regarding what to expect.

Alderman Purcell noted that the City had a strategic plan with defining principals. He questioned what the goal was.

Ms. Montei addressed high level issues, (i.e. Downtown and Council behavior). The goal should advance the agenda. The Council needed to prioritize its agenda.

Alderman Fruin recommended that the Council address the have to items.

Mr. Hales noted the following topics: 1.) committee structure; 2.) prebudget; and 3.) Action Plan. Council discussion on these three (3) topics would assist City staff.

Alderman Sage addressed time allotments.

Alderman Fruin recommended that Mr. Hales start the discussion.

Alderman McDade echoed Alderman Sage's comments that times should be set upfront.

Mr. Hales addressed the handout. There was information regarding OMA compliance. Dates and times needed to be set for committee meetings. This would be a pilot program. The Council would learn along the way. Items would appear before a committee. He cited the Fire Department's reports addressing facilities and staffing as examples. Background information would be included.

Alderman Anderson questioned public participation.

Mayor Stockton stated that the structure would be the same. The rules could be suspended.

Mr. Greenburg informed the Council that public comment must be allowed. He noted that the goal would be to educate the committee on subject matter.

Alderman Anderson believed that the public would attend the committee meetings. He questioned outreach and how to bring the public in.

Ms. Adkins questioned what would happen when an item was forwarded on to the Council from a committee.

Mr. Greenburg recommended that the Council follow existing language. The issue would have already had a hearing.

Mayor Stockton expressed his hope that the committees would take public input.

Alderman McDade labeled this approach as wisdom by committee. The committee would be informed on specific issues by setting aside time and taking public comment. The committees should enhance the Council's ability to accomplish its goals. Individual must embrace their committee responsibility. She questioned how to determine when a public hearing would be held before the Council.

Alderman Sage believed that the benefit would be a reduction in the number of Work Sessions.

Mr. Hales agreed that there should not be a need for Work Sessions. The committee meetings would provide the time to address the backlog of items. There would be an evaluation of the committees' success after six (6) months.

Alderman Fruin addressed efficiency efforts. All must trust the committees' work. He believed that there would be time savings.

Ms. Montei believed that Council members could attend other committee meetings if interested.

Mayor Stockton stated that all would be informed of committee meeting agendas.

Mr. Hales added that if a majority of the Council was interested in a topic than it would appear on a Council meeting agenda. He planned to use the Action Agenda and those items labeled high priority.

Ms. Montei added that the Council could vote to revert an issue to a committee.

Alderman Mwilambwe questioned the impact upon City staff. He also questioned if the creation of committees would result in a need for additional resources.

Mr. Hales noted that there were City department heads who wanted additional time with the Council. The committees would address significant issues. The results were an unknown. He hoped that there would be faster Council action.

Mr. Greenburg noted that the committees would consist of three (3) persons. OMA violations would occur if two (2) persons from the same committee addressed City business. Complaints would be made to the Attorney General's Office. There could be no communication on committee items.

Ms. Montei noted that the Council would need to become wiser when appearing in public.

Alderman Fruin understood the potential for an OMA violation. He questioned if Alderman could speak to other Council members regarding committee items.

Mr. Greenburg restated that there should be no communication between committee members regarding committee items/subjects. He expressed his concerns regarding the use of personal cell phones and/or personal computers. He noted subpoena powers. The Attorney General's Office had always sided with the public.

Alderman Anderson acknowledged the public's perception. He added that he had no intention of changing his behavior.

Ms. Montei noted City staff's concern that all be informed.

Break: 9:45 – 9:57 a.m.

OPEN MEETINGS ACT

Mayor Stockton opened this topic with general comments. Some found this statute stifling. The use of email can be challenging. There were examples in a variety of situations where electronic meetings had been held via email. He noted contemporaneous discussions. A recent Attorney General's Office letter stated that there had been no clear violation. At this time, there had not been a court hearing on this statute. He encouraged all to be careful. One should respond to the initiator only. He also cited the Council's visit to a City of Peoria Council meeting. He expressed his concern regarding the Attorney General's Office's interpretation.

He also addressed entertainment, i.e. no City business discussed. He cited public perception. The Council has received invitations to attend private events where the public was not invited. He cited a recent IL Municipal League (IML) attorney panel which addressed an individual elected official being contacted by an individual and being requested to vote/support a specific item. It was stated that this would be an OMA violation. The panel included the use of an agent i.e. City Manager.

Mr. Greenburg described the situation as odd. What does the OMA statute say and what would be the Attorney General's Office's interpretation. This was the current situation that the Council found itself in.

Alderman Sage expressed his opinion that the judicial/executive behavior was impacting legislative action. He cited the City of Champaign as an example.

Alderman Fazzini has attended the IML Conference which included an OMA session. He questioned which way the Mayor was leaning. The session cited the use of smart phones during a Council meeting as an OMA violation. The Attorney General's Office would rule against this.

Alderman Fruin questioned how the Council would be able to find a way to better communicate between meetings. He noted his fourteen (14) years of service. He cited the decline in communication.

Mr. Greenburg did not believe that it was possible. The Council would create issues.

Mr. Hales offered to poll the Council individually. He would gather input, set a direction based upon the majority, and provide a response to the Council. Email was being watched. The Council should operate on the belief that all discussions would be viewed as a public meeting. His goal was to bring clarity to the Council's discussions. He believed that a mayor had been convicted of an OMA violation.

Mr. Greenburg cited the cost of an appeal to the IL Supreme Court.

Mr. Hales noted that the same rules did not apply to the House and Senate, (General Assembly).

Mr. Greenburg agreed that the General Assembly was not subject to OMA. The Attorney General's Office has subpoena powers. The McLean County State's Attorney also has authority. The location of the information was not pertinent, the content was.

Mayor Stockton noted that FOIA was used to request records.

Ms. Montei noted that Mr. Greenburg had provided legal guidance. The Council needed to consider the City's reputation and the cost to the City.

Alderman Fruin noted the ability to subpoena and if there was a time period.

Mr. Greenburg responded affirmatively for both the Attorney General and the State's Attorney.

Alderman Fruin left the meeting at 10:21 a.m.

Mr. Hales addressed the estimated Property Tax Levy. He cited a number of items from chart A: the Police and Fire Pension Funds' portion of the tax levy and noted the increase to reach the minimum contribution; a supplemental contributions to these funds in the amount of $250,000; providing options such as increased street resurfacing funding and the use of property tax dollars or additional revenue would be needed; Public Library's request; readdressed statutory minimum to pension funds plus an additional $250,000. He also addressed Chart B: street resurfacing; minimum contribution to Police and Fire Pension Funds; Public Library total increase of 1.3%. Items contained in Chart C included street resurfacing in the amount of $500,000; minimum contribution to the Police and Fire Pension Funds; and the Public Library total increase 2.69%. Chart D addressed a flat Property Tax Levy. The tax rate would increase due to the absorption of a $400,000 decline in EAV, (Equalized Assessed Value). Supplemental contributions to the Police and Fire Pension Funds would be eliminated. Chart E also was based upon no tax rate increase. He restated the decline in EAV. $400,000 would be removed from property tax dollars. Funding for streets would be decreased.

The Council would adopt an estimated Property Tax Levy with final adoption of the Property Tax Ordinance at the Council's December 10, 2012 meeting.

Alderman McDade believed that a scenario was missing. There was an additional option: a street resurfacing increase, pension funding including a supplemental contribution; and a decrease to the Library. She described it as scenario A minus the Library.

Alderman Fazzini addressed street resurfacing and inclusion of the Locust/Colton CSO, (Combined Sewer Overflow), project. Mr. Hales responded negatively. This project involved $2 million of MFT (Motor Fuel Tax) funds. Alderman Fazzini requested that City staff include a footnote regarding total dollars spent on streets.

Alderman Sage added that maintenance should be included in this figure. City staff needed to address the total amount spent on streets.

Alderman Fazzini believed that the Council needed a long term plan for funding Police and Fire Pensions.

Mr. Hales stated that the Council would adopt a policy in 2013. The Council's position on pension contribution rates would drive the discussion.

Alderman Fazzini noted four (4) key factors which should impact what contributions should be. He questioned if a supplemental contribution of $250,000 was close to the right amount.

Alderman Purcell questioned the initial numbers regarding video gaming. This was a self tax on entertainment. Mr. Hales stated that the amount was unknown at this time. There were a number of options. The Council needed to be clear regarding the majority position regarding the estimated Property Tax Levy.

Mayor Stockton noted the various options and the Council's sensitivity. Mr. Hales would provide a recommended estimated Property Tax Levy as requested by the Council.

Alderman Fazzini believed that the Council committees would reach consensus on items.

Mr. Hales informed the Council that he had held discussions with Georgia Bouda, Library Director. He expressed his belief that the Council would view the Library's request as premature. Additional Council discussions were needed. The Property Tax was the Library's primary revenue source. He noted the Library's labor cost increases.

Alderman Mwilambwe questioned if the Library was an all or none. Mr. Hales did not know and would have to ask. A key question was setting aside money for capital. He questioned the impact of labor needs.

Alderman McDade recommended that the Council be cautious at their November 13, 2012 meeting. Today was a philosophical discussion regarding whether to increase the tax levy or not. This discussion was not part of the budget process.

Mr. Hales cited challenges such as public safety needs, capital needs and other real City needs. There were also challenging fiscal years. The Council needed to determine what was affordable and set priorities. He also noted a twenty (20) year capital plan.

Alderman Anderson addressed the City's Utility Tax. He also noted the Town of Normal's Utility Tax rate. Utility costs were declining which resulted in lower utility tax receipts/revenue. He believed that all utility taxes were paid based upon usage. These dollars could be dedicated to street resurfacing.

Mr. Hales stated that City staff would look at needs and the Council would give consideration of same in the future. This issue could be considered by others (i.e. beyond the Council and City staff). The City could develop a task force to address needs. Options would range from increased revenue to service reductions. Once the plan was completed, then the City would undergo a community visioning process. Costs were increasing and revenue was declining. The City was facing a fiscal cliff and would struggle with finding an answer. He questioned what the citizens were willing to accept. He cited risks, service levels, cost, etc. The Council needed to make an informed decision.

Alderman Anderson expressed his concern regarding street resurfacing needs.

Alderman Fazzini believed that this was the place for a local motor fuel tax.

Mr. Hales cited Normal's Utility Tax rate which was five percent (5%). The City's Utility Tax rate was two and a half percent (2.5%). An increase to the Utility Tax would have an impact upon streets.

Alderman Anderson recommended that the City provide options to the citizens with consequences.

Ms. Montei believed that public engagement would be wise. The Council would make recommendations and provide consequences.

Mr. Hales questioned how to creatively engage the public. He noted that the Sewer Master Plan would be received in the spring 2013. There were three to four (3 – 4) major projects with a cost over $15 million. He cited the time involved and the other parties that would need to become engaged.

Alderman Mwilambwe expressed his support for citizen engagement. He expressed caution regarding engaging those citizens who were at the polar extremes.

Ms. Montei added that communication/marketing would be key. All should be given the means to participate. Citizens should be allowed to sign up.

CULTURAL DISTRICT BUDGET

Alderman Fruin returned at 10:55 a.m.

Mr. Hales addressed the Bloomington Center for the Performing Arts (BCPA) budget deficit. An additional $500,000 was needed to address the structural deficit. He questioned the ability to balance the budget. He noted the Joint Meeting with the Cultural District Board, (June 11, 2012). He questioned the Council's decision regarding what the dollar figure should be. He presented the Council with three (3) options: 1.) Home Rule Sales Tax, (HRST), $1.9 million; 2.) reduce HRST to $1.7 million; or 3.) reduce HRST to $1.5 million. There was no majority Council position. He needed the Council's position to develop the recommended budget.

Alderman Sage provided a specific response. He favored option 2 with a time limit.

Mr. Hales noted that option 2 included a Development Manager position which would pursue grants.

Mayor Stockton recommended that a subsidy level be set. He recommended that this facility be compared to the US Cellular Coliseum, (USCC), Miller Park Zoo, etc. The BCPA could develop its budget around a subsidy level. Without same, the BCPA would be subject to whims, wish lists, etc. The Council needed to set guidelines.

Mr. Hales noted that the differences needed to be clarified, revenue sources identified, and the debt level established.

Alderman Fazzini addressed philosophy. He noted the diversity in the type of shows presented. The BCPA had never received the full .0025 HRST.

Mr. Hales acknowledged that option 1 was consistent with the BCPA's mission. The facility had only been provided with $1.4 - $1.5 million from the HRST.

Alderman McDade believed that the Council needed to act as an advocate. There needed to be a clear understanding of what the City could/would do regarding the funding level. The Cultural District Commission (CDC) decided how to spend the dollars. If the Council chose to not continue the HRST contribution, it could step down, (i.e. options 2 and 3). The Council needed to be clear regarding the funding level.

Alderman Fruin cited the perception of those who responded.

Mr. Hales stated that there was not a majority position.

Alderman Sage noted that the USCC was expected to break even operationally. The City also owned this facility. He believed that the Council should adopt the same position for the BCPA.

Mr. Hales noted that generally the cultural arts required a higher subsidy. The BCPA could identify ways to be more efficient. An outside expert could be brought in to evaluate the BCPA's operations. This action would support option 2. He also noted the facility's fundraising efforts, (i.e. event sponsors). The BCPA could become more self sustaining. It appeared that the Council did not support the status quo. This represented philosophical changes due to cost conscientiousness.

Alderman Mwilambwe addressed option 2. He cited the culture of philanthropy. The City needed to explore options. He questioned subsidy levels of comparable facilities in other cities. This information would assist with the decision making process.

Barb Adkins, Deputy City Manager, addressed the Council. She noted the conversation. The BCPA was a City facility. The CDC was a City board/commission. The BCPA relied on volunteers. There had been no mention of the Creativity Center.

Alderman Fruin cited staff considerations. He addressed individualized groups. The City's facilities were isolated. They needed to share resources and staff (part time). Marketing could be overlapped. He cited a collaborative effort.

Mr. Hales believed that there was the ability to do more. He had seen progress. There was more synergy. These items would continue to be stressed.

Alderman Purcell stated that taxes had been raised to subsidize the BCPA. He addressed operational costs. The BCPA had never received the full .0025 HRST. The Council needed to set the level and the BCPA needed to live within same.

Alderman Anderson express support for option 2. Funding levels would decline. He believed that the facility needed to be subsidized.

Alderman Fazzini compared the BCPA to the City's golf courses. Capital depreciation should be excluded. There appeared to be a new normal.

Alderman Anderson added that the CDC needed to be informed of the new philosophy.

Alderman Sage stated that the Council provided direction to City staff. In turn, City staff would inform the CDC. This represented the communication flow.

Mayor Stockton addressed the USCC. This facility was operating at a profit. The City needed a balanced score card. Attendance should be watched. There were collateral benefits. He also addressed the BCPA. The Council needed to set the subsidy. He questioned the facility's ability to break even regarding operating costs. The Council needed to reach a decision regarding funding cultural programs.

Alderman Sage wanted to be clear. The Council should set the dollar amount and tell the BCPA that it needed to break even.

Mr. Hales wanted to be clear, that if the debt service was removed the BCPA would need a $1 - $1.2 million subsidy.

Alderman McDade restated that the Council needed to determine the number.

Mayor Stockton cited the City's subsidy. The Council knew that this facility would not break even. Mr. Hales restated that the facility would not break even.

Alderman Mwilambwe questioned the BCPA's original mission. The result of subsidy elimination might be that the BCPA only offers one (1) type of show.

Mr. Hales offered to report back to the Council. He cited the role of a Development Manager and potential changes that could be made. There would be marketing collaboration between the BCPA and USCC.

Alderman Sage cited the age of the BCPA's mission statement. It needed to be updated.

Ms. Adkins noted that the BCPA would need to be informed of the Council's new direction. The staff at the BCPA were part of the Parks, Recreation and Cultural Arts Department.

Alderman Fruin questioned the subsidy level of other organizations. Mr. Hales noted that information would be included in the department's budget.

Alderman Fruin questioned budget planning. He cited the City's subsidy for a number of years out. Mr. Hales stated that the work would start now. He readdressed the role of fundraising.

Alderman Anderson recommended that the City tap into Illinois State University's team. He noted the decline in state funding for higher education. Image was important. Publicity needed to be positive.

Alderman McDade stated that money drove everything.

Alderman Purcell cited the number of entertainment venues in the City.

Lunch: 11:30 a.m. until 12:15 p.m.

Todd Greenburg left the meeting.

Ms. Montei encouraged the Council to put their work into context. She noted that there were four (4) Vision categories: 1.) Policy Focus; 2.) Future Focus; 3.) Leadership; and 4.) Focus on the Public Good. Strategies were presented for each vision category.

1.) Focus on Policy: A.) Define policy, procedures & administration; B.) Trust & empower our staff & commissions; C.) Utilize budget to align resources to policy; and D.) Stay abreast of current legislation. Ms. Montei stressed item B.

Mr. Hales expressed his opinion that Item B. first bullet – Delegate authority to City Manager on non-policy matters had been implemented.

Alderman Fazzini addressed Item B. second bullet – Select, trust & develop quality staff. He noted the Asst. City Manager, the Economic Development Manager and the Executive Asst.

Ms. Montei noted that these strategies should be on going. She addressed Item B. third bullet – Establish SMART goals contract with staff. This was not done. She also addressed Item B. fourth bullet – Monitor contract performance & hold staff to account. This item was in process.

Mr. Hales addressed tracking performance.

Alderman Anderson cited contract change orders. The focus should be on the number and dollar amounts.

Ms. Adkins stated that change orders would occur. The goal was better oversight and better qualified staff.

Alderman Anderson expressed his interest in the justification for the change order and his concern regarding the bid amount.

Mr. Hales addressed SMART goals contract and Council direction.

Alderman Sage believed this was straight forward. The Council addressed the whats and City staff addressed the hows. He addressed SMART, (Specific, Measurable, Achievable, Realistic and Time box), goals. The goals needed to be measurable. The item needed to be in the budget. There needed to be a time line in order to define success. The focus needed to be on the future, (i.e. the big picture).

Mr. Hales addressed the community vision project's Statement of Interest.

Ms. Montei believed that it was the Council's intent to move forward slowly while also including the big picture. She addressed 3.) Leadership: We model integrity, passion, efficacy & partnership. Item A.) Define leadership role of Mayor vs. Alderman; Item B.) Support Council decisions; and Item C.) Interject humor & congeniality into meetings. The Council was provided with a list of completed items.

Ms. Montei addressed 4.) Focus on the Public Good: We are attuned to community needs & desires, & balance policies, priorities & actions in service to the good of the whole. Item A.) Be informed; Item B.) Educate public on local issues & cost of services &

provide more opportunity for citizen engagement; Item C.) Recognize improvement of City as a whole filters down to every ward; Item D.) Develop a plan to do, guard, & allocate resources; and Item E.) Guard council reputation & City's reputation. She questioned the Council's intention regarding this category.

Mr. Hales noted City staff's intention to finalize a citizen survey by the year's end.

Ms. Montei cited a brainstorming session. The big picture was part of a focus on the public good. She addressed City branding which included implementation and communication.

Mayor Stockton hoped that the Council was determined about a City vision. The City would roll out the program to the community to garner buy in. This would widen interest in same. He noted the phrase "Jewel of Midwest Cities".

Ms. Montei added that category 2 addressed the future and category 4 addressed public good.

Alderman Sage cited multi generational housing.

Mayor Stockton cited the Town of Normal – "EV town".

Ms. Montei addressed Council functionality and leadership.

Alderman Sage stated that if Council meetings functioned like the Council retreat the Council would be there.

Alderman Fruin recommended that the Council provide feedback to each member regarding behavior.

Alderman Anderson believed that the Mayor needed to reign in the Council.

Alderman Sage recommended that the approach be to start the conversation privately before making statements publicly.

Mayor Stockton noted that under the new system there would be a clock.

Ms. Montei addressed the Action Plan. This was supposed to be a high level plan. She questioned its role and usefulness. The Council needed to adopt an annual plan which contained five (5) year and under goals and a fifteen (15) year strategic plan. A new annual plan should be presented with the budget.

Mr. Hales added that the action items should be linked to the budget. He highlighted goals. The Council had not always been consistent. There may be stepping stones needed to accomplish some goals. The Council would be presented with a condensed

Capital Improvement Program. The Council would need to determine the highest priority items.

Ms. Montei noted that the Council would only have a short time to address a number of items. Often times the bigger items were left.

Mr. Hales added that the list could be reduced. The list exceeded staff's capability. He cited the need for outside expert assistance. A shorter list would be more strategic.

Alderman Anderson believed that the next step would be street resurfacing.

Mr. Hales believed that the first step would be the Sewer Master Plan. The Plan would look at all of the pieces that make up the sewer system. Street projects would consider total infrastructure: water mains, sewers – sanitary and storm water, pavement, and curb & gutter. Additional time and effort would be needed.

Alderman Anderson noted that the same dollars would be spent. All needs would be addressed at once. This work should involve the public utilities too.

Alderman Sage addressed the Action Plan. Mr. Hales' evaluation should be completed now. In the next cycle, the Council should create a linkage between Action Plan achievement and his performance evaluation. He added the implication that the Action Plan would be reduced.

Mayor Stockton added that the Council would need to be flexible. The Council may need to pare down the Action Plan.

Mr. Hales noted his good intentions. He was preparing a second quarter update. He expressed his interest in Council review and feedback. The report would be modified to insure that the priorities were correct.

Ms. Montei restated that the current document was overwhelming.

Alderman McDade looked to City staff. Actions needed to be appropriate in their depth/breath. She recommended a dashboard with financial data. The budget could be divided into green, yellow and red. Key dashboards needed to be developed and be linked to the committees with key indicators. She believed that this would engage the Council.

Alderman Sage added that performance indicators were contained in the budget. This should drive the dashboard.

Alderman McDade added that City staff should provide a snapshot. Mr. Hales suggested that this could be a project for a college intern.

Ms. Montei cited progress towards goals and completion of major projects. The Council needed to provide good guidance.

BRANDING

Alderman Fazzini addressed total branding. Branding defined who we are. Branding communicated outward. The City was a wonderful place to retire and work. It was rated in the top twenty-five (25) of cities for both. The City had been recognized for a number of ratings. The City needed to let the world know. There was a wealth of knowledge which could be gained from volunteers. The City could be beautified. He cited murals as an example. The City could be more visual.

Mr. Hales believed that the Downtown Business Association (DBA) had a Downtown mural program. Dollars could be allocated to enhance this program.

Alderman Anderson recommended that murals be included as an extension of the façade grant program.

Mr. Hales cited the Economic Development Council's (EDC) efforts at branding and marketing.

Alderman McDade noted the enhanced web sites for the EDC and the McLean County Chamber of Commerce. All of these groups needed to be tied together. There were a number of groups with various viewpoints which needed to act as advocates for each other.

Alderman Fazzini cited his work efforts with the EDC to develop working policy groups to address the branding of Bloomington/Normal. A community leader would be selected to head this group.

Ms. Montei expressed her opinion that branding would occur after visioning.

Alderman Anderson noted that the City was a multi generational community and not a retirement community.

Ms. Montei noted that visioning would take longer. Branding would be an interim step.

Alderman Mwilambwe believed that the City had a lot to offer. The City could not wait for a visioning process. He addressed interim steps. The Council needed to tell the story and send a good message. The Council needed to amplify good news stories. The Council needed to determine who the City was now. This would not be full branding.

Mayor Stockton noted that the City was one of the best places to live. It was a tech savvy community. The City was interested in better jobs in addition to what it had now. A number of organizations benefited from their location here in the City.

Alderman Fazzini recommended a one (1) page cheat sheet be developed.

Alderman Mwilambwe noted that Al Bowman, Illinois State University's President, repeated the same message. The Council needed to tell the City's story.

Alderman Fruin recommended a bookmark be developed which listed facts about the City.

Mr. Hales stated that Justine Robinson, Economic Development Coordinator, could work with the EDC.

Alderman McDade believed that a professional staff person would be needed to accomplish same. The Council needed to tell the story and market the community. Mr. Hales noted that his would be included in the recommended budget as a high priority.

COUNCIL FUNCTIONALITY

Ms. Montei believed that the Council was ready to build upon past actions and move to the next level. Meeting management had progressed. Council meetings were more efficient. She believed that the Council could be more effective. Listening well impacted effectiveness. The Council needed to carry its successes into the routine.

Alderman Fazzini believed that the Council had learned from other councils. He cited the logic, the advantages and disadvantages. Council members needed to attend seminars in an attempt to not reinvent the wheel.

Alderman McDade cited adopt a council program. Each elected officials could be assigned to another Central Illinois city. These would be strategic relationships.

Alderman Fruin cited the number of opportunities available.

Alderman Mwilambwe added that the last two (2) days had been positive and uplifting. The Council had recognized the good. The Council needed to look down the road two to three (2- 3) months and recognized hurdles. The Council needed to capture this moment. He cited the liquor discussion and noted resolution. The Council was in the right frame of mind. Similar processes should be used. The Council needed to find ways to manage the City.

Mayor Stockton added that Council functionality was impacted by the information provided by City staff. City staff provided the background information. City staff needed to provide options where appropriate.

Tracey Covert, City Clerk, addressed the Council. She noted that the OMA required a specific agenda.

Ms. Montei noted that OMA forces City staff to take certain actions.

Alderman McDade noted the prior day's progress. This was a pressing issue that needed to be resolved. She cited the time and the retreat's location. She believed that retreats should be held two to four (2 – 4) times per year. A lot of ground had been covered.

Alderman Sage expressed support for another scheduled retreat. Mayor Stockton recommended that another retreat be scheduled after the election.

Alderman Fazzini cited the Council's policy making role. The Council needed to receive less information to make a decision. The Council would never have all of the information it wanted. The Council needed to become more comfortable with City staff.

Alderman Anderson called this the trust factor.

Alderman Fruin cited health insurance as an example. The Council needed to balance trusting staff versus postponement.

Alderman Sage believed that the City was different and operated differently.

Mr. Hales cited the department head retreat. City staff requested less public criticism. City staff had provided detailed information. There was the issue of trust. The burdensome workload was addressed and the question of what was necessary was raised. The Council needed to change the culture and bring a level of professionalism.

Ms. Montei cited City staff skills, both oral and written communication. She cited new demands.

Alderman Sage cited the Community Block Grant Program, (CDBG), proposal as an example. A different approach had been used over the past two (2) years. He had seen an improvement.

Alderman Fruin complimented Mr. Hales and City staff. Council memorandums built the foundation and provided background information.

Ms. Adkins cited the strenuous review. City staff believed that if there were no Council questions then it was a good memorandum. Photographs provided visuals.

Ms. Montei noted that the rigorous process was also a bottleneck. There was a ripple effect, i.e. exhaustion and burn out.

Mr. Hales believed that there had been a cultural change. One of professionalism, competency and accountability. City staff needed to explain why and address the Council and the public's questions.

Alderman Mwilambwe addressed skills. City staff was in transition. He cited research and analysis. The key was staff development whether the City hired new or developed existing. City staff needed to strive for excellence in execution.

Mr. Hales stated the City staff worked with knowledge, skills and abilities available. It would take time to raise City staff's skill sets.

Alderman Fazzini believed that this should be ongoing process.

Ms. Montei stated that there had been a good reflection.

Break: 1:40 – 1:56 p.m.

Alderman Fruin cited frequency and continuity were important.

BIG PICTURE

Ms. Montei questioned where to start. There was a sense of falling short. The Council needed to have its thumb on the pulse of the organization. City staff needed to rise to a new culture. She questioned the cost of and cost for same.

Alderman Fruin believed this would be a difficult job. There were a number of large cost items. It was hard to kept all of it in mind. It was difficult.

Alderman Anderson believed the issue could be addressed by where the Council spent its time. The dollar value of the item should impact the time spent.

Alderman Fruin cited networking with other governmental bodies. The Council needed to build relationships.

Alderman Anderson stated his focus was all about the City. The City needed to be separate from the other groups. The City worked with the Town of Normal. The Council should work to the center, i.e. one community, (City, Town and McLean County).

Mr. Hales questioned City staff's actions at the staffing level.

Alderman Anderson believed it was the Council's role to work on these relationships.

Mayor Stockton noted that there were some discussions between mayors. He hoped that the Town and County would be interested in a visioning project.

Alderman Anderson believed that the Council needed to be out in the community. There was the perception that the Council was not working together.

Mayor Stockton added that the City and Town could work together on ordinances.

Alderman McDade expressed her opinion that Council conversations were not connected to the big picture. She cited gateways as an example. This resulted in a lack of cohesion. Gateways were not a big picture item. She cited timing and awareness. The Council needed space to focus. She cited sensitivity by City staff and the Mayor. All needed to be careful or the Council would be taken off track.

Alderman Sage cited prioritization. The Council was led by the Mayor. He questioned what the Council owed to City staff. He questioned the return on investment.

Alderman McDade cited the impact upon the group's cohesion.

Alderman Sage recommended that the Council identify six to seven (6 – 7) themes. Mr. Hales should determine if there would be at least five (5) votes. Each year priorities would be set. Good will was precious.

Mr. Hales stated that there would be great opportunity. He hoped the Council recognized the difficulty. Themes would have to be aligned to the City's strategic goals. He cited parks' projects and OSLAD, (Open Space Land Acquisition & Development), grant requirement. He would appreciated Council feedback.

Mr. Hales addressed the Miller Park Zoo Master Plan. The City had provided over fifty percent (50%) funding over the last ten (10) years. He questioned what the City would be able to do. The Zoological Society had started its fundraising efforts and had questioned the City's role.

Alderman Sage believed that there was a continuum: Back to the Basics – Quality of Life. The Council needed to determine the way to divide the pie.

Mayor Stockton expressed his interest in the big picture concept. Visioning would help the Council to see how the City stood out. There needed to be a strategy which addressed how much basics versus how much enhancements. He questioned what the community valued. The Council needed to set priorities.

Alderman Sage believed that the Council was years away from being able to answer these questions. The City could not be left hanging. The Council needed an interim plan.

Alderman McDade believed that the Council had the priorities, (pensions, public safety, water, infrastructure/capital, and payroll). She questioned what was left.

Alderman Anderson noted that only ten percent (10%) of the City budget involved discretionary items.

Mr. Hales noted that each year the Council set priorities. He cited branding and visioning as additional items. The Council kept adding items to the list. The City could only afford to do so much.

Ms. Montei noted that priorities needed to be set within a context.

Alderman Mwilambwe believed that the Council had a good read on public sentiment. The Council had addressed the Downtown liquor issue which could be used to build political capital. The Council needed to know the impact of its decisions on political capital. The Council needed to recognize when and how to spend same.

Alderman Anderson added that there would need to be an educational process for the Council and the public. Only a small percentage of the budget involved discretionary spending.

Alderman Purcell stated that the City had a strategic plan. He compared the City's budget to a household budget. The Council needed to look at the big picture. It needed to determine what the City would provide and how to pay for same. Public opinion was constantly changing. The Council needed to determine what was important and what it was willing to pay for.

Ms. Montei noted that the City's strategic plan was a couple of years old. The Council may want to reexamine the framework.

Alderman Fruin cited the EDC's community breakfast. The guest speaker was former Governor Jim Thompson. Governor Thompson addressed regionalization and working with others.

Mayor Stockton acknowledged partnerships with other groups. The City's strategic plan was a good place to start. He noted the six (6) areas: 1.) Financially sound City providing quality basic services; 2.) Upgrade City infrastructure & facilities; 3.) Strong neighborhoods; 4.) Grow the local economy; 5.) Great place to live – a livable, sustainable City; and 6.) Prosperous Downtown Bloomington. He agreed that the Council could not wait for a visioning project. He cited citizen surveys and gleaning what was important from same.

Mr. Hales questioned the Council's opinion of the Creativity Center. He did not believe that there was Council support for same and requested direction from the Council. He added that there were various ways to communicate. The Council needed to be tactical. There was $1 million in funding for this project which could be broken down into phases. This project remained unresolved.

Mayor Stockton cited other outstanding projects, i.e. Miller Park Zoo, soccer fields, etc.

Alderman McDade suggested that the Mayor and City Manager develop a strategy. They were aware of the factors impacting these items. She noted that political issues overcome articulated priorities.

Ms. Montei noted that the Council needed an interim way to address same. She cited the lack of clarity. The Council was confronted with difficulties. Items were being addressed in isolation due to the lack of vision. City staff needed to provide recommendations that were clean and compelling. Coherence was lacking. The Council needed to build clarity and unity.

Alderman Sage addressed line of sight from the strategic plan to Council items.

Ms. Montei addressed the need for the Council to have a shared vision. She noted the upcoming elections and the impact it will have on the Council.

Alderman Sage reminded the Council that it was moving into budget season.

Alderman McDade described the Council as dysfunctional. The Council needed to determine what was appropriate. It needed to find a common ground. Things needed to be different.

Mr. Hales cited Eagle View Park as an example. There were competing positions on the Council. It was a tough issue and required difficult choices.

Alderman Anderson described the Park as a compromise project.

Alderman Sage expressed his concern that the Council would revert back to old patterns.

Alderman McDade believed that the entire Council had ideas. All needed to be willing to listen.

Ms. Montei noted that there appeared to be increased awareness. Each alderman needed to see the Council as a whole.

Alderman Fruin cautioned the Council to think about additional items. There were too many items before the Council.

Alderman Sage expressed his interest in a framework for prioritization.

Mr. Hales recommended that the Council invite Ms. Montei back prior to the budget process.

Meeting adjourned. Time: 2:55 p.m.

Respectfully,

Tracey Covert
City Clerk

WORK SESSION
Recommended Changes to Solid Waste Rates & Service Levels
Sunnyside Park – Park Naming Policy Discussion
October 28, 2013

Council Present: Aldermen Kevin Lower, Scott Black, Jim Fruin, David Sage, Rob Fazzini, Judy Stearns, Karen Schmidt, Mboka Mwilambwe, and Jennifer McDade.

Council Absent: Mayor Tari Renner.

Staff Present: David Hales, City Manager, Alex McElroy, Asst. to the City Manager, and Tracey Covert, City Clerk.

The Work Session was called to order at 5:56 p.m. Alderman Schmidt noted the Work Session topics: Recommended Changes to Solid Waste Rates & Service Levels and Sunnyside Park – Park Naming Policy Discussion. The Council had a full agenda this evening.

Alderman Black arrived at 5:57 p.m.

SOLID WASTE RATES & SERVICE LEVELS

David Hales, City Manager, introduced Alex McElroy, Asst. to the City Manager. Mr. McElroy would present the highlights and share information. City staff would draft a text amendment addressing automated collection with a variable rate structure. City staff needed to know the Council's preference.

Alderman Mwilambwe arrived at 5:58 p.m.

Alex McElroy, Asst. to the City Manager, addressed the Council. He planned to review Raftelis Financial Consultants, Inc.'s report. It contained two (2) major findings: 1.) current rate structure sends faulty pricing signals to residents and 2.) without significant reductions to current operating costs, the structural deficit is projected to be significantly greater than recent years. Mr. McElroy reviewed the various services currently being provided, (weekly unlimited manual refuse collection, biweekly automated recyclable collections, and weekly manual brush collection and bulk waste), for $16 per month. There is an additional charge for bulk waste, ($25 after disposal of two (2) end loader buckets). He also addressed the revenue received for these services. He cited the cost versus revenue: Bulk Waste revenue $25,000 versus $3,436,000 cost and Refuse Collection revenue $4,725,000 versus $1,462,000 cost. The Solid Waste Program was operating at a deficit. There were issues with the existing fees. He cited the cost of bulk waste collection and the limited use of this service.

The General Fund transferred dollars to the Solid Waste Fund, (Enterprise Fund). This transfer was projected to grow.

Mr. Hales noted that the Solid Waste Fund's fund balance had been depleted. In Fiscal Year (FY) 2015, the General Fund contribution at a minimum would be $2.2 million. New revenue was needed to support this service as the fund balance was gone.

Alderman McDade arrived at 6:00 p.m.

Mr. McElroy addressed recommendations. There were five (5) recommendations: 1.) begin to charge for all bulk collection; 2.) implement a variable rate structure for automated refuse collection; 3.) upon request, provide citizens with a second recycling cart at no charge; 4.) implement Pay As You Throw, (PAYT), refuse sticker program as a complement to automated collection; and 5.) delay new policy implementation for service to multi-family locations. Stickers would cost $3 each. He estimated annual revenue for same at $150,000.

There were three (3) scenarios presented: 1.) Fast Transition; 2.) Medium Transition; and 3.) Slow Transition. Mr. Hales added that the General Fund contribution to the Solid Waste Fund would be eliminated. The dollars currently directed to Solid Waste would be absorbed in other cost areas. The City had been reducing the subsidy over the last five (5) years.

Mr. Elroy noted that the subsidy would be decreased and the Solid Waste Program would be solvent by FY 2016 under the Fast Transition. City staff recommended the Medium Transition with a low income program. The Solid Waste Program would not become solvent until FY 2018. He noted the fee structure based upon cart size:

Cart	**FY 2015**	**FY 2016**	**FY 2017**	**FY 2018**
35 gallon	$16	$18	$18	$19
65 gallon	$18	$20	$20	$21
95 gallon	$20	$22	$22	$22

The Solid Waste Program would also become solvent under the Slow Transition by FY 2018.

Alderman Schmidt informed the Council that she had submitted questions to the staff regarding this topic.

Alderman Sage addressed the bulk waste component. He questioned if the City planned to charge for leaf collection. Mr. McElroy noted that brush pick up would become bulk waste collection. Leave collection would not result in an additional charge. The Council could consider a merit incentive such as one (1) free bulk pick up per year. City staff was concerned that citizens might utilized creative disposal methods.

Alderman Fazzini noted that there should be a fee for this service. The Solid Waste Fund should not be dependent upon the General Fund. He questioned if the cost of equipment had been factored into the fee structure.

Mr. McElroy noted that this was the main reason for the General Fund transfer. Alderman Fazzini noted the cost of automation.

Mr. Hales reminded the Council that the City had delayed vehicle purchases. The debt service cost was included but not the depreciation cost. He also added the cart cost.

Alderman Fazzini stated that the City needed to have an equipment replacement fund.

Alderman Schmidt noted that the monthly cost exceeded $16. She hoped that the goal would be cost savings.

Alderman Stearns acknowledged that there had been some forward thinking. The City should charge more for the extras and not the basic service. She supported PAYT. She questioned the diversion rate from recycling. She added that recycling services were free. She questioned if automated recycling had increased the diversion rate.

Mr. McElroy noted that the number was up by 1,000 tons over the previous year.

Alderman Stearns questioned if this information had been factored into cost savings. Increased recycling would also result in increased revenue and therefore decrease the subsidy. She had heard from the public that the City subsidized other services. She acknowledged that Solid Waste was an Enterprise Fund. She cited the Bloomington Center for the Performing Arts (BCPA) and questioned the subsidy levels for this facility and the Parks, Recreation & Cultural Arts Department. Citizens pay taxes. She questioned what the Council wanted to subsidize.

Alderman Mwilambwe addressed PAYT. He expressed his concern regarding illegal dumping. He questioned how to overcome same. He questioned the administration of a PAYT program. He noted the plan called for stickers. He believed that the methodology would be cumbersome.

Mr. McElroy acknowledged that PAYT would add another administrative layer. He noted that there would be unintended consequences. The issue was one of balance.

Mr. Hales stated that there was illegal dumping now. A fee could be attached to the property/landlord. City refuse collection could be a mandated service. He believed that the community had the capacity to absorb these costs.

Alderman Black cited emails/telephone call received. He supported a low income program. He questioned how this program would be accounted for and funded.

Mr. Hales stated that this would be an add on service. There was no ideal way. Mr. McElroy added that this was a unique city service. It was not a common practice. He had not found a best practice.

Alderman Black recommended a round up your water bill program to fund this service. He added that fines should be aggressive. Code enforcement would be key. The fines for dumping bulk waste should be doubled.

Alderman Lower expressed his support for the low income program. He added that citizens should be allowed to drop off brush and landscape waste at the City yard.

Mr. Hales acknowledged that there was an existing yard.

Jim Karch, Public Works Director, addressed the Council. Citizens would still be charged for this service.

Alderman Schmidt responded negatively. If a citizen brought brush/landscape waste to the City yard there should not be a fee.

Alderman Sage addressed PAYT and the use of $3 stickers. He questioned if citizens could utilize the sticker program and avoid the use of an automated cart.

Mr. Hales responded negatively. Solid waste was a universal program. Each household would have a cart. He noted the City's fixed costs for this program. All single family homes would be served.

Alderman Sage believed that citizens would attempt to just use the bag. A line of sight needed to be created. The PAYT sticker program would be in addition to the automated cart.

Alderman Schmidt noted that the Council was out of time.

Mr. Hales requested Council feedback. He questioned where the majority of the Council was at. City staff would have to prepare a text amendment. City staff's focus was on the medium transition.

Mr. Karch added that the carts had been ordered. City staff was finalizing the database for the mailers. It is would be advantageous to include the cost.

Mr. Hales stated his intention to place a text amendment on the Council's November 12, 2013 meeting agenda.

Alderman Schmidt anticipated that there would be additional feedback from the Council. She encouraged the Council to provide their feedback to Mr. Hales by the end of the week.

There being no further business the meeting adjourned at 6:31 p.m.

Respectfully submitted,

Tracey Covert
City Clerk

FOR COUNCIL: November 12, 2013

SUBJECT: Bills and Payroll

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

STRATEGIC PLAN LINK: Goal 1. Financially sound City providing quality basic services.

STRATEGIC PLAN SIGNIFICANCE: Objective 1.d. City services delivered in the most cost-effective, efficient manner.

BACKGROUND: The list of bills and payrolls will be posted on the City's website on November 6, 2013 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: Tracey Covert, City Clerk

Financial & budgetary review by: Patti-Lynn Silva, Director of Finance

Recommended by:

David A. Hales
City Manager

Motion: ______________________ Seconded by: ______________________

	Aye	Nay	Other		Aye	Nay	Other
Alderman Black				Alderman Mwilambwe			
Alderman Fazzini				Alderman Sage			
Alderman Fruin				Alderman Schmidt			
Alderman Lower				Alderman Stearns			
Alderman McDade							
				Mayor Renner			

CITY OF Bloomington ILLINOIS

FOR COUNCIL: November 12, 2013

SUBJECT: Change Order for the Market St. Parking Garage Repairs in the amount of $10,083.08

RECOMMENDATION/MOTION: That the Amendment to the contracts with J. Gill Co. for repairs to the Market St. Parking Garage in the amount of $10,083.08 be approved.

STRATEGIC PLAN LINK: Goal 2. Upgrade City infrastructure and facilities.

STRATEGIC PLAN SIGNIFICANCE: Objective 2d. Well-designed, well-maintained City facilities emphasizing productivity and customer service.

BACKGROUND: On July 8, 2013, Council approved the bid of J. Gill Co., South Holland, IL, in the amount of $414,393.00, for repairs to the Market St. Parking Garage. On September 9, Council approved the bid of Union Roofing Co., Chenoa, IL, in the amount on $41,990.00, for the replacement of the Post Office roof at the Market St. Garage. A total of $550,000.00 was budgeted for both activities.

The plans and specifications for the garage repair were developed in spring of 2012, and the extra work was not included in the July, 2013 bidding documents. This Change Order reflects wear and tear of the garage between the time the plans and specs were developed and the work was completed. This Change Order was reviewed by Walker Restoration Consultants, the engineering firm retained by the City, and deemed necessary.

The breakdown of the Change Order is:

Repair existing top level traffic coating.		$ 4,450.00
Replace expansion joint at level 3.		$ 7,800.00
	Sub Total	$12,250.00
Credit for changing material used in stair well from traffic coating to a penetrating sealer.		($ 2,166.92)
	Total Change Order Amount	$10,083.08

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: None were contacted.

FINANCIAL IMPACT:

Market St. Garage Repairs Bid Price	$414,393.00
Post Office Roof Bid Price	$ 41,990.00
Garage Repair Change Order #1	$ 10,083.08
Total for both Activities	**$466,466.08**

A total of $550,000 was budgeted for both activities. The final cost will result in this project being $83,533.92 under budget. No Change Orders are expected for the roof replacement.

Stakeholders can locate the funding for the Market Street Garage Repair which included the roof replacement in the FY 2014 Budget in the book titled "Other Funds & Capital Improvement Program" on pages 106, 274 and 300. The funding source for the project is the Capital Improvement Fund-Buildings (40100100-72520).

Respectfully submitted for Council consideration.

Prepared by: Robert F. Floyd, Facilities Manager

Reviewed by: Mark R. Huber, Director of PACE

Reviewed by: Barbara J. Adkins, Deputy City Manager

Financial & budgetary review by: Chris Tomerlin, Budget Analyst
Patti-Lynn Silva, Director of Finance

Legal review by: Rosalee Dodson, Assistant Corporation Counsel

Recommended by:

David A. Hales
City Manager

Motion: ______________________________ Seconded by: ______________________________

	Aye	Nay	Other		Aye	Nay	Other
Alderman Fruin				Alderman Schmidt			
Alderman Lower				Alderman Stearns			
Alderman McDade				Alderman Black			
Alderman Mwilambwe				Alderman Fazzini			
Alderman Sage							
				Mayor Renner			

FOR COUNCIL: November 12, 2013

SUBJECT: Severance Agreement for Todd Greenburg

RECOMMENDATION/MOTION: That the Council authorize City Manager David A. Hales to sign and enter into a Severance Agreement with Corporation Counsel Todd Greenburg.

STRATEGIC PLAN LINK: Goal 1 - Financially Sound City Providing Quality Basic Services.

STRATEGIC PLAN SIGNIFICANCE: Objective d - City services delivered in the most cost-effective, efficient manner.

BACKGROUND: Mr. Greenburg has provided an extended and unique service to the City. He was hired by the City as Assistant Corporation Counsel on July 16, 1990. On August 1, 1990, he was promoted to Corporation Counsel for the City of Bloomington. During his tenure as Corporation Counsel, he represented the City in hundreds of cases in state and federal court. He personally briefed more than twenty cases before the Fourth District Appellate Court of Illinois, and personally briefed and argued one case before the Illinois Supreme Court. Mr. Greenburg drafted numerous ordinances during his 23 years with the City, including innovative approaches to regulation of chronic nuisance properties which harm neighborhood property values, an ordinance regulating parolee group homes which was the first of its kind, and an ordinance prohibiting loitering under circumstances giving rise to a suspicion of selling illegal drugs. He routinely drafted and reviewed a wide range of contracts involving the City, including multiple collective bargaining agreements.

Mr. Greenburg has decided to retire from his position. In recognition of his extended service, we recommend that the Council authorize Mr. Hales to sign a severance agreement for Mr. Greenburg.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: N/A

FINANCIAL IMPACT: N/A

Respectfully submitted for Council consideration.

Prepared by: Emily Bell, Director of Human Resources

Legal review by: Benjamin E. Gehrt, Clark Baird Smith LLP

Recommended by:

David A. Hales
City Manager

Attachments:

Motion: ____ Seconded by: ____

	Aye	Nay	Other		Aye	Nay	Other
Alderman Black				Alderman Mwilambwe			
Alderman Fazzini				Alderman Sage			
Alderman Fruin				Alderman Schmidt			
Alderman Lower				Alderman Stearns			
Alderman McDade							
				Mayor Renner			

FOR COUNCIL: November 12, 2013

SUBJECT: Analysis of Bids and Approval of the FY2014 Sump Pump Drainage Contract

RECOMMENDATION/MOTION: That the prices from George Gildner, Inc. for FY 2014 Sump Pump Drainage be accepted in the amount of $100,000, and the Mayor and City Clerk be authorized to execute the necessary documents.

STRATEGIC PLAN LINK: Goal 2. Upgrade City Infrastructure and Facilities, and Goal 5. Great Place – Livable and Sustainable City.

STRATEGIC PLAN SIGNIFICANCE: Objective 2c. Functional, well maintained sewer collection system and 5a. Well-planned City with necessary services and infrastructure.

BACKGROUND: This contract (City Bid 2014-31) involves the construction of sump pump drainage systems throughout the City. Bids for the contract were received until 2:00 p.m. Monday, October 28, 2013 in the office of the Clerk. Four bids were received and opened in the Clerk's Office. A bid tabulation of all bids is attached. Since the project involves the installation of sump pump systems throughout the City and all locations are not currently known, a contract for the entire budget amount will be awarded.

George Gildner, Inc.	**$ 101,470.00 (Low Bid)**
Mid-Illinois Mechanical	$ 115,830.00
Hoerr Construction Company	$ 136,865.00
Stark Excavating, Inc.	$ 206,795.00
Budget	$ 100,000.00

ALDERMANIC COMMITTEE BACKGROUND: None

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: This work was advertised in the Pantagraph on October 14 and 21, 2013 and a pre-bid meeting was held at 1:00 p.m. on October 21, 2013 in the Public Works Department Conference Room.

FINANCIAL IMPACT: This is budgeted in the FY 2014 budget under Storm Water-Sump Pump Drainage (53103100-70554). Stakeholders may locate this in the FY 2014 Budget Book titled "Other Funds & Capital Improvement Program" on page 171.

Respectfully submitted for Council consideration.

Prepared by: Jim Karch, Director of Public Works

Reviewed by: Barbara J. Adkins, Deputy City Manager

Financial & Budgetary review by: Chris Tomerlin, Budget Analyst
Patti-Lynn Silva, Director of Finance

Legal review by: Rosalee Dodson, Assistant Corporation Counsel

Recommended by:

David A. Hales
City Manager

Attachments: Attachment 1. Bids
Attachment 2. Draft List of Sump Pump Drain Lines

Motion: ____ Seconded by: ____

	Aye	Nay	Other		Aye	Nay	Other
Alderman Black				Alderman Mwilambwe			
Alderman Fazzini				Alderman Sage			
Alderman Fruin				Alderman Schmidt			
Alderman Lower				Alderman Stearns			
Alderman McDade							
				Mayor Renner			

CITY OF BLOOMINGTON
FY2014 Sump Pump Drainage System
PROJECT NO. 50-04-53026-14-00
CITY BID NO. 2014-31
BID TAB

Bid Opening Date: 10/28/2013 Attended By: Russ Waller
Bid Opening Time: 2:00 pm Tracey Covert
PREPARED BY: RCW 10/28/2013

				ENGINEER'S ESTIMATE		**LOW BID** **GEORGE GILDNER, INC.**		MID-ILLINOIS MECHANICAL		HOERR CONSTRUCTION		STARK EXCAVATING, INC.	
ITEM NO.	**ITEM**	**UNITS**	**PLAN QTY**	**UNIT COST**	**AMOUNT**	**UNIT COST**	**AMOUNT**	**UNIT COST**	**AMOUNT**	**UNIT COST**	**AMOUNT**	**UNIT COST**	**AMOUNT**
1	DRAIN TILE, 2" PUSHED	LF	100	$10.00	$1,000.00	10.00	$1,000.00	$14.00	$1,400.00	$35.00	$3,500.00	$94.00	$9,400.00
2	DRAIN TILE, 2" TRENCHED	LF	500	$5.00	$2,500.00	10.00	$5,000.00	$10.40	$5,200.00	$28.00	$14,000.00	$42.00	$21,000.00
3	DRAIN TILE, 6" TRENCHED	LF	1000	$12.00	$12,000.00	20.00	$20,000.00	$16.30	$16,300.00	$32.00	$32,000.00	$38.00	$38,000.00
4	DRAIN TILE, 8" TRENCHED	LF	500	$13.00	$6,500.00	22.00	$11,000.00	$20.20	$10,100.00	$34.00	$17,000.00	$40.00	$20,000.00
5	TEE, 8"	EA	10	$35.00	$350.00	52.00	$520.00	$149.60	$1,496.00	$55.00	$550.00	$225.00	$2,250.00
6	TEE, 8"x8"x2"	EA	5	$35.00	$175.00	46.00	$230.00	$132.80	$664.00	$45.00	$225.00	$205.00	$1,025.00
7	TEE, 6"	EA	10	$28.00	$280.00	30.00	$300.00	$113.00	$1,130.00	$40.00	$400.00	$175.00	$1,750.00
8	TEE, 6"x6"x2"	EA	20	$28.00	$560.00	27.00	$540.00	$104.55	$2,091.00	$45.00	$900.00	$180.00	$3,600.00
9	PLUG, 2"	EA	30	$10.00	$300.00	4.00	$120.00	$6.00	$180.00	$10.00	$300.00	$140.00	$4,200.00
10	PLUG, 6"	EA	20	$8.00	$160.00	10.00	$200.00	$38.70	$774.00	$15.00	$300.00	$150.00	$3,000.00
11	COMB CURB & GUTTER REMOVAL & REPLACEMENT	LF	100	$100.00	$10,000.00	52.00	$5,200.00	$75.00	$7,500.00	$50.00	$5,000.00	$100.00	$10,000.00
12	MANHOLE	EA	2	$3,000.00	$6,000.00	2,400.00	$4,800.00	$2,911.00	$5,822.00	$2,160.00	$4,320.00	$3,000.00	$6,000.00
13	INLET, TYPE A	EA	2	$1,500.00	$3,000.00	1,100.00	$2,200.00	$1,000.00	$2,000.00	$1,100.00	$2,200.00	$1,300.00	$2,600.00
14	INLET, TYPE B	EA	2	$1,800.00	$3,600.00	1,250.00	$2,500.00	$1,758.00	$3,516.00	$1,400.00	$2,800.00	$1,400.00	$2,800.00
15	INLET, TYPE H	EA	2	$1,500.00	$3,000.00	2,100.00	$4,200.00	$1,628.50	$3,257.00	$1,900.00	$3,800.00	$1,500.00	$3,000.00
16	PVC YARD INLET w/GRATE	EA	4	$300.00	$1,200.00	175.00	$700.00	$125.00	$500.00	$400.00	$1,600.00	$450.00	$1,800.00
17	CLEANOUT TYPE I	EA	4	$75.00	$300.00	140.00	$560.00	$110.00	$440.00	$260.00	$1,040.00	$500.00	$2,000.00
18	CLEANOUT TYPE II	EA	4	$100.00	$400.00	150.00	$600.00	$170.00	$680.00	$300.00	$1,200.00	$500.00	$2,000.00
19	CONNECT TO EXISTING STRUCTURE	EA	5	$400.00	$2,000.00	280.00	$1,400.00	$300.00	$1,500.00	$600.00	$3,000.00	$1,400.00	$7,000.00
20	CONNECT EXISTING SUMP PUMP DISCHARGE	EA	20	$300.00	$6,000.00	80.00	$1,600.00	$100.00	$2,000.00	$170.00	$3,400.00	$300.00	$6,000.00
21	TRENCH BACKFILL	LF	400	$10.00	$4,000.00	11.00	$4,400.00	$12.00	$4,800.00	$10.00	$4,000.00	$22.00	$8,800.00
22	SIDEWALK REMOVAL & REPLACEMENT, 4"	SF	200	$15.00	$3,000.00	7.00	$1,400.00	$11.00	$2,200.00	$14.00	$2,800.00	$19.00	$3,800.00
23	SIDEWALK REMOVAL & REPLACEMENT, 6"	SF	100	$25.00	$2,500.00	8.00	$800.00	$12.00	$1,200.00	$18.00	$1,800.00	$23.00	$2,300.00
24	SIDEWALK REMOVAL & REPLACEMENT, 8"	SF	100	$25.00	$2,500.00	11.50	$1,150.00	$13.00	$1,300.00	$20.00	$2,000.00	$24.00	$2,400.00
25	DRIVEWAY REMOVAL & REPLACEMENT, 6"	SY	50	$50.00	$2,500.00	64.00	$3,200.00	$110.00	$5,500.00	$76.00	$3,800.00	$140.00	$7,000.00
26	DRIVEWAY REMOVAL & REPLACEMENT, 8"	SY	50	$50.00	$2,500.00	74.00	$3,700.00	$120.00	$6,000.00	$80.00	$4,000.00	$150.00	$7,500.00
27	PAVEMENT REMOVAL & REPLACEMENT	SY	50	$100.00	$5,000.00	125.00	$6,250.00	$140.00	$7,000.00	$88.00	$4,400.00	$175.00	$8,750.00
28	DETECTABLE WARNINGS	SF	50	$25.00	$1,250.00	45.00	$2,250.00	$30.00	$1,500.00	$16.00	$800.00	$25.00	$1,250.00
29	TOPSOIL & SEEDING	SY	400	$10.00	$4,000.00	9.00	$3,600.00	$19.00	$7,600.00	$9.00	$3,600.00	$12.00	$4,800.00
30	EROSION CONTROL BLANKET	SY	400	$10.00	$4,000.00	2.50	$1,000.00	$2.00	$800.00	$3.00	$1,200.00	$3.50	$1,400.00
31	PERIMETER SILT FENCE	LF	150	$10.00	$1,500.00	3.00	$450.00	$4.40	$660.00	$3.00	$450.00	$7.00	$1,050.00
32	INLET FILTER	EA	4	$250.00	$1,000.00	150.00	$600.00	$180.00	$720.00	$120.00	$480.00	$80.00	$320.00
33	LANDSCAPE REMOVAL & REPLACEMENT	LS	1	$10,000.00	$10,000.00	$10,000.00	$10,000.00	$10,000.00	$10,000.00	$10,000.00	$10,000.00	$10,000.00	$10,000.00
				TOTALS	$103,075.00		$101,470.00		$115,830.00		$136,865.00		$206,795.00

CITY OF BLOOMINGTON

Sump Pump Drain Line List

Date: 10/11/2013

No.		LOCATION	ISSUE	ADDED
1		Kenneth Drive	Sidewalk Icing	04/24/2013
2		102 & 104 Windward Court	Sidewalk Icing	Unknown
3		811 Parmon Road (off Peirce Ave)	Sidewalk Icing	Unknown
4		100 Block Shorewood Dr.	Sidewalk Icing	Unknown
5		2013 Fallen Oak Rd (off Twin Oak Rd)	Sidewalk Icing	08/01/2010
6		306 Garfield Dr	Sidewalk Icing	06/07/2011
7		200 S. Hershey East Side (Wellington Way north)	Sidewalk Icing	01/31/2013
8		304 Radliff Rd	Front Yard Drainage	Unknown
9		2115 Pierce	Rear Yard Drainage	Unknown
10		Morningside Drive	Rear Yard Drainage	04/24/2013
11		31 Brookshire Green	Front Yard Drainage	04/19/2013
12				
13				
14				
15				
16				
17				

FOR COUNCIL: November 12, 2013

SUBJECT: Extension of Fuel Agreement for Fleet Vehicles and Equipment

RECOMMENDATION/MOTION: That the Fuel Purchasing Agreement with Evergreen FS be extended for one (1) year and the Purchasing Agent authorized to issue a Purchase Order for same.

STRATEGIC PLAN LINK: Goal 1. Financially Sound City Providing Quality Basic Services.

STRATEGIC PLAN SIGNIFICANCE: Objective 1d. City services delivered in the most cost-effective, efficient manner.

BACKGROUND: In 1999, the City fuel contract was let out for bid and awarded to Evergreen FS for a three (3) year period. From 2002 to 2008, the contract was extended in two (2) year intervals after checking with other vendors to see if the current vendor was competitive. On February 11, 2008, Council approved an extension with Evergreen FS until April 30, 2009. On December 9, 2008, a bid package was let out for the City's annual fuel purchase and only one (1) bid package was returned. At the January 12, 2009 Council meeting, the bid was opened and staff recommended the bid be awarded to Evergreen FS from May 1, 2009 to December 31, 2010 with four (4), one (1) year renewal options. On October 25, 2010 the 1st of four (4), one (1) year renewal options was approved by City Council. This is the last renewal for the fuel agreement. The City will let out a bid for its fuel requirements in Fiscal Year 2015. Staff emphasized the best time to purchase fuel as November and December.

Evergreen FS is the only known vendor that can meet all of the current contract specifications. These services include, bulk fuel transport to the bulk tank at the Public Works fuel station, deliveries to various smaller fuel tanks at the parks, golf courses, emergency generators, and to fire apparatus at working fires. It also includes a fuel card to purchase fuel from local FS stores when the Public Works Department fuel station is out of service for maintenance. Operates and maintains a local tank farm with the ability to deliver fuel from the tank farm to the City in the event of a natural or manmade disaster. The City used this service last winter during the big snow event when bulk fuel transports could not deliver fuel. Evergreen FS offers a fuel risk management program that allows schools (a total of 18 in the area) and municipalities (Bloomington Normal Public Transit and Town of Normal participated last year) to pool their fuel purchases for volume discounts and guaranteed fuel costs. Evergreen FS provides fuel storage tank sampling and testing with storage tank maintenance recommendations at no charge to the City on an annual basis.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: NA

FINANCIAL IMPACT: The FY 2015 Fleet Management Budget has proposed $1,509,961 for gasoline and diesel fuel for City vehicles and equipment. The $1,509,961 will be budgeted in the Fleet Management-Fuel (10016310-71070). Stakeholders can locate the fiscal year 2014 budget for this line item account in the FY 2014 Budget book titled "Budget Overview & General Fund" on page 359.

Respectfully submitted for Council consideration.

Prepared by:	Jim Karch, P.E., Director of Public Works
Reviewed by:	Barbara J. Adkins, Deputy City Manager
Financial & Budgetary review by:	Chris Tomerlin, Budget Analyst Patti-Lynn Silva, Director of Finance
Legal review by:	Rosalee Dodson, Assistant Corporation Counsel

Recommended by:

David A. Hales
City Manager

Attachments: Attachment 1. Fuel Strategy
Attachment 2. Fuel Expense/Savings Data

Motion: ______________________ Seconded by: ______________________

	Aye	Nay	Other		Aye	Nay	Other
Alderman Black				Alderman Mwilambwe			
Alderman Fazzini				Alderman Sage			
Alderman Fruin				Alderman Schmidt			
Alderman Lower				Alderman Stearns			
Alderman McDade							
				Mayor Renner			

City of Bloomington Fuel Strategy

Purchase 50% of yearly fuel in the Evergreen FS Risk Management Program.
Take delivery of fuel 50% of monthly use each month. Buy the remaining 50% each month on the market. Decide when to use Program fuel and when to buy fuel off the market each month based on fuel prices and trends for the month.

Risk Management Program

The goal of this program is to reduce risk by locking in fuel prices during a time frame that historically offers fuel oil prices that are at a low point for the year. This program pools fuel from multiple users to get a volume discount.
Users must be enrolled by mid November to participate and receive fuel from February 1st to January 30th of the following year. Evergreen takes the total gallons enrolled in the program and buys equal amounts of fuel on select trading days from December 1st thru January 30th for each month of the year. The product price is averaged and applied to each month plus applicable State and Federal taxes, and $.02 Transport or. $.15 Tank Wagon per gallon as per our current contract with Evergreen FS.

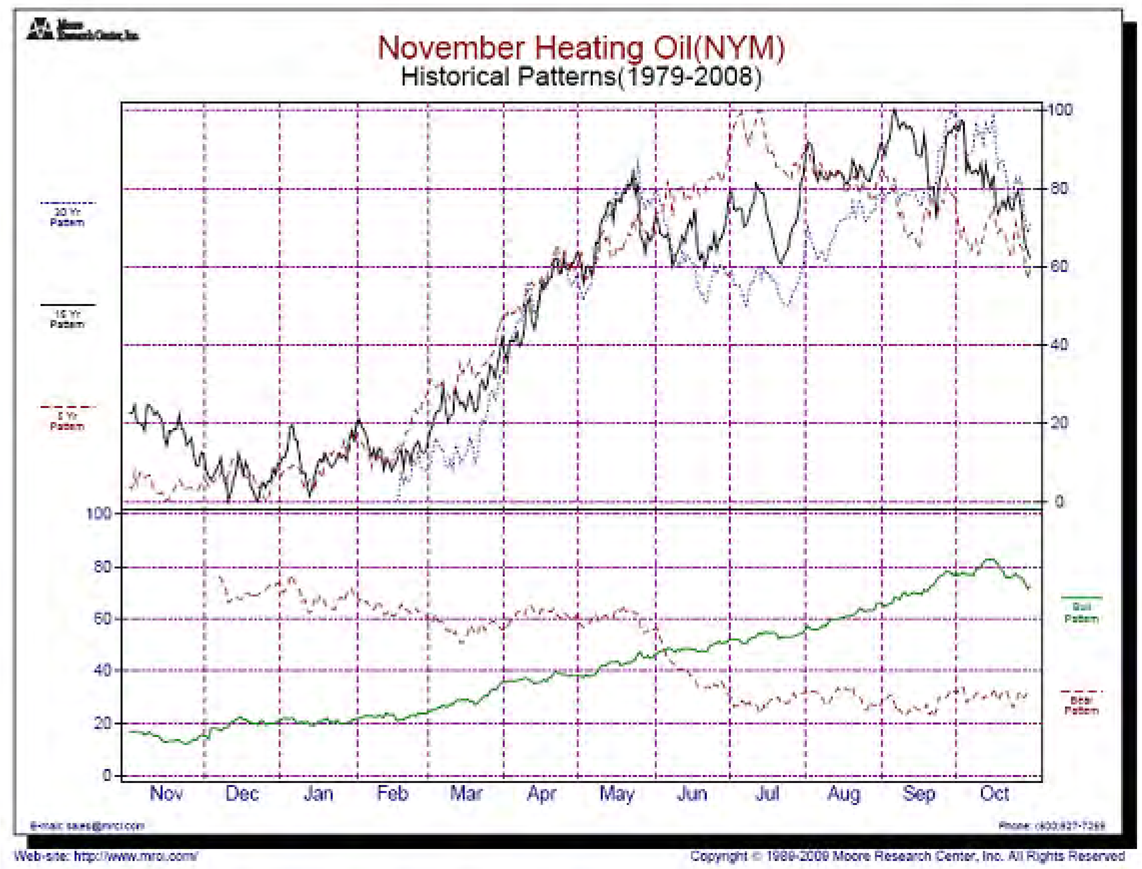
Other agencies that use Risk Management Program
District 87, Unit 5, Olympia, Heyworth, Clinton, Fieldcrest, Town of Normal

This past year most of the Risk Managers placed 50% of their gallons in this program and left the other 50% to purchase at market price which allows for diversity in their fuel purchases. This strategy works well as there are periods when the market price is lower than the contract price, this allows for a lower average price for the month. Currently the contract price on the Risk Manager Program is averaging lower than the market price. Although the hope is that the program price is better than the market price as an average, the main objective is to remove the wide swings of the fuel prices throughout the year, and allow us to budget more accurately and consistently

Contract with Evergreen FS
- Services with FS
  - Contracting Fuels
  - Tank wagons fuel working fire trucks, tank farm in town
  - Bio Diesel purity
  - Tank sampling water, microbes
  - Market updates daily

To date The City of Bloomington has saved $6,454.39 by using our fuel strategy.

Historical Fuel price trends over the last 25 years indicate that fuels should be purchased in the months of November thru December for the following year as shown on the chart below.
As the world economy continues to improve crude oil costs will increase and fuel prices should fall back into their normal patterns.



Evergreen FS Risk Contract Savings to Date									
						Without Taxes			
Product	**Date**	**Quantity**	**Amount**			**Market Price**	**Price Paid**	**Diff**	
		February 2013							
Diesel	2/25/2013	2110	$7,589.67	$3.60	Market Price	$3.37	$3.37	$0.00	
	2/26/2013	2605	$9,297.26	$3.57	Market Price	$3.34	$3.34	$0.00	
	2/18/2013	580	$2,007.38	$3.46	Risk Contract	$3.42	$3.23	-$109.04	
	2/18/2013	1823	$6,652.13	$3.65	Market Price	$3.42	$3.42	$0.00	
	2/12/2013	2810	$9,711.36	$3.46	Risk Contract	$3.39	$3.23	-$458.03	
	2/5/2013	2610	$8,970.57	$3.44	Risk Contract	$3.25	$3.21	-$91.35	
No lead	2/26/2013	1801	$5,990.12	$3.33	Market Price	$3.12	$3.12	$0.00	
	2/25/2013	3118	$10,136.61	$3.25	Market Price	$3.05	$3.05	$0.00	
	2/18/2013	317	$909.16	$2.87	Risk Contract	$3.09	$2.67	-$135.68	
	2/18/2013	3383	$11,150.36	$3.30	Market Price	$3.09	$3.09	$0.00	
	2/12/2013	3711	$10,643.15	$2.87	Risk Contract	$2.94	$2.67	-$1,027.94	
	2/5/2013	3522	$10,101.10	$2.87	Risk Contract	$2.96	$2.67	-$1,021.38	
		March 2013							
Diesel	3/29/2013	4803	$16,431.06	$3.42	Market Cost	$3.19	$3.19	$0.00	
	3/26/2013	2804	$9,345.72		Market Cost	$3.11	$3.11	$0.00	
	3/18/2013	2605	$8,739.79	$3.36	Market Cost	$3.13	$3.13	$0.00	
	3/11/2013	2993	$10,358.77	$3.46	Risk Contract	$3.22	$3.23	$50.88	
	3/11/2013	714	$2,459.01	$3.44	Market Cost	$3.22	$3.22	$0.00	
	3/8/2013	3007	$10,407.24	$3.46	Risk Contract	$3.18	$3.23	$156.37	
	3/11/2013	1208	$4,161.55	$3.44	Market Cost	$3.22	$3.22	$0.00	
No lead									
	3/26/2013	3810	$11,750.04	$3.08	Rack	$2.88	$2.88	$0.00	
	3/29/2013	3000	$9,336.00	$3.11	Rack	$2.91	$2.91	$0.00	
	3/18/2013	1044	$3,093.36	$2.96	Risk Mgmt	$3.02	$2.76	-$266.22	
	3/18/2013	2566	$8,257.40	$3.22	Rack	$3.02	$3.02	$0.00	
	3/11/2013	2999	$8,886.04	$2.96	Risk Contract	$2.94	$2.76	-$536.82	
	3/8/2013	1902	$5,635.63	$2.96	Risk Contract	$2.91	$2.76	-$277.69	
	3/11/2013	1605	$4,755.63	$2.96	Risk Contract	$2.91	$2.76	-$243.96	

Evergreen FS Risk Contract Savings to Date

						Without Taxes		
Product	**Date**	**Quantity**	**Amount**			**Market Price**	**Price Paid**	**Diff**
			April 2013					
Diesel	4/15/2013	368	$1,230.95	$3.34	Rack	$3.12	$3.12	$0.00
	4/15/2013	2987	$10,388.80	$3.48	Contract	$3.12	$3.25	$397.27
	4/15/2013	3013	$10,479.21	$3.48	Risk Contract	$3.20	$3.25	$168.72
	4/23/2013	3205	$10,441.91	$3.26	Market Price	$3.03	$3.03	$0.00
	4/29/2013	3217	$10,876.69	$3.38	Market Price	$3.15	$3.15	$0.00
No lead	4/15/2013	3921	$11,715.95	$2.99	Risk Contract	$2.75	$2.79	$160.76
	4/15/2013	3516	$10,505.82	$2.99	Risk Contract	$2.79	$2.79	-$7.03
	4/23/2013	113	$337.64	$2.99	Risk Contract	$2.93	$2.79	-$15.93
	4/23/2013	3397	$11,009.68	$3.24	Market Price	$2.93	$3.04	$380.46
	4/29/2013	4015	$12,928.31	$3.22	Market Price	$3.02	$3.02	$0.00
			May 2013					
Diesel	5/8/2013	2807	$9,762.76	3.48	Risk Contract	$3.27	$3.25	-$61.75
	5/16/2013	3123	$10,977.34	3.51	Risk Contract	$3.27	$3.29	$51.84
	5/21/2013	70	$246.05	3.52	Risk Contract	$3.18	$3.29	$7.84
	5/21/2013	3344	$11,409.62	3.41	Market Price	$3.18	$3.18	$0.00
	5/28/2013	3414	$11,539.31	3.38	Market Price	$3.15	$3.15	$0.00
	5/31/2013	2206	$7,537.91	3.42	Market Price	$3.19	$3.19	-$0.88
No lead	5/8/2013	3713	$11,064.73	2.98	Risk Contract	$3.04	$2.78	-$965.38
	5/16/2013	3813	$11,362.73	2.98	Risk Contract	$3.08	$2.78	-$1,147.72
	5/21/2013	24	$71.51	2.98	Risk Contract	$3.25	$2.78	-$11.43
	5/21/2013	3787	$13,087.88	3.46	Market Price	$3.25	$3.25	$0.00
	5/28/2013	4113	$13,967.74	3.40	Market Price	$3.19	$3.19	$0.00
	5/31/2013	3510	$11,460.15	3.27	Market Price	$3.06	$3.06	$0.00

Evergreen FS Risk Contract Savings to Date									
						Without Taxes			
Product	**Date**	**Quantity**	**Amount**			**Market Price**	**Price Paid**	**Diff**	
		June 2013							
Diesel	6/7/2013	2908	$10,221.61	3.51	Risk Contract	$3.10	$3.29	$543.79	
	6/19/2013	3092	$10,868.39	3.52	Risk Contract	$3.16	$3.29	$398.87	
	6/19/2013	115	$389.41	3.39	Market Price	$3.16	$3.16	$0.00	
	6/19/2013	3007	$9,658.50	3.21	Market Price	$2.99	$2.99	$0.00	
	6/30/2013	2810	$9,242.09	3.29	Direct Drop	$3.06	$3.06	$0.00	
Total Diesel		11932	$40,380.00	16.92					
No lead	6/7/2013	3721	$11,203.26	3.01	Risk Contract	$3.55	$2.78	-$2,854.01	
	6/19/2013	3829	$11,433.40	2.99	Risk Contract	$3.10	$2.78	-$1,206.13	
	6/19/2013	191	$630.49	3.30	Market Price	$3.10	$3.01	-$17.19	
	6/27/2013	3917	$11,159.54	2.85	Market Price	$2.65	$2.65	$0.00	
	6/28/2013	3722	$10,641.20	2.86	Market Price	$2.66	$2.66	$0.00	
		July 2014							
Diesel	7/9/2013	2514	$8,836.70	3.51	Risk Contract	$3.10	$3.29	$472.63	
	7/15/2013	2713	$9,536.19	3.51	Risk Contract	$3.11	$3.29	$491.05	
	7/22/2013	773	$2,717.09	3.51	Risk Contract	$3.14	$3.29	$118.26	
	7/22/2013	2136	$7,181.24	3.36	Market Price	$3.14	$3.14	$0.00	
	7/30/2013	2810	$9,028.53		Market Price	$2.99	$2.99	$0.00	
No lead	7/9/2013	2909	$8,791.00	3.02	Risk Contract	$2.81	$2.82	$34.91	
	7/15/2013	3410	$10,305.02	3.02	Contract	$3.03	$2.82	-$702.46	
	7/22/2013	1031	$3,115.68	3.02	Risk Contract	$2.96	$2.82	-$142.28	
	7/22/2013	2879	$9,097.64	3.16	Market Price	$2.96	$2.96	$0.00	
	7/30/2013	3509	$10,748.07	3.06	Market Price	$2.86	$2.86	$0.00	
Total no lead		13738	$42,057.41						

Evergreen FS Risk Contract Savings to Date								
						Without Taxes		
Product	**Date**	**Quantity**	**Amount**			**Market Price**	**Price Paid**	**Diff**
		August 2013						
Diesel	8/7/2013	3009	$10,576.64	$3.52	Risk Contract	$3.15	$3.29	$406.21
	8/14/2013	2668	$9,378.01	$3.51	Risk Contract	$3.04	$3.29	$667.00
	8/19/2013	323	$1,135.34	$3.51	Risk Contract	$3.13	$3.29	$49.74
	8/19/2013	2586	$8,634.66	$3.34	Market Price	$3.13	$3.11	-$56.89
	8/28/2013	2907	$9,831.49	$3.38	Market Price	$3.16	$3.12	-$116.28
	8/30/2013	2806	$9,821.01	$3.50	Market Price	$3.27	$3.27	$0.00
No lead	8/7/2013	3520	$10,658.56	$3.03	Risk Contract	$2.94	$2.83	-$415.36
	8/14/2013	4021	$12,175.59	$3.03	Risk Contract	$2.75	$2.83	$309.62
	8/19/2013	9	$27.25	$3.03	Risk Contract	$2.48	$2.83	$3.08
	8/19/2013	3700	$11,292.40	$3.05	Market Price	$2.48	$2.85	$1,357.90
	8/30/2013	3918	$12,416.53	$3.17	Market Price	$3.12	$2.97	-$587.31
	8/28/2013	3714	$11,416.83	$3.07	Market Price	$2.87	$2.87	$0.00
		September 2013						
Diesel	9/9/2013	2808	$9,870.11	$3.51	Risk Contract	$3.35	$3.29	-$162.87
	9/18/2013	3013	$10,590.69	$3.51	Risk Contract	$3.24	$3.29	$132.57
	9/26/2013	179	$629.19	$3.52	Risk Contract	$3.19	$3.29	$17.18
	9/26/2013	2428	$8,301.33	$3.42	Market Price	$3.19	$3.19	$0.00
	9/30/2013	3206	$10,829.88	$3.38	Market Price	$3.15	$3.15	$0.00
No lead	9/6/2013	3409	$10,179.28	$2.99	Risk Contract	$2.83	$2.78	-$139.77
	9/18/2013	4020	$12,003.72	$2.99	Risk Contract	$2.80	$2.78	-$60.30
	9/26/2013	121	$361.30	$2.99	Risk Contract	$2.72	$2.78	$7.74
	9/26/2013	3397	$9,926.04	$2.92	Market Price	$2.72	$2.72	$0.00
	9/30/2013	3610	$10,328.21	$2.86	Market Price	$2.66	$2.66	$0.00
						TOTAL SAVINGS:		**-$6,454.39**

The City of Bloomington has saved $6454.39 from February 2013 through the end of September 2013, using the Risk Contract with Evergreen FS.

FOR COUNCIL: November 12, 2013

SUBJECT: Illinois Housing Development Authority Grant Programs

RECOMMENDATION/MOTION: That Council approve the City's application to the Illinois Housing Development Authority (IHDA) for the Abandoned Properties Program (APP) and temporarily suspend application renewal to the IHDA Single Family Owner Occupied Rehabilitation (SFOOR) Program.

STRATEGIC PLAN LINK: Goal 1. Financially Sound City Providing Quality Basic Services.

STRATEGIC PLAN SIGNIFICANCE: Objective 1d. City services delivered in the most cost-effective, efficient manner.

BACKGROUND: Council approved the City's application to the Illinois Housing Development Authority in 2010 and again in 2012 for their two year Single Family Owner Occupied Rehabilitation (SFOOR) grant program. The current grant term will end August 2014. Community Development requests a temporary suspension of this program due to staff retirement and time needed to train of replacement staff.

In the interim, IHDA has recently introduced the Abandoned Properties Program (APP) grant for counties and municipalities within the State. Grant funds may be used for securing, maintaining, demolishing or rehabilitating abandoned homes. The maximum grant award is $75,000; however, a waiver of the maximum grant amount may be requested. The City must illustrate capacity, need and impact in order to be considered for this waiver. In no case may any grant exceed $250,000. These grant funds would help offset City General Fund dollars expended for Code Enforcement and Community Development Block Grant Funds expended for Demolition activities. This program appears to be less paperwork than the IHDA SFOOR program, thus easier to maintain during staff training. Grant applications are due to IHDA December 6, 2013.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: None

FINANCIAL IMPACT: Receipt of these funds would help offset some of the General Fund and CDBG monies expended on the maintenance of abandoned properties / lots; i.e. grass / weed abatement, securing a property, demolition.

Respectfully submitted for Council consideration.

Prepared by: Sharon A. Walker, Code Enforcement Division Manager

Reviewed by: Mark R. Huber, Director of PACE

Financial & Budgetary review by: Chris Tomerlin, Budget Analyst

Patti-Lynn Silva, Director of Finance

Legal review by: Rosalee Dodson, Assistant Corporation Counsel

Recommended by:

David A. Hales
City Manager

Attachments: Attachment 1. IHDA APP Grant Application Information

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Motion: ______________________________ Seconded by: ______________________________

	Aye	Nay	Other		Aye	Nay	Other
Alderman Black				Alderman Mwilambwe			
Alderman Fazzini				Alderman Sage			
Alderman Fruin				Alderman Schmidt			
Alderman Lower				Alderman Stearns			
Alderman McDade							
				Mayor Renner			

ILLINOIS HOUSING
DEVELOPMENT AUTHORITY

Abandoned Residential Property Municipality Relief Program (APP) Grant Application

<u>Due on December 6, 2013 3:00 p.m. CST</u>

For questions and comments please contact
APPinfo@ihda.org

Abandoned Residential Property Municipality Relief Program

Grant Application

Applicant Information

County/Municipality Name *(You must provide certification of municipality/county status)*:

Main Office Street Address | **City** | **State**

Zip Code | **Website**

Chief Contact's Name | **Title**

Phone Number | **E-Mail Address**

Secondary Contact Person | **Title**

Phone Number | **E-Mail Address**

Check applicable geography:

- ☐ Cook County (or municipality within, other than the City of Chicago)
- ☐ City of Chicago
- ☐ DuPage, Kane, Lake, McHenry or Will Counties (or municipality within)
- ☐ All Other Counties (or municipality within)

Geography to be covered by this grant (towns/villages/zip codes):

Requested Grant Amount:

Application Guide

Program Overview
The Abandoned Residential Property Municipality Relief Fund ("Abandoned Property Program", "APP", or the "Program") was created in 2010 when Governor Quinn signed the Save Our Neighborhoods Act. Funding for the Program was expanded by subsequent legislation that Governor Quinn signed into law in 2013. Please review the Program Rules for a complete description of the program guidelines.

Purpose of Grant
The purpose of the Program is to use moneys in the Abandoned Residential Property Municipality Relief Fund to make grants to municipalities and counties to assist with costs incurred by that municipality or county for the securing, maintenance, and demolition of Abandoned Residential Property in the jurisdiction, as defined in Section 381.202 of the Program Rules.

Eligibility
Applicants must be a municipality or a county located in the State of Illinois. A county or municipality may join with other counties/municipalities and together submit a single application; however, each county/municipality may only apply once per funding round.

Eligible Grant Activities
Grant funds may be used for securing, maintaining, demolishing, or rehabilitating abandoned homes. The rehabilitation of an abandoned residential property is strictly limited in scope to address exterior building safety concerns such as repairing the roof, windows, doors, masonry, or walkways of an abandoned residential property. A list of specific activities allowed as part of securing, maintaining, and demolishing properties may be found at Abandoned Residential Property Municipality Relief Program Rules.

It is acceptable to propose future expenses or to submit for reimbursement for previous eligible activities occurring after January 1, 2012. All program requirements and regulatory compliance, including certifications, must be met to be reimbursed for previous eligible activities.

Funding
Funding for the Program is derived solely from foreclosure filing fees paid by lending institutions and collected by the county clerk in which the foreclosure is filed. The collection of additional filing fees began in June of 2013. As of the date of this application, receipts of funds for this program have been less than originally projected. Of the total amount received each year:

1. 30% will be granted in Cook County (or municipality within, other than the City of Chicago);
2. 25% will be granted to the City of Chicago;
3. 30% will be granted in the Collar Counties (DuPage, Kane, Lake, McHenry, and Will); and
   15% will be granted in other areas of the State not previously defined.

These statutory apportionments are collectively referred to as "geographic set-asides".

There is expected to be one cycle per year with the option of a second cycle based on applications received and funds available. Based on the amount of funds currently available, IHDA has established a maximum grant amount of $75,000 per municipality/county. Awards will be determined based on the amount of funding available in the geographic set-aside, as well as the applicant's documented need for funding, the capacity of the applicant to undertake the planned activities, the amount of impact to be achieved, cost reasonableness, and readiness to proceed, as further described in this Application. Applications will be scored and ranked according to the criteria set forth in this Application, and will be funded according to their rank in each geographic set-aside.

An applicant may request a waiver of the maximum grant amount by completing the requested information in this Application. An applicant must illustrate exemplary capacity, need, and impact in order to be considered for such a waiver. IHDA will consider waiver requests on a case-by-case basis, taking into account the amount of funding available in the geographic set-aside, along with the criteria set forth above, to determine whether to grant the waiver.[1] In no case may any grant exceed $250,000[2] to any grantee within a geographic area outside the City of Chicago.[3]

Scoring (100 points total) Applications will be ranked against other applications in the geographic set-aside to determine points to be awarded.

1. **Need – maximum 20 points**
    a. Up to ten (10) points may be awarded for applications that provide data requested in this Application under this scoring category on foreclosure activity and abandoned properties.

    b. Up to twenty (20) points may be awarded for applications that provide the information in (a) above and additional detail on the effect abandoned properties have had on the jurisdiction, as further described under this scoring category in this Application. Maximum points will be given to applicants most affected, and that best document it by (1) including the amount of time and resources expended in the previous three fiscal years in maintaining and demolishing abandoned residential properties; (2) demonstrating the financial burden foreclosures and abandoned properties have placed on the jurisdiction; and (3) identifying specific areas within the jurisdiction most affected by foreclosures and abandoned properties.

2. **Capacity – maximum 20 points**
    a. Up to five (5) points may be awarded to applicants demonstrating previous experience managing grants.

    b. Up to ten (10) points may be awarded to applications that demonstrate successful management of a housing grant/program within the jurisdiction. Housing grants/programs will be interpreted to include any public or private program that improves the condition of housing or housing choice within the jurisdiction.

    c. Up to twenty (20) points may be awarded to applicants that clearly show previous

[1] Nothing contained in this Grant Application shall prohibit IHDA from considering an application waiver above the $75,000 limitation if IHDA, in its sole discretion, determines that such increase is necessary to meet the purposes of Section 7.31(a) of the Illinois Housing Development Act and the Program.
[2] This is the maximum amount that can be awarded to an applicant receiving a waiver.
[3] The City of Chicago, pursuant to legislation, may apply for 25% of the moneys in the Fund that have been appropriated, subject to the annual receipt of funds.

experience managing housing grants/programs and document an active plan to mitigate abandoned properties within the jurisdiction, including demolition of abandoned residential properties have a person designated to administer this grant with previous experience managing grants having similar requirements.

3. **Impact – maximum 20 points**
   a. Up to ten (10) points may be awarded to applications that provide a narrative detailing how the grant will (or has) positively impact(ed) the jurisdiction, along with evidence of other resources utilized for local revitalization to combat the ill effects of foreclosure on the jurisdiction, which may speak to a specific area of that jurisdiction.

   b. Up to twenty (20) points may be awarded to applications that currently have an active revitalization plan underway in the jurisdiction and clearly demonstrate how this grant will impact proposed activities to be carried out under that plan. Consideration will be given to communities that have identified troubled residential properties causing blight in the local community for which there is no cost effective solution other than demolition. Points will be given to applications that focus on specific geographic areas within the jurisdiction, submit current, relevant revitalization plans, and include documentation that such plan has had a demonstrably positive impact on the jurisdiction.

4. **Budget and Cost Reasonableness – maximum 20 points**
   a. Up to ten (10) points may be awarded to applications that include a complete and reasonable budget.

   b. Up to twenty (20) points may be awarded to applications that include a cost-effective, reasonable budget in the application, including a detailed explanation of the process for ensuring the reasonableness of all costs associated with the proposed or reimbursable activities, and documentation of the process used to procure all third party vendors. Points will be given to applications that demonstrate a systematic, thorough, well documented approach to ensuring reasonable costs.

5. **Readiness to Proceed – maximum 20 points**
   a. Up to ten (10) points may be awarded to applications that request reimbursement for documented, previously performed eligible activities or demonstrate a reasonable plan for the expeditious completion of proposed activities.

   b. Up to twenty (20) points may be awarded to applications that demonstrate a thorough, detailed, and reasonable plan for the expeditious completion of proposed and reimbursable activities. Maximum points will be given to applications that document implementation of revitalization plans that clearly compliment this grant, and where specific properties have already been selected.

Application Fee

IHDA will not charge a fee for processing applications under this Program.

Application
A completed application must be received by December 6, 2013 at 3:00 p.m. CST. Please direct all questions to appinfo@ihda.org. Email one copy of your application to appinfo@ihda.org. Submit one hard copy and one copy on a flash drive to:
Community Affairs Department
c/o Illinois Housing Development Authority
401 N. Michigan Ave. Suite 700
Chicago, IL 60611

The Illinois Housing Development Authority will be hosting application/technical assistance seminars via webinar and through in-person workshops. The webinar will be available on: Octoher 30, 2013 and November 22, 2013. Webinars will be at 1:00 p.m. Please look to www.ihda.org under the "government" tab for future information regarding the location of workshops. Also look for emails from appinfo@ihda.org regarding workshop/webinar dates and times.

Webinar log-in information is as follows:

A. On your computer, go to http://www.connectmeeting.att.com
    a. Meeting Number is 8884944032
    b. The access code is 5658964843
    c. Through your phone, dial 1-888-494-4032. The access code is 5658964843. It will give you a personal number to link your phone to the computer, please follow these instructions.

B. Please log in at least 10 minutes early (or even a few days early) as there will be some software that needs to be installed on your first use.
    a. Download and run/install all software. If it asks what "connect software you want to use" please choose "Participant Application (Recommended)"
    b. After this installation please choose "Enter Event"
    c. A box should appear listing the call-in information and explaining how to link the phone to your computer. It will look similar to this #951568544#. Please be sure to enter that number into the phone to link it to the computer.

Addendums

- Program Rules
- Program FAQ

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

NOTICE OF ADOPTED RULES

TITLE 47: HOUSING AND COMMUNITY DEVELOPMENT
CHAPTER II: ILLINOIS HOUSING DEVELOPMENT AUTHORITY

PART 381
ABANDONED RESIDENTIAL PROPERTY MUNICIPALITY RELIEF PROGRAM

SUBPART A: GENERAL RULES

Section:

SUBPART B: GRANTS TO MUNICIPALITIES AND COUNTIES

Section:

AUTHORITY: Authorized by Section 7.19 of the Illinois Housing Development Act [20 ILCS 3805/7.19] and Section 7.31(a) of the Illinois Housing Development Act [20 ILCS 3805/7.31(a)].

SOURCE: Adopted at 37 Ill. Reg. 11327, effective July 3, 2013.

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

NOTICE OF ADOPTED RULES

SUBPART A: GENERAL RULES

Section 381.101 Authority

The Illinois Housing Development Authority is the designated administrator for the Abandoned Residential Property Municipality Relief Program in Illinois, which was established by Section 7.31 of the Illinois Housing Development Act [20 ILCS 3805/7.31].

Section 381.102 Purpose and Objectives

The purpose of the Program is to use moneys appropriated from the Abandoned Residential Property Municipality Relief Fund, and any other funds appropriated for this purpose, to make grants to municipalities and counties to assist with costs incurred by the municipality or county for the securing and maintenance of Abandoned Residential Property as defined in Section 381.202. Under the Program, the Authority will make grants to the municipalities and counties for Eligible Uses as set forth in Section 381.203.

Section 381.103 Definitions

The following definitions apply to terms used in this Part:

"Abandoned Residential Property": Shall have the meaning set forth in Section 381.202

"Act": The Illinois Housing Development Act [20 ILCS 3805].

"Applicant": A municipality or county making an Application for a Grant.

"Application": An application to the Authority on the Authority's form for a Grant completed by a prospective Applicant.

"Appropriation": The annual appropriation of funds, from the Abandoned Residential Property Municipality Relief Fund to the Illinois Department of Revenue for the Authority, by the Illinois General Assembly for the Program and any other funds appropriated for this purpose.

"Attorney General": The Attorney General of the State of Illinois.

"Auditor General": The Auditor General of the State of Illinois.

"Authority": The Illinois Housing Development Authority.

"City": The City of Chicago.

"Collar Counties": The counties of DuPage, Kane, Lake, McHenry and Will in Illinois.

"Commitment": A contract executed by the Authority and the Applicant under which the Authority agrees to make a Grant to the Applicant. Each Commitment shall contain a provision to the effect that the Authority shall not be obligated to provide funds under the Commitment if the Authority has not received sufficient funds from an Appropriation.

"Eligible Uses": Shall have the meaning set forth in Section 381.203.

"Fund": The Abandoned Residential Property Municipality Relief Fund created in the State treasury for the collection of certain fees as set forth in Section 15-1504.1 of the Illinois Code of Civil Procedure [735 ILCS 5/15-1504.1] paid by a plaintiff at the time of a filing of a foreclosure complaint in connection with residential real estate.

"Grant": The portion of the Appropriation granted by the Authority to an Applicant for Eligible Uses under the Program.

"Pests": Undesirable arthropods (including certain insects, spiders, mites, ticks and related organisms), wood infesting organisms, rats, mice and other obnoxious undesirable animals, but does not include a feral cat, a "companion animal" as that term is defined in the Humane Care for Animals Act [510 ILCS 70], "animals" as that term is defined in the Illinois Diseased Animals Act [510 ILCS 50], or animals protected by the Wildlife Code [520 ILCS 5].

"Program": The Abandoned Residential Property Municipality Relief Program authorized by Section 7.31 of the Act.

"Rehabilitation": The rehabilitation of an Abandoned Residential Property that is strictly limited in scope to address exterior building safety concerns such as repairing of the roof, windows, doors, masonry or walkway of an Abandoned Residential Property.

"State": The State of Illinois.

Section 381.104 Compliance with Federal and State Law

Notwithstanding anything in this Part to the contrary, this Part shall be construed in conformity and compliance with applicable federal and State law.

Section 381.105 Forms and Procedures for the Program

The Authority may prepare, use, prescribe, supplement and amend forms, agreements and other documents and procedures as may be necessary to implement the Program.

Section 381.106 Fees and Charges

The Authority may not charge an application fee for the Program.

Section 381.107 Authority Administrative Expenses

Subject to approval of the Department of Revenue, the Authority shall be entitled to deduct from each Appropriation, prior to making any Grants, an amount not to exceed 4% of each Appropriation for expenses associated with the administration of the Program, including, without limitation, expenses for staff salaries and benefits for time spent on design and administration of the Program; expenses incurred in performing outreach activities and providing technical assistance to the Applicants; the use of the Authority's equipment for Program purposes; the cost of office space and utilities incurred in connection with the Program; and any other expenses incurred in the administration of the Program. The Authority shall maintain a detailed accounting of its administrative expenses, using the generally accepted accounting principles (GAAP) of the Financial Standards Board of the American Institute of Certified Public Accountants as contained in the publication entitled AICPA Professional Standards, 1211 Avenue of the Americas, New York NY 10036-8775 (June 2012, no later editions are incorporated). These records shall be available to the public for review.

Section 381.108 Amendment

This Part may be supplemented amended or repealed by the Authority from time to time and in a manner consistent with the Illinois Administrative Procedure Act [5 ILCS 100], this Part, the Act, and other applicable laws. This Part shall not constitute or create any contractual rights.

Section 381.109 Severability

If any clause, sentence, paragraph, subsection, Section or Subpart of this Part is adjudged by any court of competent jurisdiction to be invalid, that judgment shall not affect, impair or invalidate the remainder of this Part, but shall be confined in its operation to the clause, sentence, paragraph, subsection, Section or Subpart to which the judgment is rendered.

Section 381.110 Gender and Number

All terms used in any one gender or number shall be construed to include any other gender or number, as the context may require.

Section 381.111 Non-Discrimination

The Applicants shall comply with the applicable provisions of the Illinois Human Rights Act [775 ILCS 5] and the regulations promulgated under that Act, the federal Fair Housing Act (42 USC 3601), Section 504 of the Rehabilitation Act of 1973 (29 USC 794), the Illinois Environmental Barriers Act [410 ILCS 25], the Illinois Accessibility Code (71 Ill. Adm. Code 400), and all other applicable State and federal law concerning discrimination and fair housing.

Section 381.112 Titles and Captions

Titles and captions of Subparts, Sections and subsections are used for convenience and reference and are not a part of the text.

SUBPART B: GRANTS TO MUNICIPALITIES AND COUNTIES

Section 381.201 Grants to Municipalities and Counties

The Authority shall distribute funds from annual Appropriations in accordance with the following priorities:

a) To the Authority for its administrative expenses.

b) After distributing the amount necessary for the purposes of subsection (a), the Authority shall make Grants to municipalities and counties for use in connection with Abandoned Residential Property as follows:

   1) 30% of the moneys in the Fund that have been appropriated shall be used to make Grants to municipalities in the County of Cook (other than the City) and to the County of Cook.

   2) 25% of the moneys in the Fund that have been appropriated shall be used to make Grants to the City of Chicago.

3) 30% of the moneys in the Fund that have been appropriated shall be used to make Grants to the municipalities in the Collar Counties and to the Collar Counties.

4) 15% of the moneys in the Fund that have been appropriated shall be used to make Grants to municipalities in the State (other than the municipalities in the County of Cook and the Collar Counties), and to the other counties in the State (other than the County of Cook and the Collar Counties). The Grants made pursuant to this subsection (b)(4) shall be based proportionately on the amount of fees paid to the respective clerks of the court in the affected counties and other factors as deemed appropriate by the Authority.

c) Where the jurisdiction of a municipality is included within more than one of the geographic areas set forth in subsection (b), the Authority may elect to fully fund the Application from one of the relevant geographic areas.

Section 381.202 Abandoned Residential Property

Abandoned residential property shall mean residential real estate that:

a) Either:

1) Is not occupied by any mortgagor or lawful occupant as a principal residence; or

2) Contains an incomplete structure if the real estate is zoned for residential development, when the structure is empty or otherwise uninhabited and is in need of maintenance, repair or securing; and

b) With respect to which, either:

1) Two or more of the following conditions are shown to exist:

A) Construction was initiated on the property and was discontinued prior to completion, leaving a building unsuitable for occupancy, and no construction has taken place in 6 months;

B) Multiple windows on the property are boarded up, closed off or smashed through, broken off or unhinged, or multiple window panes are broken and unrepaired;

C) Doors on the property are smashed through, broken off, unhinged or continuously unlocked;

D) The property has been stripped of copper or other materials, or interior fixtures to the property have been removed;

E) Gas, electrical or water services to the entire property have been terminated;

F) One or more written statements of the mortgagor or the mortgagor's personal representative or assigns, including documents of conveyance, indicate a clear intent to abandon the property;

G) Law enforcement officials have received at least one report of trespassing or vandalism or other illegal acts being committed at the property in the last 6 months;

H) The property has been declared unfit for occupancy and ordered to remain vacant and unoccupied under an order issued by a municipal or county authority or a court of competent jurisdiction;

I) The local police, fire or code enforcement authority has requested the owner or other interested or authorized party to secure or winterize the property due to the local authority declaring the property to be an imminent danger to the health, safety and welfare of the public;

J) The property is open and unprotected and in reasonable danger of significant damage due to exposure to the elements, vandalism or freezing; or

K) Other evidence indicates a clear intent to abandon the property; or

2) The real estate is zoned for residential development and is a vacant lot that is in need of maintenance, repair and securing.

Section 381.203 Eligible Uses of Grant Funds

Eligible Uses of Grant Funds by Municipalities and Counties
Municipalities and counties shall use Grant funds in connection with Abandoned Residential Property as follows:

a) cutting of neglected weeds or grass;

b) trimming of trees or bushes and removal of nuisance bushes and trees;

c) extermination of Pests or prevention of the ingress of Pests;

d) removal of garbage, debris and graffiti;

e) boarding up, closing off or locking windows or entrances or otherwise making the interior of a building inaccessible to the general public;

f) surrounding part or all of an Abandoned Residential Property's underlying parcel with a fence or wall or otherwise making part or all of the Abandoned Residential Property's underlying parcel inaccessible to the general public;

g) demolition of Abandoned Residential Property;

h) rehabilitation of Abandoned Residential Property.

Section 381.204 Application Cycle

The Authority will supply interested Applicants with an Application. Applications under the Program will be accepted periodically until the Appropriation is disbursed.

Section 381.205 Application Requirements

Each Application shall include the information required by this Section and any additional information the Authority may require to promote the efficient administration of the Program.

a) Qualifications. Each Applicant shall document qualifications to complete the Program activities. These qualifications shall without limitation include the following:

1) The applicant is a county or municipality;

2) The Applicant has the experience or expertise to manage the activities listed in Section 381.203 for which grant funds will be utilized;

3) The Applicant has demonstrated its capacity for effective fiscal management. This is typically proven through a third-party audit; and

4) The Applicant is willing and able to abide by all program requirements.

b) Applicant's Capacity. Each Applicant shall document its capacity to administer Program funds for Eligible Uses.

c) Activities to be Undertaken. Each Applicant shall list which Eligible Uses are to be undertaken with Program funds, including, without limitation, those activities outlined in Section 385.203.

d) Time for Expending. Each Applicant shall include a budget and timeline schedule for performing the Eligible Uses of Program funds outlined in the Application.

Section 381.206 Review of Applications

a) Application Screening. The Authority will review all Applications to confirm that all elements of the Application package have been addressed. Applicants will be notified of deficiencies in Applications and will be given the opportunity to correct non-material deficiencies. Non-material deficiencies are non-significant deficiencies that, by their existence, do not impact the Applicant's ability to meet the requirement of Section 381.205 and of this Section. Completed Applications will be reviewed and evaluated by Authority staff in accordance with subsections (b) through (e) of this Section.

b) Basic Eligibility Evaluation. Each Application will be reviewed to assure that the Applicant is a municipality or county.

c) Willingness to Perform. The Applicant must commit to remain ready, willing and able to expend Program funds for Eligible Uses in a timely manner.

d) Costs. The Applicant must demonstrate that the costs identified in the Application are Eligible Uses under Section 381.203.

e) Capacity. The Applicant must demonstrate that the proposed activities identified in the Application can be accomplished.

Section 381.207 Grant Administration

a) Commitment. If awarded Grant funds, a municipality or county shall enter into a Commitment with the Authority. The Grant may be less than the amount requested in the Application. The term of Commitment shall not exceed 2 years, subject to the availability of funds from an Appropriation.

b) Record Retention. Each municipality and county shall maintain records in connection with the Grant under the Commitment for 5 years after the date of termination of the Commitment.

c) Monitoring. The Authority, the Auditor General and the Attorney General shall have the right to monitor all municipality and county books and records relating to the Grant and the Program. Each municipality and county shall make all records relating to its Grant and the Program available for inspection, examination and copying by the Authority, the Auditor General and the Attorney General upon reasonable prior notice, as the Authority, the Auditor General or the Attorney General may reasonably require. The required documentation may include, but is in no way limited to, a copy of the municipality's or county's Application to the Authority; all records relating to the Eligible Uses of Grant funds under the Program, as set forth in Section 381.203; and any other documentation required by the Authority, the Auditor General and the Attorney General.

Section 381.208 Funding of Grants

Subject to the terms of the Commitment with the Authority and the related documents evidencing the grant, the Authority will provide funds to the awarded municipalities and counties when the Appropriation is made available and as set forth in Sections 381.201 and 203.

Section 381.209 Reporting Requirements

Each awarded municipality and county shall provide reports to the Authority, on forms provided by the Authority, at the end of each quarter of the term of its Commitment. The municipality or county shall identify, at a minimum, evidence and back-up documentation of expenses for Eligible Uses, including, but not limited to, receipts, ledgers, invoices, before and after pictures, addresses or geographic coordinates, number of abandoned residential properties served, and any other information requested by the Authority.

FOR COUNCIL: November 12, 2013

SUBJECT: Client Agreement with Blue Cross/Blue Shield of Illinois (Blue Cross) 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

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

STRATEGIC PLAN LINK: Goal 1. Financially sound City providing quality basic services.

STRATEGIC PLAN SIGNIFICANCE: Objective 1e. Partnering with others for the most cost-effective service delivery.

BACKGROUND: This item was held over from the City Council meeting of October 14, 2013. Since that meeting, the only item which has changed is the Individual Stop Loss for the PPO plan. Previously Blue Cross/Blue Shield quoted $53.72 per employee per month (PEMP). Mr. Sauder was able to negotiate a lower fee of $51.04 PEPM which has been included herein.

The City provides health, dental and vision options to its employees and retirees. The contract and plan years for these benefits are January to December. Employees and retirees have a choice between two (2) City provided health plans: a PPO plan and an HMO plan. All employees and retirees who choose either the PPO or the HMO plan are now either on the $400 deductible PPO plan or the $20 copay HMO plan. Sworn police personnel have an additional option of a union plan which is not a part of this memorandum. The City has used the broker services of Phil Sauder, Clemens and Associates, in procuring and assisting with these benefits and the group life insurance plan.

The PPO plan elements consist of medical and pharmacy claims, administrative fees and individual stop loss. The pharmacy benefit management portion of the plan is administered by Catamaran, a separate entity, and the contract for those services was approved by Council at the October 22, 2012 meeting.

The PPO plan is self-insured by the City whereas the HMO plan is fully insured. With a self-insured plan, the City holds the risk that the claims will not exceed planned expenses. Stop loss insurance covers some of this risk. In a fully insured plan, the insurance company holds the risk that plan expenses and a profit margin will be covered by the premiums charged.

Blue Cross PPO Administration: The City utilizes Blue Cross as its TPA, (Third Party Administrator), to administer its employee and retiree PPO health plan. Through the Administrative Services Only (ASO) arrangement the City's plan members have access to the Blue Cross provider network, provider discounts and a variety of services for members and to assist City administrative staff. **For calendar year 2014, there will be no increase to the Blue Cross ASO rate**. It will remain at $47.43 PEPM.

Blue Cross also charges an Illinois Facility Access Fee enabling them to develop and maintain an extensive discounted 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. **There is no change to the Facility Access Fee for calendar 2014**.

<u>Individual Stop Loss (ISL) for PPO Plans:</u> 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". In 2012, the ISL deductible was increased to $155,000 from $145,000. Mr. Sauder and Blue Cross have analyzed the specifics of the City's PPO claims and **recommend no increase to the deductible for 2014**.

The revised price for the stop loss of $51.04 PEPM is 9.6% over the 2013 rate. This represents a decrease of $13,346 in the projected annual cost from the quote presented at the October Council meeting. The stop loss covers medical claims paid through Blue Cross and not the pharmacy claims which are administered by a separate company, Catamaran. Last year the City through the request for proposal process awarded the pharmacy benefit management program to Catamaran which was the low cost responder. Blue Cross has explained that they will not provide stop loss coverage on pharmacy claims administered by other companies.

<u>PPO Total Costs:</u> The following shows the total projected plan totals for calendar years 2013 and 2014. The medical claims figures were developed by Blue Cross actuaries.

PPO - Medical Only - (non-pharmacy)

	2013 Plan Year	2014 Plan Year	Percent Change
Projected Enrollees	464	442	-4.7%
Projected Net Paid Medical Claims	$4,155,064	$3,907,139	-6.0%
Administration Fee	$264,090	$251,569	-4.7%
Illinois Facility Access Fee	$46,977	$44,928	-4.4%
Individual Stop Loss	$259,190	$270,716	4.4%
Broker Fee	<u>$9,500</u>	<u>$9,500</u>	<u>0.0%</u>
Total Projected costs	**$4,734,821**	**$4,483,852**	**-5.3%**
Recommended Change in Reserves	$18,555	$-4,629	-124.9%

Plan premiums need to include an amount for the pharmacy benefit. To cover the anticipated increase to pharmacy expenses, **PPO premiums will increase 2.6% in 2014 over the 2013 premiums with the increase generated by anticipated increases in pharmacy claim costs**. Premiums are shared on average, as seventy-five percent (75%) by the City and twenty-five percent (25%) by employees. Retirees pay the full premium.

PPO - Full Monthly Premium Equivalents – Including Rx

Coverage Level	Number of Enrollees	2013 Plan Year	2014 Plan Year	Percentage Change
Employee Only	195	$549	$566	3.1%
Employee + One	89	$1,190	$1,211	1.8%
Family	122	$1,873	$1,923	2.7%
Medicare Primary - Single	27	$549	564	2.7%
Medicare Primary – Ret. + 1	9	$1,061	1084	2.1%
Annual Total Projected Cost	**442**	**$5,590,116**	**$5,735,459**	**2.6%**

Health Alliance Medical Plan (HAMP) HMO: The City utilizes HAMP to provide an HMO health plan option to its employees and retirees. This is a fully insured product.

The HAMP HMO premiums are increasing 15.8% for 2014 over those for 2013. The high increase is due largely to claim experience and also includes a 3.7% increase to cover Affordable Care Act taxes. Based on 118 enrollees, the estimated total cost for the calendar 2014 plan year is $1,931,880. Staff anticipates that some employees currently enrolled in the HMO will switch plans given the increase so that total enrollment and total costs for this plan will be lower than projected here.

HMO - Full Monthly Premiums

Coverage Level	Number of Enrollees	2013 Plan Year	2014 Plan Year	Percentage Change
Employee Only	38	$571	$661	15.8%
Employee + One	16	$1,122	$1,300	15.9%
Family	64	$1,552	$1,798	15.9%
Annual Total Projected Cost	**118**	**$1,667,736**	**$1,931,880**	**15.8%**

Dental Plan: The City uses Blue Cross/Blue Shield of Illinois to administer its self-funded employee and retiree dental plan. Through the contract the City has access to a small local and nationwide provider network and the discounts which Blue Cross has negotiated.

The dental premium equivalents are comprised of an administrative fee and an actuarial projection of claim costs for plan participants. The following shows the total projected plan totals for calendar years 2013 and 2014. The dental claims figures were developed by Blue Cross actuaries.

Dental Plan

	2013 Plan Year	2014 Plan Year	Percent Change
Projected Enrollees	661	663	0.3%
Projected Net Paid Claims	$485,518	$470,279	- 3.1%
Administration Fee	$32,125	$32,222	0.3%
Total Projected Cost	**$517,643**	**$504,217**	**- 2.9%**
Recommended Change in Reserves	$3,109	$1,716	-44.8%
Recommended Premium increase			**- 3.3%**

Dental - Full Monthly Premium Equivalents

Coverage Level	2013 Plan Year	2014 Plan Year	Percentage Change
Employee Only	$31.11	$30.08	-3.3%
Employee + One	$62.62	$60.55	-3.3%
Family	$94.80	$91.67	-3.3%

Due to the projected decrease in claims and no increase to the administrative fee, **dental premiums will decrease by 3.3% for 2014 over 2013**. The City shares the costs of this plan equally (50%/50%) with its employees. Retirees pay full premium costs (0% City/100% retiree).

ALDERMANIC COMMITTEE BACKGROUND: Preliminary information was presented to the Administration and Finance Committee on September 10, 2013 by City staff and Phil Sauder, Clemens and Associates. Mr. Sauder felt that he would be able to get price reductions from the quotes he had at that time and the committee made no recommendations during its meeting.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: The total amounts cited above represent the anticipated full cost to provide health and dental insurance for employees, retirees and Township employees. The Township reimburses the City for their benefit costs. Once premiums and reimbursements from all sources were factored in, the City paid for sixty-two percent (62%) of the total health insurance costs for the PPO and HMO plans and forty-three percent (43%) of the dental plan costs in FY 2012/2013.

The following illustrates the projected impact the current renewals may have on the FY 2013/2014 budget. The actual figures will depend on January's enrollment and on the actual claims paid under the PPO and dental plan. The City currently has a verbal agreement from Clemens that the cost for their broker services for 2014 will be held at $9,500. Staff is working with Clemens to write a contract for these services which will be brought to Council at a future date.

	PPO Plan*	**HAMP HMO**	**Dental Plan**
Total Budgeted Amt.	$6,203,499	$1,616,090	$535,682
Budgeted City Amt.	$3,724,808	$1,134,244	$228,592
Budgeted Increase %**	8.0%	8.0%	6.0%
Renewal Increase %**	2.6%	15.8%	-3.3%
Est. Projected Impact To Total Budget**	-$103,391 (under budget)	$38,905.87 (over budget)	-$15,666 (under budget)

*PPO Plan – Includes both medical (Blue Cross) and pharmacy (Catamaran) components.

**The budget increase percent was the increase estimated for January 2014 when the FY 2013/2014 budget was prepared. The renewal increase percent is the actual percent increase for January 2014. The estimated projected impact to total budget is the difference between the projected and actual increases taken over the four (4) remaining months of the FY 2013/2014 budget, (January 2014 through April 2014).

The items in this memo are budgeted for FY 2013/2014 as follows:

Blue Cross PPO, Claims, Administration and Stop Loss: fund divisions 60200210 and 60280210.

Health Alliance Medical Plans HMO: fund divisions 60200232 and 60280232.

Dental Claims and Administration: fund divisions 60200240 and 60280240.

Respectfully submitted for Council consideration.

Prepared by: Laurie Wollrab, Compensation and Benefit Manager

Reviewed by: Emily Bell, Director of Human Resources

Financial & budgetary review by: Chris Tomerlin, Budget Analyst
Patti-Lynn Silva, Director of Finance

Legal review by: Rosalee Dodson, Asst. Corporation Counsel

Recommended by:

David A. Hales
City Manager

Attachments: Attachment 1. ASO Contract
Attachment 2. Stop Loss
Attachment 2. Health Alliance Group Enrollment Agreement
Attachment 3. DRAFT Administration and Finance Committee Meeting Minutes 9/10/13

Motion: ____________________ Seconded by: ____________________

	Aye	Nay	Other		Aye	Nay	Other
Alderman Black				Alderman Mwilambwe			
Alderman Fazzini				Alderman Sage			
Alderman Fruin				Alderman Schmidt			
Alderman Lower				Alderman Stearns			
Alderman McDade							
				Mayor Renner			

ASO

Benefit Program Application ("ASO BPA")

Applicable to Administrative Services Only (ASO) Group Accounts

administered by Blue Cross and Blue Shield of Illinois, a Division of Health Care Service Corporation, a Mutual Legal Reserve Company, hereinafter referred to as "Claim Administrator" or "HCSC"

Group Status: Renewing ASO Account

If former HCSC Insured Group converting to ASO, on what basis? Not applicable

Employer Account Number (6-digits): 993034 | Group Number(s): P93034 and 993034 | Section Number(s): 0004, 0005, 0006, 0007, 8889

Legal Employer Name: City of Bloomington

(Specify the employer or the employee trust applying for coverage. Names of subsidiary or affiliated companies to be covered must also be included. AN EMPLOYEE BENEFIT PLAN *MAY NOT* BE NAMED.)

ERISA Regulated Group Health* Plan: ☒ Yes ☐ No

If Yes, is your ERISA Plan Year a period of 12 months beginning on the Anniversary Date specified below? ☒Yes ☐ No
If no, please specify your ERISA Plan Year*: Beginning Date __/__/__ End Date __/__/__ (month/day/year)

ERISA Plan Administrator*: Plan Administrator's Address:

If you maintain that ERISA is not applicable to your group health plan, please give legal reason for exemption:
Select legal reason ; if applicable, specify other: _____

Is your Non-ERISA Plan Year a period of 12 months beginning on the Anniversary Date specified below? ☒Yes ☐No
If no, please specify your Non-ERISA Plan Year: Beginning Date __/__/___ End Date __/__/___ (month/day/year)

For more information regarding ERISA, contact your Legal Advisor.
*All as defined by ERISA and/or other applicable law/regulations

Effective Date of Coverage: 1-1-2014 Anniversary Date: Month/Year 01 / 2015

ACCOUNT INFORMATION

☒ **NO CHANGES** ☐ **SEE ADDITIONAL PROVISIONS**

Standard Industry Code (SIC): 9311 Employer Identification Number (EIN): 37-6001563

Address: 109 East Olive

City: Bloomington State: IL Zip: 61701

Administrative Contact: Laurie Wollrab Title: Compensation and Benefits Manager

Email Address: lwolrab@ctyblm.org Phone Number: 309-434-2504 Fax Number: N/A

Subsidiaries: None

Affiliated Companies: None

(If Affiliated Companies listed above are to be covered, a separate "Addendum to the Benefit Program Application Regarding Affiliated Companies" must be completed, signed by the Employer's authorized representative, and attached to this Benefit Program Application.)

Blue Access for Employers (BAE) Contact: Laurie Wollrab

(The BAE Contact is the Employee of the Account authorized by the Employer to access and maintain its account in BAE.)

Email Address: lwollrab@ctyblm.org Fax Number: N/A Phone Number: 309-434-2504

SCHEDULE OF ELIGIBILITY

☒ **NO CHANGES** ☐ **SEE ADDITIONAL PROVISIONS**

1. Eligible Person means:
   - ☒ A full-time employee of the Employer.
   - ☐ A full-time employee who is a member of: *(name of union)*
   - ☐ Other:

2. Full-Time Employee means:
   - ☒ A person who is regularly scheduled to work a minimum of 30 hours per week and who is on the permanent payroll of the Employer.
   - ☐ Other:

3. The Effective Date of termination for a person who ceases to meet the definition of Eligible Person:
   - ☐ The date such person ceases to meet the definition of Eligible Person.
   - ☒ The last day of the calendar month in which such person ceases to meet the definition of an Eligible Person.
   - ☐ Other:

4. Civil Union Partners covered:
   i. ☒Yes. Check "Yes" if Employer is an Illinois county, municipality, the State of Illinois, subject to the Illinois School Code, a church plan or other non-ERISA plan. For such Employers, a Civil Union Partner and his or her dependents are automatically eligible to enroll for coverage and, once enrolled, eligible for continuation of coverage as described in the Employer's Plan. Skip to item 5 below.
   ii. For all other Employers, ☐Yes ☐ No
   If yes: A Civil Union Partner and his or her dependents are eligible to enroll for coverage.
   If yes, are Civil Union Partners and his or her dependents eligible for continuation of coverage? ☐ Yes ☐ No

   The Employer is responsible for providing notice of possible tax implications to those Covered Employees with coverage for Civil Union Partners.

5. Domestic Partners covered: ☐ Yes ☒ No (skip to Question 6)
   If yes: A Domestic Partner is eligible to enroll for coverage.
   If yes, are Domestic Partners eligible for continuation of coverage? ☐ Yes ☐ No
   If yes, are dependents of Domestic Partners eligible to enroll for coverage? ☐ Yes ☐ No
   If yes, are dependents of Domestic Partners eligible for continuation of coverage? ☐ Yes ☐ No

   The Employer is responsible for providing notice of possible tax implications to those Covered Employees with coverage for Domestic Partners.

6. The Limiting Age for covered children is **Twenty-six (26) years,** regardless of presence or absence of a child's financial dependency, residency, student status, employment, marital status or any combination of those factors.

   If Employer is an Illinois county, municipality, the State of Illinois, or subject to the Illinois School Code, this Limiting Age is extended to **thirty (30) years**, for unmarried eligible military personnel as described in the Employer's Plan.

   To cover dependent children age twenty-six (26) and over other than unmarried eligible military personnel described above, you may select and complete option i. or ii. below:

   i. ☐ The Limiting Age for covered children age twenty-six (26) or over,
      - ☐ who are unmarried
      - ☐ regardless of marital status,

      is _____ years. (Twenty-seven (27) through thirty (30) are the available options.)

   ii. ☐ The Limiting Age for covered children **who are full-time students** and age twenty-six (26) or over,
      - ☐ who are unmarried
      - ☐ regardless of marital status,

      is _____ years (Twenty-seven (27) through thirty (30) are the available options.)

   Coverage based on the Limiting Age(s) elected above terminates on:
   - ☐ The birthday on which the Limiting Age is reached.
   - ☒ The last day of the calendar month in which the Limiting Age is reached.

   However, such coverage shall be extended in accordance with any applicable federal or state law.

7. **Select an effective date rule for a person who becomes an Eligible Person after the Effective Date of the Employer's health care plan** (The effective date must not exceed 90 calendar days from the date that a newly eligible person becomes eligible for coverage, unless otherwise permitted by applicable law.)

- ☐ The date of employment.
- ☐ The day of employment.
- ☐ The day of the month following month(s) of employment.
- ☐ The day of the month following days of employment.
- ☒ The 1st day of the month following the date of employment.
- ☒ Other: Except for Police Unit 21, will become eligible date of employment.

8. Enrollment:

Special Enrollment: An Eligible Person may apply for coverage, Family coverage or add dependents within thirty-one (31) days of a qualifying event if he/she did not apply prior to his/her Eligibility Date or when eligible to do so. Such person's Coverage Date, Family Coverage Date, and/or dependent's Coverage Date will be the effective date of the qualifying event or, in the event of Special Enrollment due to termination of previous coverage, the date of application of coverage. In the case of a qualifying event due to loss of coverage under Medicaid or a state children's health insurance program, however, this enrollment opportunity is not available unless the Eligible Person requests enrollment within sixty (60) days after such coverage ends.

Late Enrollment: An Eligible Person may apply for coverage, Family coverage or add dependents if he/she did not apply prior to his/her Eligibility Date or did not apply when eligible to do so. Such person's Coverage Date, Family Coverage Date, and/or dependent's Coverage Date will be a date mutually agreed to by the Claim Administrator and the Employer.

Open Enrollment: ☒ Yes ☐ No

An Eligible Person may apply for coverage, Family coverage or add dependents if he/she did not apply prior to his/her Eligibility Date or did not apply when eligible to do so, during the Employer's Open Enrollment Period.

- Specify Open Enrollment Period: 11-1 thru 12-31 for a 1-1 effective date

Such person's Coverage Date, Family Coverage Date, and/or dependent's Coverage Date will be a date mutually agreed to by the Claim Administrator and the Employer. Such date shall be subsequent to the Open Enrollment Period.

9. Will extension of benefits due to temporary layoff, disability or leave of absence apply? ☐ Yes (specify number of days below) ☒ No (skip to question 10)

Temporary Layoff: days Disability: days Leave of Absence: days

However, benefits shall be extended for the duration of an Eligible Person's leave in accordance with any applicable federal or state law.

10. ** Does COBRA Auto Cancel apply? ☒ Yes ☐ No

Member's COBRA/Continuation of Coverage will be automatically cancelled at the end of the member's eligibility period.

*** Not recommended for accounts with automated eligibility.*

LINES OF BUSINESS **(Check all applicable products)** ☒ **NO CHANGES** ☐ ***See Additional Comments***
Managed Care Coverage:
☒ Participating Provider Option (PPO)
☐ Point of Service (POS) (BlueChoice)
☐ BlueChoice Select
☐ Comprehensive Major Medical
☐ Base Plus
Consumer Driven Health Plan: ☐ Health Care Account (HCA) Administrative Services *(if purchased, complete separate HCA BPA)* ☐ BlueEdge FSA (Vendor: ConnectYourCare)
Outpatient Prescription Drugs: ☐ Outpatient Prescription Drug Program ☐ Covered under the medical benefit
☒ **Dental Coverage** ☒ **Blue Care Connection®** ☒ **Stop Loss** *(if purchased, complete separate Exhibit to the Stop Loss Coverage Policy)* ☐ **Dearborn National Life Insurance** *(if purchased, complete separate Life application)* ☐ **HCSC COBRA Administrative Services** *(if purchased, complete separate COBRA Administrative Services Addendum to the BPA)* ☐ **Blue Directions** (Private Exchange)

Additional Comments: _____

FEE SCHEDULE

Payment Specifications

☒ **NO CHANGES** ☐ **SEE ADDITIONAL PROVISIONS**

Employer Payment Method: ☐ **Online Bill Pay** ☒ **Electronic** ☐ **Check**

Employer Payment Period: ☒ **Weekly** (cannot be selected if Check is selected as payment method above)
☐ **Twice-Monthly**
☐ **Monthly**
☐ **Other** (please specify)

Claim Settlement Period: ☒ **Monthly** ☐ **Other** (please specify)

Run-Off Period: Employer Payments are to be made for **12** months following end of Fee Schedule Period.
Standard is twelve (12) months.

Final Settlement: Final Settlement is to be made within 60 days after end of Run-Off Period.
Standard is sixty (60) days.

Fee Schedule Period

To begin on Effective Date of Coverage and continue for:
☒ 12 Months ☐ Other (please specify): Months

Administrative Charge(s)

☐ **NO CHANGES** ☐ **SEE ADDITIONAL PROVISIONS**

☐ Applies to all coverages
☒ Different percentage(s) or amount(s) for the following types of coverages. Please specify: Medical Admin Fee $47.43 PEPM /// Dental Admin Fee $4.05 PEPM

Subscriber Share Methodology for Illinois Network Provider Claims Applies: ☒ Yes ☐ No
(If no, a letter declining Subscriber Share Methodology for Claims processing must be attached to this Benefit Program Application.)

Administrative Charge Chart:
Each column can be used to differentiate rates between product types or employee tiers. All columns do not need to be used. All fees listed are per employee per month.

Administrative Per Employee per Month (PEPM) Charges

Product / Service	P93034	P93042	993034	
Administrative Fee	$47.43	$47.43	$4.05	$_____
Commissions	$_____	$_____	$_____	$_____
Dental	$_____	$_____	$_____	$_____
Fiduciary	$_____	$_____	$_____	$_____
Rx Administrative Fee	$_____	$_____	$_____	$_____
*Prescription Drug Rebate Credit	$_____	$_____	$_____	$_____
Other: Select Service Category	$_____	$_____	$_____	$_____

List Service: _____				
Other: Select Service Category List Service: _____	**$_____**	**$_____**	**$_____**	**$_____**
Other: Select Service Category List Service: _____	**$_____**	**$_____**	**$_____**	**$_____**
Other: Select Service Category List Service: _____	**$_____**	**$_____**	**$_____**	**$_____**
Miscellaneous: _____	**$_____**	**$_____**	**$_____**	**$_____**
Miscellaneous: _____	**$_____**	**$_____**	**$_____**	**$_____**
Total	**$_____**	**$_____**	**$_____**	**$_____**

*Prescription Drug Rebate Credit per Covered Employee per month is the guaranteed Prescription Drug Rebate savings reflected as a Prescription Drug Rebate credit. Expected rebate amounts to be received by the Claim Administrator are passed back to the Employer with one hundred percent (100%) of the expected amount applied as a credit on the monthly billing statement on a per Covered Employee per month basis. Rebate credits are paid prospectively to the Employer and shall not continue after termination of the Prescription Drug Program. (Further information concerning this credit is included in the governing Administrative Services Agreement to which this ASO BPA is attached under the section titled "CLAIM ADMINISTRATOR'S SEPARATE FINANCIAL ARRANGEMENTS WITH PHARMACY BENEFIT MANAGERS.")

Administrative Line Item Charges	**Frequency**	**Amount**
Other: Select Service Category List Service: _____	Select Billing Frequency If applicable, describe other: _____	**$_____**
Other: Select Service Category List Service: _____	Select Billing Frequency If applicable, describe other: _____	**$_____**
Other: Select Service Category List Service: _____	Select Billing Frequency If applicable, describe other: _____	**$_____**
Other: Select Service Category List Service: _____	Select Billing Frequency If applicable, describe other: _____	**$_____**
Miscellaneous: _____	Select Billing Frequency If applicable, describe other: _____	**$_____**
Miscellaneous: _____	Select Billing Frequency If applicable, describe other: _____	**$_____**
	Total:	**$_____**

Note: Additional services and/or fees may be itemized in the "Miscellaneous" fields above or in the Additional Comments section below.

Legacy Carve Out Disease Management: Not applicable

Additional Comments (Provide any additional details regarding the fee structure): _____

Claim Administrator Provider Access Fee(s) **NO CHANGES ☐ SEE ADDITIONAL PROVISIONS**
Group Number(s): P93042
☒ % of ADP Savings: **1.75**%
☐ $ per Covered Employee per month: $
Complete for Groups with multiple Provider Access Fees by products (i.e., CMM, PPO and/or POS plans): **Group Number(s):**
☐ % of ADP Savings: %
☐ $ per Covered Employee per month: $
BlueCard Program/Network access fees: Available upon request.

Other Service and/or Program Fee(s)

☒ **NO CHANGES** ☐ **SEE ADDITIONAL PROVISIONS**

Not applicable to Grandfathered Plans

External Review Coordination:
If selected, Employer acknowledges and agrees: (i) to a fee of $700 for each external review requested by a Covered Person that the Claim Administrator coordinates for the Employer in relation to the Employer's Plan; (ii) that the Claim Administrator's coordination shall include reviewing external review requests to ensure that they meet eligibility requirements, referring requests to accredited external independent review organizations, and reversing the Plan's determinations if so indicated by external independent review organizations; and (iii) that the external reviews shall be performed by an independent third party entity or organization and not the Claim Administrator. Amounts received by Claim Administrator and external independent review organizations may be revised from time to time and may be paid each time an external review is undertaken. Further, Employer elects for external reviews to be performed under the process selected below (select one):

☐ State of Illinois External Review Process ☒ Federal Affordable Care Act Process

Reimbursement Provision: ☒ Yes ☐ No

If yes*:* It is understood and agreed that in the event the Claim Administrator makes a recovery on a third-party liability claim, the Claim Administrator will retain 25% of any recovered amounts other than recovered amounts received as a result of or associated with any Workers' Compensation Law.

Conversion Privilege: ☐ Yes ☒ No *If yes,* conversion fee: $6,000 per conversion.

Claim Administrator's Third Party Recovery Vendor:

It is understood and agreed that in the event the Claim Administrator's Third Party Recovery Vendor makes a recovery on a claim, the Employer will pay no more than 25% of any recovered amount.

Termination Administrative Charge

As applies to the Run-Off Period indicated in the Payment Specifications section below:

i. ***For service charges (including, but not limited to, access fees) billed on a per Covered Employee basis at the time of termination,*** the Termination Administrative Charge will be the amount equal to ten percent (10%) of the annualized charges based on the service charges in effect as of the termination date and the Plan participation of the two (2) months immediately preceding the termination date. Such aggregate amount will be due the Claim Administrator within ten (10) days of the Claim Administrator's notification to the Employer of the Termination Administrative Charge described herein.

ii. ***For service charges (including, but not limited to, access fees) billed on a basis other than per Covered Employee at the time of termination,*** the Termination Administrative Charge will be such service charges in effect at the time of termination to be applied and billed by the Claim Administrator, and paid by the Employer, in the same manner as prior to termination.

Termination Administrative Charges assume the continuation of the Plan benefit program(s) and the administrative services in effect prior to termination. Should such Plan benefit program(s) and/or administrative services change, or in the event the average Plan enrollment during the three (3) months immediately preceding termination varies by ten percent (10%) or more from the enrollment used to determine the service charges in effect at the time of termination, the Claim Administrator reserves the right to adjust the rates for service charges (including, but not limited to, access fees) to be used to compute the Termination Administrative Charge.

Broker/Consultant Compensation

The Employer acknowledges that if any broker/consultant acts on its behalf for purposes of purchasing services in connection with the Employer's Plan under the Administrative Services Agreement to which this ASO BPA is attached, the Claim Administrator may pay the Employer's broker/consultant a commission and/or other compensation in connection with such services under the Agreement. If the Employer desires additional information regarding commissions and/or other compensation paid the broker/consultant by the Claim Administrator in connection with services under the Agreement, the Employer should contact its broker/consultant.

OTHER PROVISIONS

☒ **NO CHANGES** ☐ **SEE ADDITIONAL PROVISIONS**

1. **Will Claim Administrator Issue Certificate of Creditable Coverage**: ☒ Yes ☐ No

   If yes: The Employer directs the Claim Administrator to issue to individuals, whose coverage under the Plan terminates during the term of the Administrative Services Agreement to which this ASO BPA is attached, a Certificate of Creditable Coverage, if required by applicable law. The Certificate of Creditable Coverage shall be based upon information required for issuance of a Certificate of Creditable Coverage to be provided to the Claim Administrator by the Employer and coverage under the Plan during the term of the Administrative Services Agreement.

2. **Summary of Benefits & Coverage**:

   a. Will Claim Administrator create Summary of Benefits & Coverage (SBC)?

   ☒ Yes. Please answer question b. The SBC Addendum is attached.

   ☐ No. If No, then the Employer acknowledges and agrees that the Employer is responsible for the creation and distribution of the SBC as required by Section 2715 of the Public Health Service Act (42 USC 300gg-15) and SBC regulations (45 CFR 147.200), as supplemented and amended from time to time, and that in no event will the Claim Administrator have any responsibility or obligation with respect to the SBC. The Claim Administrator is not obligated to respond to or forward misrouted calls, but may, at its option, provide participants and beneficiaries with Employer's contact information. A new clause (e) is added to Subsection C. in the Additional Provisions as follows: "(e) the SBC". (Skip question b.)

   b. Will Claim Administrator distribute the Summary of Benefits & Coverage (SBC) to participants and beneficiaries?

   ☒ No. Claim Administrator will create SBC (only for benefits Claim Administrator administers under the Agreement) and provide SBC to Employer in electronic format. Employer will then distribute SBC to participants and beneficiaries (or hire a third party to distribute) as required by law.

   ☐ Yes. Claim Administrator will create SBC (only for benefits Claim Administrator administers under the Agreement) and provide SBC to Employer in electronic format. Employer will then distribute to participants and beneficiaries as required by law, except that Claim Administrator will send the SBC in response to the occasional request received directly from individuals.

   ☐ Yes. Claim Administrator will create SBC (only for benefits Claim Administrator administers under the Agreement) and distribute SBC to participants and beneficiaries via regular hardcopy mail or electronically. Distribution Fee for hardcopy mail is $1.50 per package. The distribution fee will not apply to SBCs that Claim Administrator sends in response to the occasional request received directly from individuals.

3. **Case Management Program/Medical Services Advisory**: ☒ Yes ☐ No

   If yes: The undersigned representative authorizes provision of alternative benefits for services rendered to Covered Persons in accordance with the provisions of the Administrative Services Agreement to which this ASO BPA is attached and the Employer's plan document.

4. **Employer acknowledges and agrees to utilize Claim Administrator's standard list of services and supplies for which pre-certification is required**: ☒ Yes ☐ No If no, Employer authorizes Claim Administrator to post Employer's pre-certification requirements on Claim Administrator's Website: ☐ Yes ☐ No

5. **Does Employer have any Employees that reside in Massachusetts?** ☒ Yes ☐ No

   The Massachusetts Health Care Reform Act requires employers to provide, or contract with another entity to provide, a written statement to individuals residing in Massachusetts who had "creditable coverage" at any time during the prior calendar year through the employer's group health plan and to file a separate electronic report to the Massachusetts Department of Revenue verifying information in the individual written statements.

a. Does the Employer direct Claim Administrator to provide written statements of creditable coverage to its Covered Employees who reside, or have enrolled dependents who reside, in Massachusetts and file electronic reports to the Massachusetts Department of Revenue in a manner consistent with the requirements under the Massachusetts Health Care Reform Act. Such written statements and electronic reporting shall be based on information provided to the Claim Administrator by the Employer and coverage under the Plan during the term of the Administrative Services Agreement. The Employer hereby certifies that, to the best of its knowledge, such coverage under the Plan is "creditable coverage" in accordance with the Massachusetts Health Care Reform Act. The Employer acknowledges that the Claim Administrator is not responsible for verifying nor ensuring compliance with any tax and/or legal requirements related to this service. The Employer or its Covered Employees should seek advice from their legal or tax advisors as necessary.

☒ Yes ☐ No

b. If no: The Employer acknowledges it will provide written statements and electronic reporting to the Massachusetts Department of Revenue as required by the Massachusetts Health Care Reform Act.

6. **EHB Election:**

Employer elects EHBs based on the following:

☒ 1. EHBs based on a HCSC state benchmark:
☒ Illinois ☐ Oklahoma
☐ Montana ☐ Texas
☐ New Mexico

☐ 2. EHBs based on benchmark of a state other than IL, MT, NM, OK and TX
If so, indicate the state's benchmark that Employer elects: ___

☐ 3. Other EHB, as determined by Employer

In the absence of an affirmative selection by Employer of its EHBs, then Employer is deemed to have elected the EHBs based on the Illinois benchmark plan.

7. **This ASO Benefit Program Application (ASO BPA) is incorporated into and made a part of the Administrative Services Agreement with both such documents to be referred to collectively as the “Agreement” unless specified otherwise.**

ADDITIONAL PROVISIONS:

A. **Grandfathered Health Plans:** Employer shall provide Claim Administrator with written notice prior to renewal (and during the plan year, at least 60 days advance written notice) of any changes that would cause any benefit package of its group health plan(s) (each hereafter a “plan”) to not qualify as a “grandfathered health plan” under the Affordable Care Act and applicable regulations. Any such changes (or failure to provide timely notice thereof) can result in retroactive and/or prospective changes by Claim Administrator to the terms and conditions of administrative services. In no event shall Claim Administrator be responsible for any legal, tax or other ramifications related to any plan’s grandfathered health plan status or any representation regarding any plan’s past, present and future grandfathered status. The grandfathered health plan form (“Form”), if any, shall be incorporated by reference and part of the BPA and Agreement, and Employer represents and warrants that such Form is true, complete and accurate.

B. **Retiree Only Plans, Excepted Benefits and/or Self-Insured Nonfederal Governmental Plans:** If the BPA includes any retiree only plans, excepted benefits and/or self-insured nonfederal governmental plans (with an exemption election), then Employer represents and warrants that one or more such plans is not subject to some or all of the provisions of Part A (Individual and Group Market Reforms) of Title XXVII of the Public Health Service Act (and/or related provisions in the Internal Revenue Code and Employee Retirement Income Security Act) (an “exempt plan status”). Any determination that a plan does not have exempt plan status can result in retroactive and/or prospective changes by Claim Administrator to the terms and conditions of administrative services. In no event shall Claim Administrator be responsible for any legal, tax or other ramifications related to any plan’s exempt plan status or any representation regarding any plan’s exempt plan status.

C. Employer shall indemnify and hold harmless Claim Administrator and its directors, officers and employees against any and all loss, liability, damages, fines, penalties, taxes, expenses (including attorneys’ fees and costs) or other costs or obligations resulting from or arising out of any claims, lawsuits, demands, governmental inquires or actions, settlements or judgments brought or asserted against Claim Administrator in connection with (a) any plan's grandfathered health plan status, (b) any plan's exempt plan status, (c) any plan's design (including but not limited to any directions, actions and interpretations of the Employer), (d) any provision of inaccurate information, (e) the SBC, and/or (f) selection of employer's EHB benchmark for the purpose of ACA. Changes in state or federal law or regulations or interpretations thereof may change the terms and conditions of administrative services.

The provisions of paragraphs A-C (directly above) shall be in addition to (and do not take the place of) the other terms and conditions of administrative services between the parties.

_____

Sherri Phillips	
Sales Representative	Signature of Authorized Purchaser
848-751 217-778-0444	
District Phone & FAX Numbers	Title
Phil Sauder	
Producer Representative	Date
Clemens & Associates Life Agency	
Producer Firm	
2806 E. Empire Dr. Bloomington, IL 61702	
Producer Address	
309-662-2100	
Producer Phone & FAX Numbers	
pasauder@clemensins.com	
Producer Email Address	
37-1075738	
Tax I.D. No.	

PROXY

The undersigned hereby appoints the Board of Directors of Health Care Service Corporation, a Mutual Legal Reserve Company, or any successor thereof (“HCSC”), with full power of substitution, and such persons as the Board of Directors may designate by resolution, as the undersigned’s proxy to act on behalf of the undersigned at all meetings of members of HCSC (and at all meetings of members of any successor of HCSC) and any adjournments thereof, with full power to vote on behalf of the undersigned on all matters that may come before any such meeting and any adjournment thereof. The annual meeting of members shall be held each year in the corporate headquarters on the last Tuesday of October at 12:30 p.m. Special meetings of members may be called pursuant to notice mailed to the member not less than thirty (30) nor more than sixty (60) days prior to such meetings. This proxy shall remain in effect until revoked in writing by the undersigned at least twenty (20) days prior to any meeting of members or by attending and voting in person at any annual or special meeting of members.

Group No.: P93042 993034

By: ______________________________

Print Signer's Name Here

➡ ______________________________

Signature and Title

Group Name: City of Bloomington

Address: 109 East Olive

City: Bloomington State: IL Zip Code: 61701

Dated this ____________ day of ______________________

Month Year

BlueCross BlueShield of Illinois

EXHIBIT TO THE STOP LOSS COVERAGE POLICY

(ASO Accounts Only)

Employer Group Name: City of Bloomington
Employer Group Address: 109 East Olive
City: Blomington **State of Situs:** IL **Zip Code:** 61701
Account Number: 993034
Employer Group Number(s): P93042
Effective Date of Policy 1-1-2014
Policy Period: These specifications are for the Policy Period commencing on 1-1-2014 and ending on 12-31-2014

The specifications below shall become effective on the first day of the Policy Period specified above and shall continue in full force and effect until the earliest of the following dates: (1) The last day of the Policy Period; (2) The date the Policy terminates; or (3) The date this Exhibit is superseded in whole or in part by a later executed Exhibit.

A. Aggregate Stop Loss Insurance: ☐ Yes ☒ No
If yes, complete items 1. through 9. below.

1. ☐ New Coverage ☐ Renewal of Existing Coverage
2. Stop Loss Coverage Period:

☐ New Coverage (Select one from below):

☐ Standard: Claims incurred and paid during the Policy Period.

☐ Standard with "Run-in" included: Claims incurred on or after _____ and paid during the Policy Period.

"Run-in" includes claims paid by Policyholder's prior claim administrator: Yes ☐ No ☐

If yes, such claims must be reported by the Policyholder to the Company (Blue Cross and Blue Shield of Illinois, a Division of Health Care Service Corporation, a Mutual Legal Reserve Company) within 12 months of the Effective Date of Policy and paid by the Policyholder's prior claim administrator within 6 months after the Effective Date of Policy.

☐ Renewal of Existing Coverage:

Claims incurred on or after the original Effective Date of Policy and paid during the Policy Period.

3. Aggregate Stop Loss Insurance shall apply to:

☐ Medical Claims ☐ Vision Claims
☐ Outpatient Prescription Drug Claims ☐ Dental Claims

☐ For Hospital Employer Groups only: *Excludes* _____% of Home Hospital Medical claims

☐ Other (please specify): _____

4. Average Claim Value: _____ (per employee per month)

   ☐ Includes Claim Administrator’s Provider Access Fee
   ☐ Excludes Claim Administrator’s Provider Access Fee

   Attachment Factor: _____% of the Average Claim Value

5. Aggregate Attachment Claim Liability:

   Employer’s Claim Liability for each Policy Period shall be the sum of the Monthly amounts obtained by multiplying the number of Individual and Family Coverage Units for each Month by the following factor:

   $_____for each Coverage Unit

6. Aggregate Stop Loss Coverage includes coverage of Run-Off Paid Claims: ☐ Yes ☐ No

   Run-Off Attachment Claim Liability Factors:

   Employer’s Run-Off Claim Liability shall be an amount equal to 15% of the annualized Employer Claim Liability based on the participation of the two calendar months immediately preceding termination. Settlement for the final accounting period will be described in the section of the Policy entitled SETTLEMENTS.

7. Aggregate Stop Loss Coverage:

   a. The amount of Paid Claims during the current Policy Period, less Individual (Specific) Stop Loss Claims, if any, that exceed the Point of Attachment. The Point of Attachment shall equal the sum of the Employer’s Claim Liability amounts calculated Monthly as described in Item 5. above for the indicated Policy Period. However, for the indicated Policy Period the minimum Point of Attachment shall be $_____.

   b. The following applies if the answer to item 6. above is “Yes~~.~~” (Aggregate Stop Loss Coverage includes coverage of Run-Off Paid Claims):
   In the event of termination at the end of a Policy Period, Aggregate Stop Loss Coverage shall equal the amount of Final Settlement Paid Claims that exceed the Final Settlement Point of Attachment. Final Settlement Paid Claims shall equal the sum of the Paid Claims during the Final Policy Period and the Paid Claims during the Run-Off Period, less Individual (Specific) Stop Loss Claims, if any. The Final Settlement Point of Attachment shall equal the sum of the Employer’s Claim Liability amount for the Final Policy Period and the Employer’s Run-Off Claim Liability calculated as described in items 5. and 6. above. However, for the Final Settlement Period the minimum Point of Attachment shall be the minimum Point of Attachment in item 7.a. above increased by 15%.

8. Premium (Select one):

   ☐ Annual Premium (Due on the first day of the Policy Period): $_____.

   The following applies if the answer to item 6. above is “Yes~~.~~” (Aggregate Stop Loss Coverage includes coverage of Run-Off Paid Claims): In the event of termination at the end of a Policy Period, an additional premium amount equal to 15% of the Annual Premium will be due within 10 calendar days of receipt of the billing.

   ☐ Monthly Premium shall be equal to the amounts obtained by multiplying the number of Individual and Family Coverage Units for a particular Month by:

   $_____ for each Coverage Unit

   The following applies if the answer to item 6. above is “Yes~~.~~” (Aggregate Stop Loss Coverage includes coverage of Run-Off Paid Claims):

   In the event of termination at the end of a Policy Period, an additional premium amount equal to 15% of the annualized Premium based on the participation of the two months immediately preceding termination will be due within 10 calendar days of receipt of the billing.

9. The premium is based upon a current membership of _____ Individual Coverage Units and _____ Family Coverage Units.

B. Individual (Specific) Stop Loss Insurance: ☒ Yes ☐ No

If yes, complete items 1. through 6. below.

1. ☐ New Coverage ☒ Renewal of Existing Coverage

2. Stop Loss Coverage Period:

☐ New Coverage (Select one from below):

☐ Standard: Claims incurred and paid during the Policy Period.

☐ Standard with “Run-in” included: Claims incurred on or after ______and paid during the Policy Period.

“Run-in” includes claims paid by Policyholder’s prior claim administrator: Yes ☐ No ☐

If yes, such claims must be reported by the Policyholder to the Company (Blue Cross and Blue Shield of Illinois, a Division of Health Care Service Corporation, a Mutual Legal Reserve Company) within 12 months of the Effective Date of Policy and paid by the Policyholder’s prior claim administrator within 6 months after the Effective Date of Policy.

☒ Renewal of Existing Coverage:

Claims incurred on or after the original Effective Date of Policy and paid during the Policy Period.

3. Individual (Specific) Stop Loss Insurance shall apply to:

☒ Medical Claims ☐ Vision Claims

☐ Outpatient Prescription Drug Claims ☐ Dental Claims

☐ For Hospital Employer Groups only: *Excludes* _____% of Home Hospital Medical claims

☐ Other (please specify): _____

4. Individual (Specific) Stop Loss Coverage

a. Individual Stop Loss Coverage equals the amount of Paid Claims for a Covered Person during the current Policy Period in excess of the Point of Attachment of $155,000 per Covered Person. Such amount shall apply for the Policy Period.

Point of Attachment ☒ Includes Claim Administrator’s Provider Access Fee

☐ Excludes Claim Administrator’s Provider Access Fee

b. Employer’s Claim Liability equals the sum of Paid Claims for a Covered Person during the Policy Period up to the Point of Attachment specified in 4.a. above.

5. Individual Stop Loss Coverage includes coverage of Run-Off Paid Claims: ☒ Yes ☐ No

The following applies if the answer to item 5. above is “Yes” (Individual Stop Loss Coverage includes coverage of Run-Off Paid Claims):

a. In the event of termination at the end of the Policy Period, Individual Stop Loss Coverage shall equal the amount of Final Settlement Paid Claims that exceed the Point of Attachment specified in 4.a. above. Final Settlement Paid Claims shall equal the sum of Paid Claims for a Covered Person during the Final Policy Period and the Run-Off Period.

b. In the event of termination at the end of the Policy Period, Employer’s Final Settlement Claim Liability equals the sum of Paid Claims for a Covered Person during the Final Policy Period and Run-Off Period up to the Point of Attachment specified in Item 4.a. above.

Settlement for the final accounting period will be described in the section of the Policy entitled SETTLEMENTS.

6. Premium (select one):

☐ Annual Premium (Due on the first day of the Policy Period): $_____.

The following applies if the answer to item B.5. is “Yes” (Individual Stop Loss Coverage includes coverage of Run-Off Paid Claims): In the event of termination at the end of a Policy Period, an additional premium amount equal to 20% of the Annual Premium will due within 10 calendar days of receipt of the billing.

☒ Monthly Premium shall be equal to the amounts obtained by multiplying the number of Individual and Family Coverage Units for a particular Month by:

$51.04 for each Coverage Unit

The following applies if the answer to item B.5. above is “Yes” (Individual Stop Loss Coverage includes coverage of Run-Off Paid Claims): In the event of termination at the end of a Policy Period, an additional premium amount equal to 20% of the annualized Premium based on the participation of the two months immediately preceding termination will be due within 10 calendar days of receipt of the billing.

7. The premium is based upon a current membership of 222 Individual Coverage Units and 220 Family Coverage Units.

Additional Provisions:

_____

The undersigned person represents that he/she is authorized and responsible for purchasing stop loss coverage on behalf of the Employer Group. It is understood that the actual terms and conditions of coverage are those contained in this Exhibit and the Stop Loss Coverage Policy into which this Exhibit shall be incorporated at the time of acceptance by Blue Cross and Blue Shield of Illinois, a Division of Health Care Service Corporation, a Mutual Legal Reserve Company (“HCSC”). Upon acceptance, HCSC shall issue a Stop Loss Coverage Policy to the Employer Group. Upon acceptance of this Exhibit and issuance of the Stop Loss Coverage Policy, the Employer Group shall be referred to as the "Policyholder."

Sherri Phillips Sales Representative	Signature of Authorized Purchaser
Jim Paton Name of Underwriter	Title of Authorized Purchaser
	Date

INTERNAL USE ONLY	Date Application approved by Underwriting: Name of Underwriter:

GROUP ENROLLMENT AGREEMENT
BETWEEN

Health Alliance Medical Plans, Inc.

AND

City of Bloomington

Effective Period:

January 1, 2014 – December 31, 2014

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GROUP ENROLLMENT AGREEMENT

THIS AGREEMENT, executed in duplicate, each of which shall be considered an original, is made and entered into between Health Alliance Medical Plans, Inc. ("Health Alliance"), an Illinois domestic stock insurance corporation, with its principal office at 301 South Vine Street, Urbana, Illinois and City of Bloomington an Illinois municipal corporation with its principal office at 109 E. Olive Street, Bloomington, IL ("Plan Sponsor").

RECITALS

WHEREAS, Health Alliance is a domestic stock insurance corporation validly organized, duly authorized, and certified to do business in the State of Illinois to underwrite and issue health insurance products, including but not limited to, HMO, PPO and POS type products; and

WHEREAS, Plan Sponsor employs individuals or has members ("Eligible Participants") who it desires to obtain coverage for health care services for said Eligible Participants and their Dependents from Health Alliance in accordance with the terms and conditions of the health welfare benefit plan ("Plan") established by the Plan Sponsor; and

WHEREAS, Health Alliance and Plan Sponsor desire to enter into an agreement by which Plan Sponsor will make available to Eligible Participants under the Plan the option of obtaining coverage for health care services through health insurance products issued by Health Alliance.

NOW, THEREFORE, in consideration of the promises, the above-stated recitals, which are incorporated herein by this reference, and other valuable consideration, the adequacy and receipt of which is hereby acknowledged, Health Alliance and Plan Sponsor agree as follows:

Section 1. GENERAL PURPOSE

1.1 The intent of this Agreement is to establish a harmonious relationship between Health Alliance and the Plan Sponsor in regard to making available to Eligible Participants the option of electing coverage for health care services under the terms and conditions of this Agreement and the health insurance products underwritten and issued by Health Alliance.

Section 2. DEFINITIONS

2.1 The definitions contained in Exhibit "A" the health insurance product elected by an Eligible Participant, together with any Face Sheets, Amendments and Riders attached thereto, ("Subscription Certificate"), in effect from time-to-time and issued by Health Alliance to Eligible Participants who elect coverage under such product are incorporated herein by this reference and shall, for the purposes of this Agreement, have the same meaning and effect as set forth therein. True and correct copies of the forms of the Subscription Certificate presently in effect for the health insurance products to be offered by the Plan Sponsor to Eligible Participants under this Agreement are attached hereto and marked singularly or collectively as Exhibit “A”.

Section 3. OBLIGATIONS OF PLAN SPONSOR

3.1 **Eligibility and Enrollment:** Plan Sponsor shall make available to Eligible Participants the opportunity to elect coverage for health care services pursuant to the terms and conditions of the health insurance products issued by Health Alliance, identified in Exhibit “A” referred to in Section 2, and pursuant to the terms and conditions of the Health Alliance Eligibility and Enrollment Requirements that are attached hereto and marked as Exhibit “B” and which by this reference are incorporated herein.

3.2 **Contribution Requirements:** Plan Sponsor shall contribute towards the payment of the monthly premium for each Eligible Participant's coverage under the selected Subscription Certificate an amount equal to or greater than the Health Alliance minimum employer contribution referred to in Exhibit “B”. Such contributions shall not financially discriminate against Eligible Participants electing coverage pursuant to the Subscription Certificate and shall be proportionately equal to Plan Sponsor's contributions for Eligible Participants who elect other plans of coverage offered by Plan Sponsor.

3.3 **Remittance of Premiums:** Plan Sponsor shall collect and remit to Health Alliance the full monthly premiums on behalf of any Member for coverage under the Subscription Certificate attached hereto as follows:

	Commencement	**Payment**
(1)	1^{st}-15^{th} of month	On or before 1^{st} day of the month coverage commences.
(2)	16^{th}-31^{st} of month	On or before 1^{st} day of the month following commencement of coverage.

Coverage under the Subscription Certificate shall commence for each Member on the date specified in writing by the Plan Sponsor to Health Alliance, notwithstanding the fact that the day specified may not be the first day of a calendar month; except that no coverage will be provided for any Member who enrolled on or between the sixteenth (16^{th}) and the thirty-first (31^{st}) days of a calendar month and whose Group membership is terminated on or prior to the fifteenth (15^{th}) day of the following month. Plan Sponsor will not be entitled to a premium refund for such terminated Member. Plan Sponsor shall collect and remit all monthly premiums for continuation coverage provided pursuant to this Agreement. Plan Sponsor shall not be obligated to remit premiums for continuation coverage of any Member in the event Plan Sponsor does not receive payment for the same from the Member. All premiums, including those for continuation coverage, shall be due on the first (1st) day of each month commencing with the effective date of this Agreement. If the premium for any Member is not paid within thirty-one (31) days after it becomes due, the Member's coverage under the Subscription Certificate shall be terminated as of that date or as otherwise may be provided by law.

3.4 **Termination and Premium Remittance:** For a Member whose coverage under the Subscription Certificate is terminated because of termination of employment or membership, relocation outside of the HMO Service Area (if HMO coverage is elected), change in status as a Dependent, divorce or legal separation from a Member, death of a Member, becoming entitled to Title 18 Social Security Benefits, or otherwise, and the Member does not elect continuation coverage, Plan Sponsor shall not be required to collect and remit monthly premiums on behalf of such a Member, if the effective date of coverage termination occurs on or between the first (1st) and the fifteenth (15th) day of a calendar month. If the effective date of termination occurs on or between the sixteenth (16th) and the thirty-first (31st) day of a calendar month, Plan Sponsor shall remit to Health Alliance the full monthly premium on behalf of the Member for that month.

3.5 **Effective Dates of Coverage and Termination:** Plan Sponsor shall, within ninety (90) days of the date coverage commences and/or terminates for each Member under the applicable Subscription Certificate, send written notice to Health Alliance of the effective date of each of such events. Health Alliance shall be entitled to rely on such notice as the warranty of Plan Sponsor and its representatives concerning the effective date of commencement and termination of the Member's coverage. Plan Sponsor shall not be entitled to receive a refund of any portion of a premium paid to Health Alliance as a result of Plan Sponsor's failure to accurately notify Health Alliance, in writing, of the effective date of termination of the Eligible Participant’s employment or membership.

3.6 **Continuation Coverage Notice to Members:** Upon the occurrence of a qualifying event, as defined in the Consolidated Omnibus Budget Reconciliation Act (COBRA”), Public Law 99-272, (29 U.S.C. Section 1161, et seq.) as amended from time-to-time, and as defined in the State of Illinois continuation coverage regulations, the Plan Sponsor shall provide to each Member notice of the Member's right to elect continuation coverage pursuant to the provisions of COBRA and/or state continuation.

3.7 **Notice of Termination of Agreement:** Plan Sponsor shall promptly notify Health Alliance of the occurrence of any of the following events, which constitute “causes” for termination of this Agreement under Section 8.2: (i) dissolution of the Plan Sponsor, by operation of law or otherwise; (ii) in the event of HMO coverage, Plan Sponsor withdrawing its business, or a portion thereof, from the Service Area and no longer maintaining business activities within the Service

Area utilizing full-time active employees.

3.8 **Continuation of Coverage For Non-Renewal of Contract After Termination of Agreement:** Notwithstanding any other provision of this Agreement to the contrary, a Member's right to elect or receive continuation coverage under the terms of this Agreement shall not survive the termination of this Agreement. Continuation coverage for Members who elected such coverage prior to the termination of this Agreement shall terminate upon the effective date of the termination of this Agreement. Plan Sponsor shall provide notice to each Member who has elected continuation coverage under the terms of this Agreement of the effective date of termination and of the Members' rights to elect conversion coverage thereafter pursuant to the provisions of COBRA.

3.9 **Member Non-Liability:** In no event, including but not limited to, nonpayment by Health Alliance under this Agreement, Health Alliance's insolvency, or breach of this Agreement by Health Alliance, shall Plan Sponsor seek any type of payment from, bill, charge, collect a deposit from, seek compensation, remuneration or reimbursement from, or have any recourse against any Member, persons acting on the Member's behalf (other than Health Alliance), if any, for services provided pursuant to this Agreement.

Section 4. OBLIGATIONS OF HEALTH ALLIANCE

4.1 **Acceptance for Enrollment:** Health Alliance shall accept for enrollment Plan Sponsor's Eligible Participants who meet the Eligibility Enrollment Requirements as set forth in Exhibit "B" attached hereto.

4.2.1 **Health Care Services Pursuant to Subscription Certificate:** Commencing with the effective date of this Agreement set forth in Section 8.1, Health Alliance shall arrange for and/or pay for covered health care services described in the Subscription Certificate issued by Health Alliance to Eligible Participants, and as amended by Health Alliance from time-to-time during the terms of this Agreement. Health Alliance's obligation to arrange for and/or pay for covered health care services under the respective Subscription Certificate shall also be subject to the limitations, Co-payments, Coinsurance or Deductible amounts and eligibility requirements set forth in Exhibit "B".

4.2.2 Health Alliance does not deliver services to Members. Health Alliance has undertaken through its various products to arrange for and/or pay for the coverage of health care services to Members and has entered into agreements with various health care providers for the purpose of providing and delivering health care services to Members entitled to such services under the terms and conditions of the Subscription Certificate. Among the provisions of these agreements is the reimbursement of the health care providers for the cost of the health care services delivered and provided to Members. Health Alliance and the health care providers are independent contractors with each responsible for the performance of their respective duties under the contracts. The decision to receive or decline any health care service is the sole responsibility of the Member, the Member's legal guardian or the Member's authorized representative.

4.2.3 For HMO Plans, Health Alliance has provided in its agreements with the providers it contracts (“Participating Providers”) that in the event of Health Alliance’s insolvency or other cessation of operations, the Participating Providers will provide Medically Necessary covered services to Members through the period for which a premium has been paid to Health Alliance. Participating Providers will provide Medically Necessary covered services to Members confined in an inpatient facility on the date of insolvency or other cessation of operations until their discharge.

4.2.4 For HMO Plans, Health Alliance has provided in its agreements with the Participating Providers that it will provide the Participating Providers with initial information and adequate notice of change in benefits, co-payments, and all operational policies and procedures that Participating Providers must comply as a condition of participation.

4.2.5 Plan Sponsor shall have no obligation with respect to the Subscription Certificate or with respect to the health care services described therein, except to the extent of its obligation under this Agreement.

4.3 **Premium Payments:** Premium payments payable each month on behalf of Members for coverage under the respective Subscription Certificate during the term of this Agreement as specified in Section 8.1, and any adjustments thereto, shall be as set forth in Exhibit “C”, which is attached hereto, and by this reference is incorporated herein.

4.4 **Premium Changes:** Except as set forth below, Health Alliance will not increase the premiums for coverage of health care services described in the Subscription Certificate issued to an Eligible Participant pursuant to their election of coverage hereunder during the term of this Agreement. Health Alliance may, at any time upon the occurrence of one or more of the following events, increase or decrease the premiums for coverage of health care services described in the Subscription Certificate: (i) the number of Eligible Participants changes by more than 20%; or (ii) a change in federal or state law that effects the level of health care services Health Alliance is required to provide under the Subscription Certificate that results or may result in a change in the level of the cost of health care services to Health Alliance; or (iii) discovery subsequent to the date of this Agreement of information if known to Health Alliance at the time the Agreement was entered into would have materially affected the acceptance of the risk by Health Alliance.

4.5 **Forms:** Health Alliance shall provide Plan Sponsor with all forms necessary for its Eligible Participants to elect coverage for the health care services under the health insurance products identified in Exhibit “A” and to effectuate the other terms of this Agreement.

Section 5. INELIGIBLE PARTICIPANTS

5.1 Persons not eligible to participate in Health Alliance through the Group are: (i) proprietors, partners, stockholders, directors and their relatives unless they are on the payroll and meet the hours worked and minimum employer contribution requirements; (ii) former employees unless covered pursuant to COBRA; (iii) consultants, lawyers and individuals retained on an advisory basis; (iv) agents and independent contractors; (v) temporary or substitute employees; and (vi) individuals who do not meet the definition of Dependents as specified in the Subscription Certificate.

5.2 Early retirees are not eligible unless covered pursuant to COBRA or the Group makes a contribution towards their health insurance coverage. The Group must establish reasonable age and service requirements for retirees to be covered. Retirees with Medicare A and B as primary coverage are not eligible for benefits under the Indemnity Plan.

Section 6. LEGAL RELATIONSHIP BETWEEN PARTIES

6.1 **Purposes:** The relationship between Health Alliance and Plan Sponsor during the term of this Agreement is that Health Alliance under its HMO Subscription Certificate arranges for and pays for health care services, and under other Subscription Certificates reimburses the Provider for which the Member received out-of-network health care services; and Plan Sponsor is the administrator of the Plan.

6.2 **Independent Contractors:** Notwithstanding any of the provisions of this **Agreement**, each party is acting independently of the other in their respective capacities concerning the provisions of this Agreement; and further, this Agreement shall not be construed to mean that either of the parties is acting as the agent, employee or representative of the other, but, in fact, each party recognizes that it is acting in the capacity of an independent contractor concerning the obligations of each pursuant to this Agreement.

6.3 **No Implied Rights or Authority:** Neither Health Alliance or Plan Sponsor now has, or at any time in the future shall have, any express or implied rights or authority to assume or create any obligation or responsibility on behalf of, or in the name of, the other, unless such obligation or responsibility is mutually agreed to by the parties and is evidenced by an amendment in writing to this Agreement signed by both parties.

6.4 **ERISA Reporting:** Plan Sponsor shall prepare and file all reports require pursuant to the Employee Retirement Income Security Act of 1974 (29 U.S.C. Sec. 1001, et. seq.) and the United States Internal Revenue Code, as amended from time-to-time. If some or all of the information necessary to enable the Plan Sponsor to comply with the above-referenced requirements is maintained by Health Alliance, it shall provide that information to Plan Sponsor upon request.

Section 7. RIGHTS OF PARTIES AND MEMBERS

7.1 Nothing in this Agreement, whether expressed or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any person other than the parties to it and their respective successors and assigns, nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third person to any party to this Agreement, nor shall any provision give any third person any right of subordination or action over or against any party to this Agreement.

7.2 The rights of each Member arise out of, and are subject to, the terms and provisions of the Subscription Certificate issued to them by Health Alliance and not out of any of the terms or provisions of this Agreement.

7.3 Health Alliance is obligated by federal and state law to protect and keep confidential certain information it receives and/or maintains with respect to Members. Such information will be disclosed by Health Alliance to Plan Sponsor or its authorized representative only upon presentation by Plan Sponsor of an original consent and authorization signed by the Member or the Member's legal representative, which consent and authorization is in a form acceptable to Health Alliance and which specifies the information to be released.

Section 8. TERM AND TERMINATION OF AGREEMENT

8.1 **Effective Date and Term:** The effective date of this Agreement shall be the 1st day of January and the term shall extend to and include the 31st day of December unless sooner canceled or terminated as provided for herein. At the end of the first year of this agreement and at the end of each year thereafter, this Agreement shall automatically be renewed for an additional one (1) year term, unless written notice by either party to the other of its intent not to renew the Agreement is given at least thirty-one (31) days prior to the end of the Agreement year. Exhibits "B" and "C" will be renewed each year in a like manner unless notice of any change in the Exhibits by either party is given to the other party at least thirty-one (31) days prior to the end of the Agreement year. Such amended Exhibits "B" and "C" shall be attached hereto and by this reference incorporated herein.

8.2 **Termination for Cause:** This Agreement may be terminated by either party "for cause" by giving the other party thirty-one (31) days notice in writing of such intention to terminate this Agreement. For the purposes of this Paragraph, "termination for cause" is defined as termination for: (i) an intentional or willful violation of any of the provisions of this Agreement by a party; (ii) failure by a party to abide by all applicable state and federal laws and regulations that pertain to them; (iii) dissolution of the Plan Sponsor, by operation of law or otherwise; (iv) Plan Sponsor's current membership level falls below twenty-five percent (25%); (v) in the event of HMO coverage, Plan Sponsor withdrawing its business, or a portion thereof, from the Service Area and no longer maintaining business activities within the Service Area utilizing full-time active employees. The party seeking to terminate this Agreement "for cause" must specify in writing to the other party the nature of the "cause" resulting in the termination. The Group agrees to continuously maintain the required participation established in (iv) above and understands that if the required participation is not maintained the Group will have sixty (60) days to meet the participation requirements or coverage will be terminated.

Section 9. HEALTH ALLIANCE INSOLVENCY

9.1 Health Alliance has taken the following steps, in addition to the requirements of federal and state law applying to it relating to Member non-liability, to ensure in the event of its insolvency the provision to Members of the covered health care services to which they are entitled under the Subscription Certificate issued to them by Health Alliance:

9.1.1 Health Alliance has in place and shall maintain at all times during the term of this Agreement the minimum capitalization and deposit requirements required by the provisions of the Illinois Insurance Code and the Illinois Department of Insurance, and the federal Health Maintenance Organization Act;

9.1.2 Health Alliance has in place and shall maintain at all times during the term of this Agreement insolvency insurance insuring against liabilities incurred for claims by Members for the thirty (30) day period prior to the date of insolvency;

9.1.3 Health Alliance has in place and shall maintain at all times during the term of this Agreement a policy of reinsurance covering the cost of claims in excess of the per Member per year amounts presently in force; and

9.1.4 Health Alliance shall timely pay all assessments tendered by the Illinois Health Maintenance Organization Guaranty Association during the term of this Agreement.

Section 10. AMENDMENTS OR ASSIGNMENTS

10.1 **Amendments:** Except as otherwise expressly set forth herein, including without limitations Section 10.1, 12.3 and 15.4, this Agreement shall not be amended, altered, changed or assigned at any time without the express written consent of each of the parties hereto and any such amendments of this Agreement shall be by written amendment signed by each of the parties and made a part of this Agreement. The foregoing notwithstanding, Health Alliance shall have the right to amend this Agreement upon thirty (30) days notice to Plan Sponsor in order to conform the terms and provisions hereof to applicable state and federal law.

10.2 **Assignments:** The specific duties and obligations of the parties as set forth in this Agreement shall not be assigned or transferred to other persons or entities without the express written consent of both parties hereto, which written consent shall not be unreasonably withheld.

Section 11. NON-DISCRIMINATION

11.l **Health Alliance:** Health Alliance shall not discriminate against any person on the basis of age, sex, race, religion, origin, health status, physical or mental condition, national origin or source of payment.

11.2 **Plan Sponsor:** Plan Sponsor shall not discriminate against any person on the basis of age, sex, race, religion, origin, health status, physical or mental condition, national origin or source of payment.

Section 12. APPLICABLE LAW AND DISPUTE RESOLUTION

12.1 This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

12.2 For purposes of this Section, "Dispute" means any conflict, disagreement, demand or claim between Plan Sponsor and Health Alliance arising out of or related to the interpretation or application of this Agreement or breach thereof.

12.3 Resolution of Disputes shall be subject to good faith negotiation between the parties. The complaining party shall notify the other party in writing of such Dispute and the parties shall attempt to resolve the Dispute within ninety (90) days of the date of such notice, or within such time as is mutually agreed upon by the parties in writing. In the event the Dispute cannot be settled by the mutual cooperation of the parties, Health Alliance, or its designated representative, shall refer the appeal to an independent review organization identified by a nationally recognized professional board or association or to a nationally recognized arbitration service, such as the American Arbitration Association or the National Health Lawyers Association Alternative Dispute Resolution Service. Health Alliance and Plan Sponsor shall share equally in paying any fee charged by such independent review organization or arbitration service. The parties hereto shall be legally bound by the outcome of any such appeal. Health Alliance reserves the right to amend this appeal procedure at any time and shall notify Plan Sponsor of any such amendment.

12.4 An arbitration provision is not a substitute for a party's right to maintain a legal action if the party so desires; and in no way affects or limits the parties ability to take legal action in a court of law, prior to voluntarily agreeing to enter into an arbitration proceeding. Any controversy or claim arising out of or relating to this agreement, or the breach thereof, may be settled by arbitration. The arbitration will be conducted pursuant to the applicable rules of the American Arbitration Association and in accordance with the Uniform Arbitration Act 710 ILCS 5/1 et.seq. within a reasonable time limit (30 days after the parties agree to arbitrate their dispute is a reasonable time limit for selecting and appointing independent arbitrators, 15 days is a reasonable time limit for an expedited review provision). The arbitration may be binding on both parties or non-binding upon the insured, but in all instances must be entered into on a voluntary basis. Arbitrators must be fair, impartial, and free of any conflicts of interest or the appearance of a conflict of interest. By voluntarily agreeing to enter into an arbitration proceedings, the parties should be aware and understand that they may be giving up certain rights to have their dispute settled in and by a court of law, except to the extent that Illinois law may provide for judicial review of arbitration proceedings. An arbitration provision in no way affects a party's ability to file a complaint with the Illinois Department of Insurance in connection with a claim or any other dispute. To contact the Department write to: The Illinois Department of Insurance, Consumer Service Division, Springfield, Illinois 62767.

Section 13. NOTICES

13.1 Any notice required under the terms of this Agreement shall be sent by United States mail with postage prepaid thereon, addressed as follows, and such notice shall be effective upon the earlier of (i) receipt by the party to whom it is addressed or (ii) one (1) day after such notice is sent:

City of Bloomington
ATTN : Laurie Wollrab
Compensation & Benefit Manager
109 E. Olive St.
Bloomington, IL 61701

Health Alliance Medical Plans
Attn : Marketing Department
301 South Vine St.
Urbana, IL 61801

13.1.1 In the alternative, notice may be hand-delivered to the parties specified above at the address stated and the person delivering such notice shall obtain a written receipt specifying the date, time, place and to whom the notice was hand-delivered.

Section 14. ENTIRE CONTRACT

14.1 This Agreement constitutes the entire contract between Health Alliance and Plan Sponsor with respect to making available to Eligible Participants the option of electing coverage for health care services under the terms and conditions of this Agreement and the health insurance products underwritten and issued by Health Alliance. This Agreement supersedes any and all previous agreements, whether verbal or written, between the parties relating thereto. This Agreement may be changed, modified or amended only by a written agreement executed by Health Alliance and Plan Sponsor.

Section 15. MISCELLANEOUS

15.1 **Severability and Supervening Laws:** The invalidity or unenforceability of any term or provision of this Agreement shall not impair or affect any other provision hereof which shall remain in full force and effect. Except that the parties recognize that this Agreement at all times is to be subject to applicable state, local and federal law. The parties further recognize that this Agreement shall be subject to amendment in such laws and regulations and to new legislation. Any provisions of the law that invalidate, or otherwise are inconsistent with, the terms of this Agreement or that would cause one or both of the parties to be in violation of law, shall be deemed to have superseded the terms of this Agreement, provided however, that the parties shall exercise their best efforts to accommodate the terms and intent of this Agreement to the greatest extent possible consistent with the requirements of law. In the event the parties are unable to accommodate the terms and intent of this Agreement to the greatest extent possible consistent with the amended requirements of law, then this event shall be an additional "cause" for termination under Section 8.2.

15.2 **References and Section Headings:** Any reference to the singular shall include reference to the plural, and vice versa. The headings of the various sections of this Agreement are not a part hereof, and are inserted merely for convenience in locating different provisions and shall be ignored in construing this Agreement. Any reference herein to a "Section" shall be interpreted as relating to the identified section of this Agreement unless otherwise stated.

15.3 **Authority:** Each individual signing this Agreement warrants that such execution has been duly authorized by the party for which he or she is signing. The execution and performance of this Agreement by each party has been duly authorized in accordance with all applicable laws and regulations and all necessary corporate action has been taken, and this Agreement constitutes the valid and enforceable obligation of each party in accordance with its terms.

15.4 **Survival:** It is the express intention and agreement of the parties hereto that Sections 1, 2, 8.1, 8.2, 11.1, 11.2, 12.1, 12.2, 12.3, 12.4, 15.5, 15.6, and 15.8 shall survive the termination of this Agreement for any reason.

15.5 **Other Contracts:** The parties to this Agreement agree to execute, acknowledge, deliver, file and record any and all other notes, contracts or documents reasonably necessary for the execution and performance of the terms, conditions, and intent of this Agreement or to comply with the requirements of any regulator or judicial authority, upon the approval of their respective legal representatives.

15.6 **Attorneys' Fees:** In the event of any litigation by any party to enforce or defend its rights under this Agreement, including but not limited to, mandatory arbitration of disputes as provided for in Section 12.3 above, the prevailing party, in addition to all other relief, shall be entitled its costs and to reasonable attorneys' fees.

15.7 **Compliance With Applicable Laws:** Each of the parties hereto shall abide by all applicable state and federal laws and regulations that pertain to them.

15.8 **Counterparts:** This Agreement may be executed in separate counterparts, each of which when so executed shall be an original; but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date and year appearing under the signatory lines.

HEALTH ALLIANCE MEDICAL PLANS, INC.	**CITY OF BLOOMINGTON**
By:______________________________	By:______________________________
ATTEST:__________________________	ATTEST:__________________________
Date:____________________________	Date:____________________________

DRAFT ADMINISTRATION AND FINANCE COMMITTEE
City Hall Council Chambers
September 10, 2013

Council present: Aldermen Scott Black, Mboka Mwilambwe, and Rob Fazzini.

Council absent: Mayor Tari Renner.

Staff present: David Hales, City Manager; Emily Bell, Director of Human Resources; Laurie Wollrab, Compensation & Benefits Manager; and Tracey Covert, City Clerk.

Others present: Phil Sauder, Clemons & Associates.

Alderman Fazzini called the Administration & Finance Committee to order at 5:30 p.m.

PUBLIC COMMENT

Alderman Fazzini opened the Public Comment section of the meeting. He added that there would not be a response from the Committee under the Public Comment portion of the meeting.

No one came forward to address the Committee.

MINUTES

Motion by Alderman Mwilambwe, seconded by Alderman Black to approved the minutes of the August 5, 2013 Administration & Finance Committee.

Motion carried, unanimously.

CITY HEALTH INSURANCE

Alderman Fazzini introduced the topic.

Overview of Health Plans: Laurie Wollrab, Compensation & Benefit Manager, addressed the Committee. The City administered three (3) plans. The largest plan was the City's self insured PPO plan. This plan was administered by Blue Cross/Blue Shield. The pharmacy plan was administered by Catamaran, Inc. The City also offered an HMO plan with Health Alliance. This was described as the smaller plan. The City must provide retirees with access to health insurance as required by state law. Finally, there was a police plan. This was a union plan. The union had total control over the plan. BlueCross/Blue Shield also administered this plan. The City's dental plan also was self insured and administered by BlueCross/BlueShield. The vision plan was fully insured. A group life plan was provided at one times annual salary with a $50,000 cap. She added that union contracts specify the insurance benefits. In addition, voluntary life insurance was available. The pension plans also provide access to life insurance.

Enrollment Timeline & Process: Ms. Wollrab addressed the Proposed Timeline for 2014 Health Insurance Renewal. She cited the various milestones. The timeline commence with today's presentation. She noted that another presentation was scheduled for October 7, 2013. It was her understanding that the Committee's last meeting would be today. She stressed that the timeline listed October 14, 2013 for approval by the Council. The City's Corporation Counsel and Finance Department would need to review the contracts prior to placement on a Council agenda. Open enrollment would commence on November 4, 2013. She stressed the data entry that would be needed to accomplish this.

Alderman Mwilambwe noted City staff's goal to place the insurance contracts on the Council's October 14, 2013 meeting agenda.

David Hales, City Manager, addressed the Committee. City staff planned to have all of the insurance contracts included in the Council packet. Contract receipt and review would need to be completed by October 9/10, 2013.

Alderman Fazzini expressed his hope that the Council's experience with these contracts would be better than last year.

Ms. Wollrab stressed that there needed to be ample time for the City's Corporation Counsel to review the contracts.

Alderman Black questioned the timeline. Ms. Wollrab expressed her confidence in same.

Alderman Black expressed his opinion that either a Council Work Session or a committee meeting of the whole would be needed to address this topic.

Mr. Hales noted that City staff had planned to provide the Committee/Council with two (2) opportunities to address this issue. There would be limited change to benefit levels. Changes to the City's various union contracts required additional time. The Council set the strategy regarding benefit levels. This year, he anticipated cost changes which would impact premiums. The Committee was being provided with a high level presentation. He hoped that next year there would be a preview in September. Health insurance was controlled by the City's various union contracts.

Insurance Renewals & Administrative Services: Phil Sauder, Clemmons & Associates, addressed the Committee. The Committee had been provided with handouts which addressed insurance rates for BlueCross/Blue Shield and Health Alliance. He addressed the proposed timeline which might limit his ability to negotiate/obtain lower prices. Insurance was more transparent, (i.e. the price was the price). Insurance contracts have a lot of boilerplate language. He noted the October deadline and added that the contracts might not have the cost information. He added that the difference would be the cost.

Alderman Fazzini questioned if Mr. Sauder would be able to provide a range.

Mr. Hales stated that there could be a cap which could be negotiated lower. The goal was to have the final numbers. He restated that Mr. Sauder might have the ability to negotiate lower pricing.

Mr. Sauder stated that flexibility would provide him with the opportunity to find benefit for the City. Clemons & Associates received the renewals. He noted that the HMO was fully insured. BlueCross/BlueShield based rates on claims, stop loss, etc. He directed the Committee to Health Alliance's handout.

Mr. Hales requested that Mr. Sauder address highlights and past year's experience.

Mr. Sauder directed the Committee to the Income Statement, (see page 2). Information was provided for 2011, 2012 and the first six (6) months of 2013. He reviewed the statement. 2011 was described as a good year, 2012 was neutral and 2013 was described as not well.

Mr. Hales added that the HMO was fully insured and premiums were based upon experience.

Mr. Sauder added that the HMO's focus was the Central IL area. There was an overall business plan across the state. There was a renewal formula. From the employees' viewpoint, the HMO was a good rich plan.

Mr. Sauder directed the Committee to Claims Experience Summary (see page 3) for the PPO. This document addressed claims experience for the City's Fiscal Year 2011/2012 and FY 2012/2013. There was an actuarial formula and the expected number of claims were considered. Mr. Sauder addressed Claim Projection (see page 4). Information was provided for the Prior Year (June 2011/May 2012) and Current Year (June 2012/May 2013). He informed the Committee that the stop loss figure was $155,000. He cited the Annual Trend Rate, (Prior 6.5%/Current 7.1%). This number reflected the increase cost for medical services. He noted that the City had increased the deductible for all employees from $250 to $400.

The City was running better than book. He noted the City's lengthy history with BlueCross/BlueShield and the group's size. In calculating rates only the City's claims history is reviewed. He noted that the City's expected claims figures would be lower. The City paid for actual claims. The actual claims were important. Mr. Sauder noted that there were ACA (Affordable Care Act) mandates that would be added to the plan. He addressed the IL Facility Access Fee which was hospital fee savings. The Individual Stop Loss was premium protection over $155,000.

Alderman Fazzini questioned this amount. Mr. Sauder informed the Committee that BC/BS made recommendations. Positive changes have been made over the years. The stop loss level impacted premiums.

Emily Bell, HR Director, addressed the Committee. The stop loss was monitored and reviewed annually. Adjustments have been made over time.

Mr. Sauder noted that an educated guess was made. The decision included a look at the numbers and price savings while considering the risk.

Mr. Sauder noted that there also was an Administrative Fee. The Total Projected Cost and Change in Reserves resulted in the Recommended Equivalent Premium.

Ms.Wollrab added that the pharmacy plan had a separate premium.

Mr. Sauder noted the premium decrease (Rate Action) of 2.4%. He noted an alternative stop loss. The trend was to increase the figure and take on additional risk. The recommended figure was $165,000. This increase would result in $16,000 in savings for taking on an additional $10,000 in risk. The savings were not significant. In the past, the savings were substantial, $25,000 - $35,000. Insurance makes money off the risk. A self insured product was good for the City. The product was driven by the claims experience.

The City’s dental plan was also self insured. The Administration Fee was stable. The dental claims experience drove the cost of premium. There had been a slight decrease. Mr. Sauder noted that this was the City’s only dental plan.

Ms. Wollrab added that full time employees chose to enroll in dental insurance.

Ms. Wollrab addressed the VSP (vision plan). This was a fully insured plan offered through the health care coalition. The City had entered into a two (2) year contract. She described the benefits as limited. There would be a slight cost increase due to the Affordable Care Act (ACA).

Ms. Bell addressed employee contributions. Employees paid twenty-five percent (25%) of the premium for themselves; employees paid twenty-five percent (25%) of the premium for family coverage; and employees paid fifty percent of the premium for dental and vision.

Mr. Hales added that these percentages were more aggressive than other municipalities. He added that all City employees including union employees paid these percentages.

Ms. Bell added that all employees had a $400 deductible.

Ms. Wollrab noted that the PPO co pay had been increased from $10 to $20.

Alderman Mwilambwe noted that the City had implemented wellness benefits and a nurse triage program.

Ms. Bell reminded the Committee that the nurse triage was part of the City’s Workers Compensation program. She acknowledged the wellness initiatives. She believed that there were positive results from same.

Ms. Wollrab noted that there were additional steps which would have to be negotiated.

Mr. Hales stated that future policy ideas would address health care cost containment. He cited past actions and proposed future actions. The emphasis would be on enhanced communication with the employees. The City needed to address trends and the role for employees. He cited the impact of the ACA's fees and taxes.

Alderman Mwilambwe agreed that the City needed to partner with the employees.

Alderman Black expressed his appreciation for the presentation. He questioned policy direction regarding wellness as there were benefits to same.

Ms. Wollrab cited smoking cessation as an example. All City employees were in a single pool. The City could work towards a smoke free campus.

Mr. Sauder noted that smoke free discounts were available.

Mr. Sauder addressed the ACA. Clemons and Associates along with Ms. Bell and Ms. Wollrab were on top of this issue. He acknowledged the confusion. He referred the Committee to the handout which addressed the ACA Taxes and Fees. For Health Alliance there would be a Patient Centered Outcomes Research Institute Fee (PCORI); a Transitional Reinsurance Fee (TRP) and an Insurer Fee. The total cost for these fees was $50,870. The figure would be included in the premium renewal for 2014. The premium estimate used an eight percent (8%) increase. The fee increase would also probably increase each year. The figures provided were rough estimates. There was no Insurer Fee for BC/BS. Employees who worked thirty (30) hours per week were eligible for health insurance.

Alderman Fazzini noted that this issue would be reviewed again in a month.

Mr. Sauder added that the excise tax was unknown at this time. Mr. Hales cited the potential cost of $500,000. Mr. Sauder believed that no one would want to pay this tax. Health insurance plans would be changed. This tax would penalize employers for providing great benefits.

Alderman Fazzini made the following recommendations as ways to improve the presentation to Council. At the presentation's start 1.) address the self insured plans, the whys and financial advantages; 2.) percentage paid by the employees compared to other municipalities; 3.) different insurance plans provided, i.e. self insured versus fully insured; 4.) ACA.

Alderman Mwilambwe believed that a PowerPoint presentation would be helpful. The handouts provided to the Committee were a good reference tool.

Alderman Fazzini expressed his appreciation for the presentation.

Motion by Alderman Mwilambwe, seconded by Alderman Black to adjourned. Time: 6:35 p.m.

Respectfully submitted,

Tracey Covert
City Clerk

FOR COUNCIL: November 12, 2013

SUBJECT: Variance from Chapter 38, Section 123(a) to Allow a Driveway Approach 52.5 Feet Wide at 3109 Cornelius Dr.

RECOMMENDATION/MOTION: That the variance be approved.

STRATEGIC PLAN LINK: Goal 3. Grow the Local Economy

STRATEGIC PLAN SIGNIFICANCE: Objectives 3e. Strong working relationship among the City, businesses, economic development organizations

BACKGROUND: Staff has received a written request from Farnsworth Group, the design engineers of the new Pinnacle Office Building at 3109 Cornelius Dr., to grant a variance to Chapter 38, Section 123(a) to allow a driveway approach 52.5 feet wide at this address. This is a new office complex which house Pinnacle Actuarial Resources, Inc. The additional width is requested in order to accommodate large delivery trucks. City Code allows commercial driveways to be up to 35 feet wide at the property line. Driveway variances are recommended by the Public Works Department on a case by case basis after evaluation of criteria such as sight distance, width of adjacent roadway and amount of property frontage.

The following is the evaluation by staff on the different criteria:

- Sight distance – there are no identified issues with horizontal or vertical sight distance by allowing this variance.
- Width of adjacent roadway – the adjacent roadway is of sufficient width to allow the driveway widening without causing concern.
- Distance to intersection – The driveway is far enough away from the intersection that the added width is not a concern.
- Amount of property frontage – With 510 feet of frontage, this is enough to allow for the added width.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Farnsworth Group

FINANCIAL IMPACT: None.

Respectfully submitted for Council consideration.

Prepared by:	Jim Karch, Director of Public Works
Reviewed by:	Barbara J. Adkins, Deputy City Manager
Financial & Budgetary review by:	Chris Tomerlin, Budget Analyst

Legal review by: Rosalee Dodson, Assistant Corporation Counsel

Recommended by:

David A. Hales
City Manager

Attachments: Attachment 1. City Code Reference
Attachment 2. Map
Attachment 3. Farnsworth Letter (10/17/2013) and Map

Motion: ______________________________ Seconded by: ______________________________

	Aye	Nay	Other		Aye	Nay	Other
Alderman Black				Alderman Mwilambwe			
Alderman Fazzini				Alderman Sage			
Alderman Fruin				Alderman Schmidt			
Alderman Lower				Alderman Stearns			
Alderman McDade							
				Mayor Renner			

City of Bloomington – City Code

Chapter 38 : Section 123 : Permit and Specifications for Driveways.

No person shall construct, build, establish or maintain any driveway over, across or upon any public sidewalk or parkway without first obtaining a permit to do so from the City Engineer.

Where a proposed driveway is for parking lot, garages, gas stations and other commercial uses, such driveway may be established, built, constructed and maintained upon permit, provided that all other requirements of this Article dealing with driveways shall be fully complied with subject to the following limitations:

(a) A driveway approach which is proposed to be constructed shall be designed with the proposed volume and type of vehicles which will be using it as design criteria. The design shall be such that a vehicle entering or leaving the premises may do so without leaving the proper traffic lane on the street or driving over the curb outside of the drive approach areas. In no case shall the opening for residential property be more than 16 feet (16') at the property line for a single driveway and 20 feet (20') at the property line for a double driveway. In multi-family, commercial and industrial areas the openings shall be no more than 35 feet (3S') at the property line if one driveway is requested and no more than 30 feet (30') at the property line if two driveway openings are requested. In residential areas, only one driveway opening will be allowed if the lot width is less than 100 feet (100'). (Ordinance No. 1990-16)

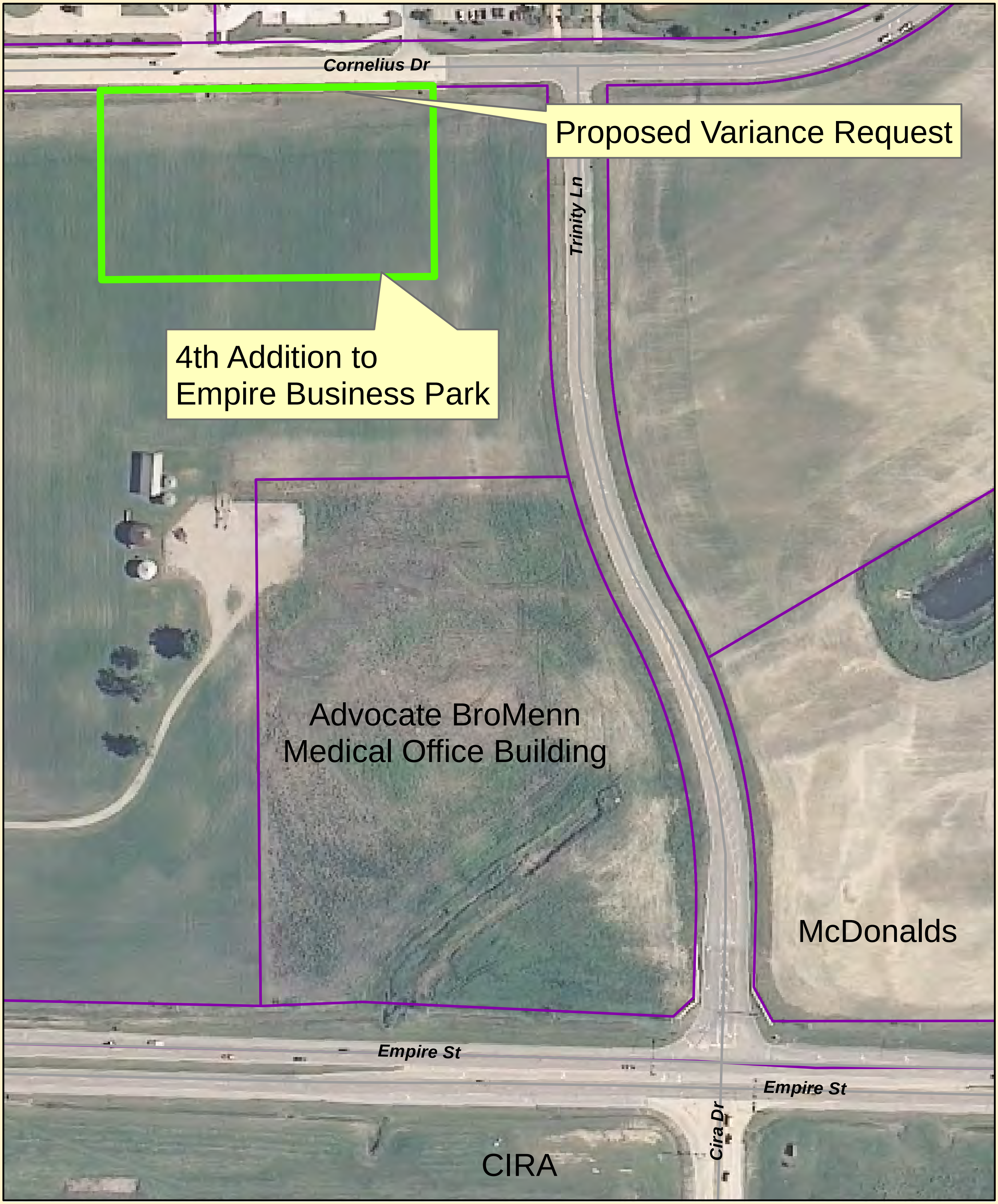
CITY OF BLOOMINGTON

October 28, 2013

Public Works Department

3109 Cornelius Drive
Driveway Variance

180 90 0 Feet



Farnsworth
GROUP

2709 McGraw Drive
Bloomington, Illinois 61704
p 309.663.8435 f 309.663.1571

www.f-w.com | www.greennavigation.com

October 17, 2013

Mr. Kevin Kothe
City Engineer
City of Bloomington Department of Engineering
115 E. Washington Street
Bloomington, IL 61701

Subject: Pinnacle Office Park (3109 Cornelius Drive)
City Project No. 50-30-33760-13-00
Construction Plan Review - Response

Dear Kevin:

Pursuant to the contingent approval letter we received on September 24, 2013 this letter serves as a written request and justification for City Council consideration of the additional driveway width for the east entrance to the subject project.

Attached is a turning movement diagram that shows the limits of the entrance needed to accommodate service from semi-trailer deliveries and logistic operations needed for the normal functioning activities of the facility.

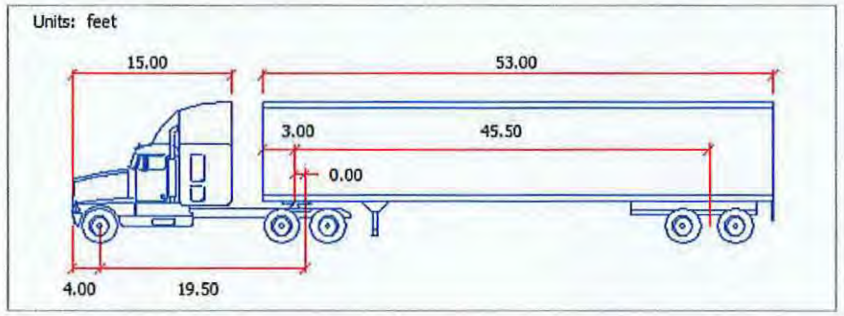
If you have any questions or need any additional information, please advise.

Respectfully Submitted,

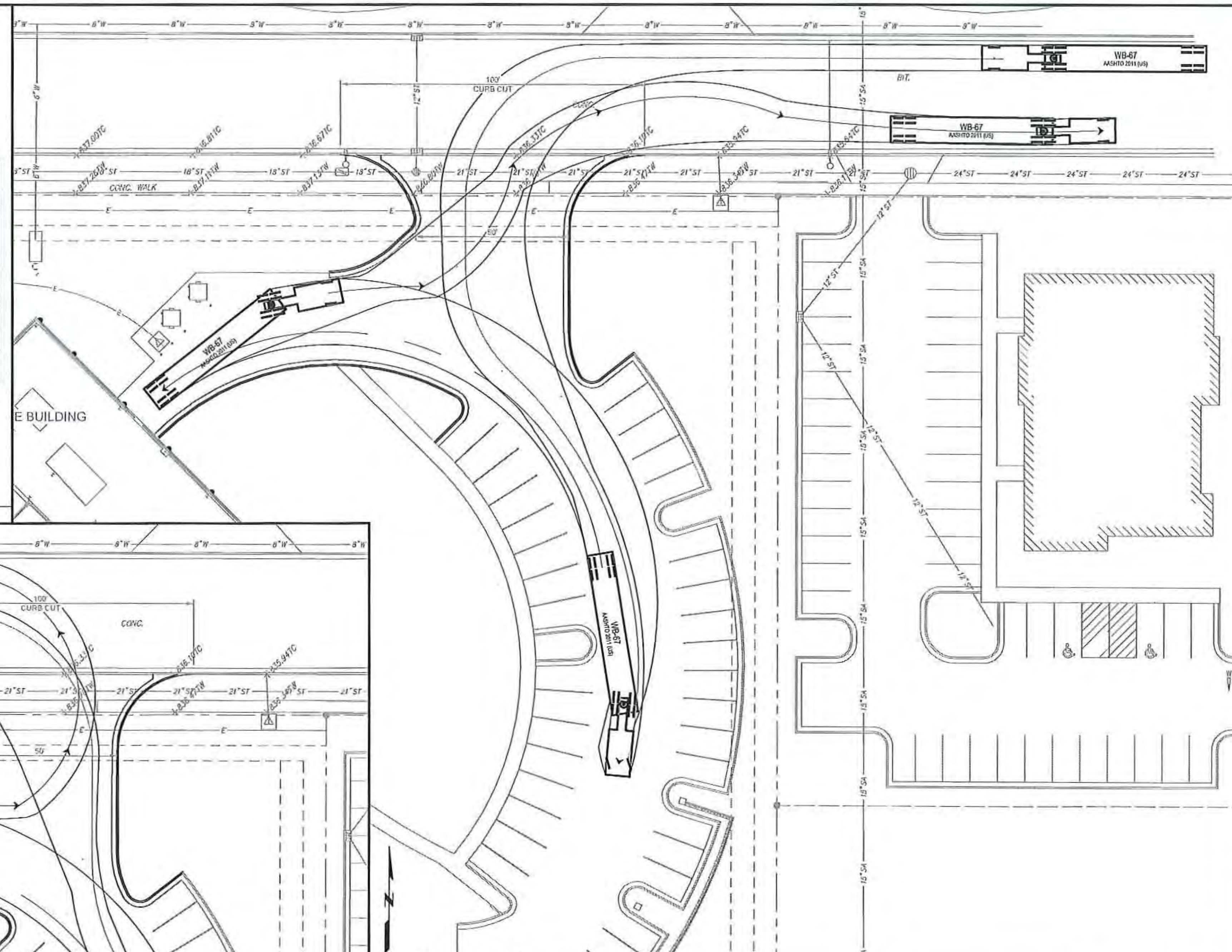
FARNSWORTH GROUP, INC.

Jeffrey M. Gastel

Jeffrey M. Gastel, P.E.
Engineering Manager

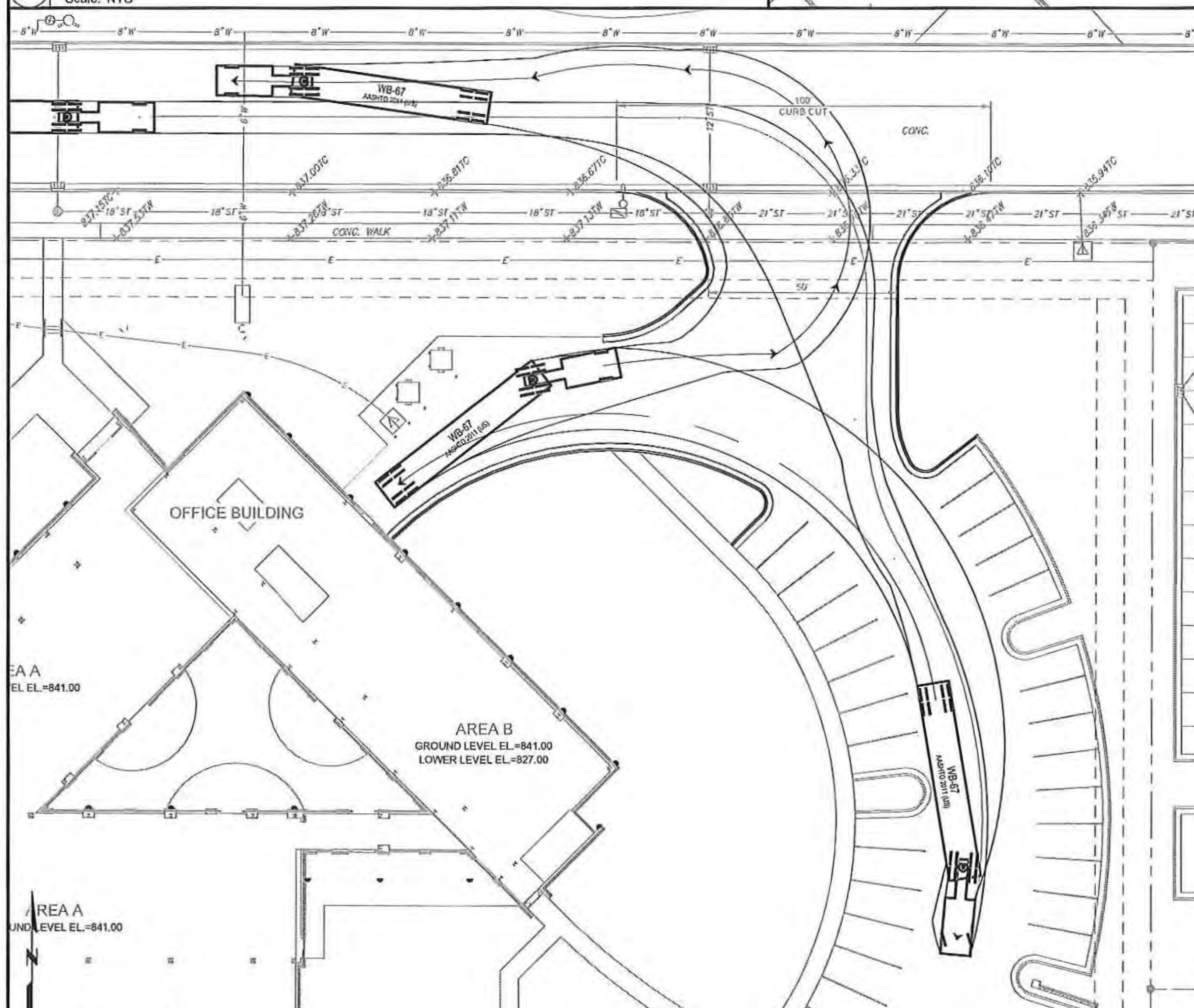


4 **WB-67 Vehicle Details**
Scale: NTS



2 **Westbound Movement**
Scale: 1"=20'

0 10 20 40



3 **Eastbound Movement**
Scale: 1"=20'

0 10 20 40

ENGINEERS
ARCHITECTS
SURVEYORS
SCIENTISTS

Farnsworth
GROUP

200 WEST COLLEGE AVENUE, SUITE 301
NORMAL, ILLINOIS 61761
(309) 663-8436 / (309) 663-8862 Fax
www.f-w.com

PINNACLE
ACTUARIAL RESOURCES, INC.

P.J. HOERR

ISSUE:
Date: Description:

DESIGN DEVELOPMENT
NOT FOR CONSTRUCTION

PROJECT:
JFT Properties, LLC

Pinnacle Office Park SFP Package

3109 Cornelius Drive
Bloomington, Illinois

Date:	08-12-13
Design/Drawn:	SJB
Reviewed:	
Book No.:	Field:

SHEET TITLE:
TURNING MOVEMENT PLAN

SHEET NUMBER:
1

Project No.: 0130359.01

FOR COUNCIL: November 12, 2013

SUBJECT: Economic Development Council of the Bloomington-Normal Area Property Tax Abatement Incentive Program and corresponding Memo of Understanding

RECOMMENDATION/MOTION: That the proposed economic development incentive program, known as the Limited Discretionary Property Tax Abatement of Improvements, be adopted and the authorized parties be allowed to execute the memo of understanding for the purpose of business attraction and expansion efforts

STRATEGIC PLAN SIGNIFICANCE: Goal 3 - Grow the local economy; 3.a retention and growth of current businesses; 3.b attraction of new targeted businesses the Economic Development Council of the Bloomington-Normal Area approached that are the "right" fit for Bloomington; 3.d strong working relationships among the City, businesses and economic development organizations

Staff is proposing the adoption of a set of standardized incentives which can be used in conversations with business owners and decision makers who are considering locating or expanding a business in the Bloomington, Normal and McLean County area. The proposed incentive programs will be utilized by the Economic Development Council of the Bloomington-Normal Area when engaging in targeted business attraction and retention efforts as outlined in the enclosed draft.

BACKGROUND: The Economic Development Council of the Bloomington-Normal Area (EDC) has been challenged to achieve several very lofty goals and objectives as they pertain to the community's *Forging Ahead* campaign and related strategic plan. Unfortunately the reality of the situation is that the State of Illinois continues to put our community at a disadvantage when it comes to the attraction, recruitment and retention of our nation's major industries and businesses. As such, we must strive not only to achieve a competitive advantage amongst our regional players, but we must also look to overcome the weakness that is our association with the State of Illinois. In order for the City of Bloomington and its surrounding neighbors to achieve success in this initiative, it is critical that our economic development team have access to the tools necessary to attract such opportunities. To that end, the EDC's Major Industry and Targeted Attraction Committee – chaired by City Manager David Hales – directed the EDC staff to perform research on incentives, the efforts of which have yielded the enclosed **Incentives Comparison Research Project**. Per the Executive Summary, this report focuses on:

- Availability, structure and use of local incentives in competitor communities
- Restrictions on the use of these incentives (where applicable)
- Sample projects which have taken advantage of these tools
- Recommendations & the creation of local incentive tools

After further consideration and discussion at the committee level, the EDC was directed to draft a document whereby local governing entities, taxing bodies and private sector partners can discuss incentive programs applicable for the Bloomington-Normal and McLean County area. As a result of that effort, a Limited Discretionary Property Tax Abatement of Improvements program was identified that, if implemented, could help participating bodies benefit from an economic perspective, including the creation of jobs, related infrastructure and community wealth. Following discussions with selected taxing bodies, private entities and community partners, the enclosed Memo of Understanding was provided as a means to stimulate business attraction and retention efforts.

COMMITTEE OF THE WHOLE BACKGROUND: On July 1, 2013, the Economic Development Council of the Bloomington-Normal Area (EDC) approached the Administration and Finance Committee to discuss the potential use of incentive programs, including Limited Discretionary Property Tax Abatement on Improvements (PTA), McLean County New-Hire Incentive (NHI) and McLean County Swift-Hire Program. It was recommended that EDC staff pursue the PTA program and revise the others. On September 30, 2013 EDC Staff gave a presentation on the PTA program to a joint meeting of the McLean County Board, Bloomington City Council and Normal Town Council.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Economic Development Council of the Bloomington-Normal Area, McLean County, Unit #5, District 87, Town of Normal, Kathleen Field Orr, Elizabeth Au; enclosed is a signed letter of support on behalf of the McLean County Chamber of Commerce, State Farm, Farnsworth Group and Country Financial

FINANCIAL IMPACT: The proposed incentive program would not impact existing resources or sources of revenue. Only new revenue generated by each project would be utilized in each potential incentive agreement.

Respectfully submitted for Council consideration.

Prepared by: Justine Robinson, Economic Development Coordinator

Financial & Budgetary review by: Chris Tomerlin, Budget Analyst

Legal review by: Rosalee Dodson, Assistant Corporation Counsel

Recommended by:

David A. Hales
City Manager

Attachments: Attachment 1. Memorandum of Understanding (MOU)
Attachment 2. Incentive Program
Attachment 3. Forging Ahead – EDC Strategic Plan
Attachment 4. Disadvantages of doing Business in Illinois – fact sheet

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Motion: ____________________ Seconded by: ____________________

	Aye	Nay	Other		Aye	Nay	Other
Alderman Black				Alderman Mwilambwe			
Alderman Fazzini				Alderman Sage			
Alderman Fruin				Alderman Schmidt			
Alderman Lower				Alderman Stearns			
Alderman McDade							
				Mayor Renner			

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (MOU), dated November __, 2013, establishes mutual understandings and agreements between the following Parties: The City of Bloomington, The Town of Normal, The County of McLean, Bloomington School District 87 and Community Unit School District No. 5 McLean and Woodford Counties, and The Bloomington-Normal Area Economic Development Council (hereafter EDC) with respect to the establishment of a local property tax abatement program to assist with economic development.

RECITALS

WHEREAS, The Bloomington-Normal Area Economic Development Council desires locally-based incentives in order to successfully attract new businesses and help existing businesses expand; AND

WHEREAS, The Parties delineated above see benefit in the creation of jobs and capital investment associated with successful economic development activities; AND

WHEREAS, locally-based tax incentives have been a tool traditionally utilized by economic developers around the United States in order to incentivize significant economic development projects;

THEREFORE, the parties agree as follows:

UNDERSTANDINGS

1. The following incentive program will be established:

<u>Limited, Discretionary Property Tax Abatement on Improvements (PTA)</u>

A) Eligible Projects: New attraction and competitively-bid expansion projects must meet the following minimum qualification criteria in order to be considered for an abatement:
   - Create or retain 50 or more FTE jobs AND
   - Increase the property tax base by $5 million or more OR
   - Result in the creation of a new property lease with a minimum term of five years whose value is $600,000 annually

B) Demonstrated Need: All projects must present a documented "but-for" case, either by providing a written offer from another locality or a signed affidavit.

C) Two-track system: Abatements will be offered in two different tracks, based on the impact of the project in question. Projects of a higher quality will be awarded a "high impact abatement", whereas projects meeting only the minimum criteria will be eligible for the "standard abatement".

   "High-Impact" Abatement:

   - o Five-year 100% abatement on improvements (existing tax revenue not jeopardized)

“Standard Abatement:

- Five year graduated abatement on improvements (existing tax revenue not jeopardized)
  - 100% of improvements in year one
  - 80% of improvements in year two
  - 60% of improvements in year three
  - 40% of improvements in year four
  - 20% of improvements in year five

- Projects qualifying for the “High-Impact Abatement” are generally one or more of the following:
  - …in the industries of Agribusiness, Logistics & Warehousing, IT / Clean Tech Manufacturing, Finance, Insurance and Real Estate, or Education
  - …will create jobs whose average pay across all new positions (wages + benefits) is greater than the McLean County per-capita income level, as determined by the most recent American Community Survey 5-year estimates (presently $28,167).
  - …will locate in a “targeted area”. Targeted areas include officially-designated brownfields, distressed areas as defined by the Federal New Markets Tax Credit program, designated shovel-ready sites etc.
  - …derive a high percentage of revenue from exports.

D) Restrictions: The following types of projects are ineligible for abatement consideration:
- Residential-only development
- Wind Energy

E) Approval Process: All projects requesting an abatement will be presented to the taxing bodies by the Bloomington-Normal Area Economic Development Council. The EDC will screen all potential applicants, review qualifying information about each applicant, develop and ultimately present the case for each abatement request. Each individual taxing body will then consider and approve projects on a case-by-case basis by a regular vote of their elected board.

F) Clawbacks and Enforcement: In all cases, individual abatement agreements will contain well-defined clawback provisions to ensure that the projects incentivized by this abatement program perform to the expectations set forth in the agreement.
- Projects that receive abatements but are found not to have created the number of jobs and quantity of investment set forth in their agreement will be forced to pay back previously received abatement amounts on a pro-rata basis. Taxing bodies will retain the right to terminate abatement agreements for non-performance.
- Projects receiving property tax abatements must also agree to not challenge their property tax assessment for a period of 5 years following the end of the abatement period.

G) Inspection & Monitoring: All abatement agreements will provide a mechanism for inspection to ensure that the investment promised by the company has indeed taken place.

This “audit” will occur no more than once annually and will be the responsibility of the Economic Development Council to undertake at the request of a taxing body. The audit will include:

- Inspection of employee records, date of hire and salary information
- Review of construction budgets, building permits and depreciation information on tax documents
- On-site visual inspection of the investment

2. The program described above shall be managed and directed by the Bloomington-Normal Economic Development Council. The EDC’s role will be to scout, develop and present abatement proposals to the elected taxing bodies for approval. After an abatement is approved, the EDC will act at the behest of the administrators of each taxing body to collect signatures, submit documentation and perform other related tasks assigned by the administrators of each participating taxing body.

3. This MOU will become effective on the date shown above, and will continue for a period of one (1) year, and will be automatically renewed for four (4) additional one (1) year terms for a total of five (5) years, unless earlier terminated in accordance with the terms hereof.

4. Any signatory party may terminate this agreement for any reason upon at least three (3) months written notice to the other Parties.

5. This MOU may not be amended by any Party unless such amendment is mutually acceptable to all Parties and is reduced to writing and signed by all Parties.

6. It is understood and agreed that no Party to this MOU shall be legally liable for any negligent or wrongful acts, either of commission or omission, of the other, unless such liability is imposed by law and this MOU shall not be construed as seeking to either enlarge or diminish any obligation or duty owed by one Party against the other Parties or against third parties.

7. The failure of one Party to enforce any provision hereof shall not be construed as a waiver of such Party’s right to enforce such provisions in the future. In the event that any provision of this MOU shall be held to be void, voidable or otherwise unenforceable, the remaining provisions shall remain in full force and effect. This MOU shall be governed by the laws of the State of Illinois, without regard to the conflicts of laws. Any dispute arising hereunder shall be brought only in the federal or state courts located in Illinois, all protest based on jurisdiction or venue being hereby waived. This MOU may be executed in counterparts, including by facsimile signature, each of which shall be deemed an original, and all of which together shall constitute a single instrument.

IN WITNESS WHEREOF, the Parties hereto have executed this MOU as of the date first written above.

FOR: Community Unit School District No. 5, McLean and Woodford Counties, Illinois

____
Superintendent

Date: _____ / ______ / ______

FOR: County of McLean

____
Chairman

Date: _____ / ______ / ______

FOR: Town of Normal

____
Mayor

Date: _____ / ______ / ______

FOR: City of Bloomington

____
Mayor

Date: _____ / ______ / ______

FOR: Bloomington School District 87

____
Superintendent

Date: _____ / ______ / ______

FOR: Bloomington-Normal Area Economic Development Council

____
Chairman

Date: _____ / ______ / ______

Bloomington-Normal
ECONOMIC
DEVELOPMENT
COUNCIL

Executive Summary - Proposed Local Property Tax Abatement Program

September 24th, 2013

The Bloomington-Normal Area Economic Development Council is proposing the creation of a community-wide local property tax abatement program (PTA) to assist in economic development efforts in our community. PTA is a very common tactic for incentivizing projects and has been a mainstay of the economic development world since the 1970's. Currently, McLean County has no organized PTA program. On the other hand, PTA is presently available in Peoria, Champaign-Urbana, Decatur, Springfield, Chicago and a host of other communities around the country with whom Mclean County competes for projects.

Creating a PTA program would benefit both local governments as well as economic development professionals operating in McLean County. For the EDC, having an established program would give us something concrete to "put on the table" when courting new businesses outside of the community. Given that our organization's leadership has tasked the EDC with adopting a stronger recruitment strategy, incentive tools that are speedy and proactive are critical to fulfilling this charge.

For taxing bodies, having an established PTA program would offer transparency, predictability and accountability when using tax abatement to assist businesses. In the past, abatement deals have been negotiated from scratch each time such opportunities arose, which has led to ambiguities in terms of who is able to access these incentives and under what circumstances. The EDC seeks to establish firm thresholds and expectations for our PTA program as well as mechanisms to ensure performance from those companies this community chooses to incentivize. In addition, by establishing a single PTA program for the entire County, taxing bodies can act uniformly under the auspices of a single program with common terms and expectations.

There is little risk to approving a memorandum of understanding (MOU) to create this program. Under the MOU, each taxing body would retain the right to approve or deny each abatement deal. The chief purpose of the MOU is to set up expectations for the program ahead of time so that the EDC and the taxing bodies are on the same page in regards to how, when, by whom and under what circumstances this tool can be accessed.

The EDC very much appreciates your support for this proposal.

Sincerely,

CEO

Ken Springer
Vice President

Bloomington-Normal
ECONOMIC
DEVELOPMENT
COUNCIL

September 24th, 2013

Honorable Elected Officials,

As members of the McLean County business community, we're writing in support of the strategic use of tax abatements and deferments to encourage new economic development projects in our area. We understand job creation and capital investment represent the lifeblood of our community's ongoing economic success. And, it's important our elected bodies use their taxing authority to attract major projects.

American and global communities increasingly find themselves competing to attract a finite number of new projects each year. Given this competitive landscape, our local economic development program needs the proper tools to lure new companies here, while supporting and growing existing McLean County businesses. Without these incentives, our community will compete at a disadvantage with our rivals.

Therefore we, as some of McLean County's largest employers, strongly support the economic growth of our community through the judicious use of tax incentives, as long as those incentives serve three purposes. First, the incentives should balance new-growth opportunities with existing businesses. Second, they should contain performance-based contingencies to ensure accountability. Finally, increasing economic activity should offset program costs.

We encourage all local elected officials to support the creation of an incentives program for McLean County.

Sincerely,

State Farm™ — Kevin Callis

Farnsworth GROUP — Aaron Quick

McLean County Chamber of Commerce — Charlie Moore

COUNTRY FINANCIAL — Steve Denault

ECONOMIC DEVELOPMENT COUNCIL
OF THE BLOOMINGTON-NORMAL AREA - ILLINOIS

Incentives Comparison Research Project – September, 2012

I. Executive Summary

This report focuses on the availability, structure and use of local incentives in a set of specially-identified competitor communities. The report also looks at restrictions on the use of these incentives (where applicable) and some sample projects which have taken advantage of these tools. Finally, the report concludes with a recommendation that Bloomington-Normal should begin the creation of its own local incentive tool.

II. The Communities Examined

All of the communities examined in this report were nominated/ratified by EDC staff and the Major Industry sub-committee. Each of the communities shares at least some demographic, social, geographic or economic characteristics with McLean County. The communities examined are as follows:

Amherst, New York: Slightly smaller population in comparison to McLean County, affluent, high percentage of education-industry employment, University of Buffalo, State University of New York, ranked as one of the best places to live in the US.

Champaign-Urbana, Illinois: Similar in population size to McLean County, University of Illinois, home to fortune 500 companies, twin-city setup, geographic similarities, Midwest location, State of Illinois.

Columbia, Missouri: Midwest location, University of Missouri, highly educated workforce (50%+ w/ bachelor's degree), ranked as one of the best places in the US to live, high median family income, high % of education employment.

Council Bluffs, Iowa: Slightly smaller population in comparison to McLean County, Midwest community, ag-services strong component of the local economy (particularly grain transit).

Des Moines, Iowa: Similar in population to McLean County, geographically similar, with a similarly-high percentage of the workforce concentrated in the F.I.R.E. and educational services industries, University town, ranked as one of the best places to live in the US.

Fort Collins, Colorado: Similar to McLean County in population, affluent, high percentage of education industry employment, Colorado State University, ranked as one of the best places to live in the US.

Iowa City, Iowa: Iowa City MSA has slightly less population than McLean County, Midwest location, University of Iowa, ranked as one of the best places to live in the US, high % of education-industry employment.

Lafayette, Indiana: Similar in population size to McLean County, Midwest location, home to Purdue University, high percentage of education-industry employment, growing population.

III. Trends

All eight of the localities examined have some sort of local incentive package that uses tax exemptions/ abatements/rebates for economic development.

All incentive programs are defined ahead of time, with clearly-articulated requirements and application processes. All information required to process an approval of the incentive is requested up-front.

Most of these incentive programs require an approval from an elected body for each individual project. Even though the incentive programs are pre-defined, the actual approval of a particular project's incentive request is done on a case-by-case basis.

Some of the programs use a numeric scoring model to determine eligibility and benefit levels. Others simply lay out qualifying criteria and leave the final interpretation as to whether or not an individual project meets those criteria up to the approval body to decide.

Of all of the deals found for these case-study communities, few could be considered to be "pure" attraction successes. The majority of deals found were competitively-bid expansions of existing companies within the localities. "Competitively-bid" means that the company in question had at least one competing offer from another community to locate their expansion but, through the use of incentives, the expansion work was won by the incumbent community.

IV. Incentive Offerings

Amherst, New York: The Amherst Industrial Development Agency uses a payment-in-lieu-of-taxes (PILOT) program, wherein the Development Agency takes title to real property and then leases that property back to a private company. The private company then makes payments on a graduated scale which cover both the amortized purchase cost of the asset and a replacement charge for taxes. The tax-portion of the payments is less than the taxes that would have been owed had the property been privately-acquired. As a result, PILOT effectively abates property taxes and/or sales taxes for the project. The parameters for PILOT are pre-established. Companies make an application and each application is approved on a case-by-case basis.

Champaign, Illinois: Champaign offers companies a property tax abatement as the local component of their Enterprise Zone offerings. The abatement is automatically triggered as long as the project locates within the EZ, but the abatement is limited only to the City and Township's portion of the property tax. In addition, the community offers strategic tax-increment financing (TIF). The city also has an "Industrial Development Incentive" where jobs created in select industrial areas of the city can receive up to $1,500 per job with a cap of $150,000 per company. This incentive (once approved and verified), is given as cash-up-front to the company.

Columbia, Missouri: Columbia has a unique method of incenting projects. The city, through the use of "Chapter 100 Revenue Bonds", purchases real property or assets to be used by a private company and then leases those assets back to the company, using the revenue from that lease to pay the debt service on the bonds. Since the municipality actually owns the assets, the project is effectively exempt from real and personal property taxation. Companies typically pay a negotiated "grant payment" of 50% of the taxes that would have been owed had the project been executed without the assistance of the municipality. In addition to this program, the city can offer infrastructure improvements to facilitate projects and negotiate electric rate incentives through two electric suppliers.

Council Bluffs, Iowa: Council Bluffs offers property tax abatement as part of their local Enterprise Zone program. The abatement is good only for improvements made, and abates at 100% for three years. Council Bluffs also offers TIF, certain job training programs, and a revolving loan fund-like fund that can offer forgivable, no-interest and low-interest loans to projects.

Des Moines, Iowa: Property tax abatement is offered to commercial and industrial properties that make significant investments in Des Moines. Taxes are abated for all taxing entities (schools, county, libraries etc) at once. In addition to the PTA, Des Moines offers tax-increment financing (TIF) and has a financing tool called the "Action Loan Fund" which can be deployed on a discretionary basis for up to $200,000 per project.

Fort Collins, Colorado: Fort Collins can offer projects a local sales/use tax abatement or a personal property tax rebate, both on a discretionary basis. Also, the city will waive fees and expedite permits for critical projects. The city can also offer a manufacturing machinery and equipment use tax rebate.

Iowa City, Iowa: Iowa City offers property tax exemption for industrial projects and for urban revitalization. The city also offers TIF.

Lafayette, Indiana: Tax abatement is offered on machinery, equipment and real property from Tippecanoe County on a sliding scale. The City of Lafayette also offers PTA on improvements. Lafayette also has a flexible fund called EDIT, which can be used as either loans or grants to individual projects. EDIT has a cap of $200,000 per project. Companies can also receive an exemption on personal property tax through the use of the Enterprise Zone, as well as traditional tax-increment financing tools.

V. Examples of Guidelines / Restrictions on Incentives

Amherst, New York: Amherst's abatement program takes a number of different factors into account and uses a point-based scoring model. Key criteria include: 1) whether the project is going to take place in a brownfield or other specially-defined development zone , 2) whether the project represents a targeted industry - advanced manufacturing, back office, agriculture, life sciences, regional tourism, distribution/logistics, 3) the % of sales made outside of the county, 4) the % of purchases made inside the county, 5) the number of jobs to be created (each industry has different weights), 6) average wages of new jobs, 7) a ROI threshold of 15:1 on incentives vs. economic gain for the community, 8) a local revenue to abatement value ratio of 2:1, 9) whether the project is a flight risk, 10) uses LEED design standards, 11) undertakes industry research, and 12) invests in energy reduction equipment. Projects that score between 1 and 6 points get a 7-year abatement schedule, 6.5 to 12 points earn a ten-year abatement schedule and 12.5 points and higher are considered "Enhanced Jobs Plus", enabling the project to receive the highest amount of incentives.

Champaign, Illinois: Champaign's property tax abatement is available to any project that locates in its Enterprise Zone. Champaign's Industrial Development Incentive is restricted to jobs that pay above a threshold (twice area median).

Columbia, Missouri: The sales tax exemption on personal property and building materials through the Chapter 100 bond program is limited to companies that 1) have been offered a competing incentive proposal from another community, 2) pays wages above the average county wage, 3) has committed state incentives commensurate with local incentives, 4) has a positive county impact, 5) is in one of the following industries: life sciences, any exporter, manufacturing, R&D and warehouse and distribution, 6) projects must meet minimum investment and/or job thresholds by project type.

Council Bluffs, Iowa: Council Bluffs uses their Enterprise Zone as the mechanism for their local property tax abatement. To qualify for benefits, projects must be non-retail and have 1) an average wage about 90% of the county/regional average, 2) create at least 10 full-time positions, 3) provide health/dental coverage to employees, and 4) make a capital investment of at least $500,000.

Des Moines, Iowa: Des Moines property tax abatement is limited to "commercial and industrial" projects that increase the assessed value of the property by 15% or more. All new buildings receiving abatements must comply with special design standards which include landscaping, building materials restrictions, sustainability and other requirements. Projects can either choose a 3 year / 100% abatement schedule or a 10 yr declining schedule (from 80% to 20%).

Fort Collins, Colorado: Fort Collins requires that discretionary incentives be limited to targeted industry clusters. These clusters include 1) Renewable Energy, 2) Semi-Conductor Manufacturing, 3) Bioscience, 4) Agricultural Technology and 5) Software/IT. Priority is given to projects that pay wages above the county average annual wage, usually with 110% being the starting point. Also, the size of the project and the location of the project within the community (prioritizing areas with higher needs for development) are also taken into consideration. Fort Collins does not use a standardized, points-based scoring model for projects.

Lafayette, Indiana: Lafayette's abatements are restricted to the personal property tax on machinery equipment and on real property. Abatement periods can vary with longer terms awarded to companies with high rates of job growth or high wage scales. Firms receiving tax abatement are expected to give local construction firms and local suppliers the opportunity to do business whenever possible. Priority is given to firms that 1) have products sold outside the immediate area (exporters), 2) support local industries or fill gaps in industries that are not present in the community, 3) locate downtown or in the Enterprise Zone, 4) firms that use or create advanced technology, 5) do not create adverse environmental impacts on the community, 6) require additional public infrastructure improvements or zoning variances.

VI. Examples of Specific Projects

Note: The following deals include information only regarding the local incentive tools used. Many of these projects also received ample state-based incentives beyond the local portion.

Amherst, New York: The Amherst Industrial Development Agency authorized the use of an installment sale transaction for Geico in August of 2009. The deal allowed Geico to exempt $94,000 in state and local sales taxes on equipment purchases of $1.04 million. The competitively-bid project is expected to create 91 jobs during the exemption period and over 500 jobs over the next ten years.

Amherst, New York: In November of 2006, the Amherst Industrial Development Agency authorized sales and property tax abatements totaling $80 million for a new facility for HSBC Bank. HSBC was competitively bidding out an expansion of the Park Club Lane data center operations. The Amherst expansion is part of a larger $1.6 billion investment that HSBC pledged to make in the region. Said AIDA Executive Director James Allen, "This very easily could have ended up in Illinois".

Columbia, Missouri: In 2010, Columbia put together a package of state and local incentives to attract a major IBM facility to the community. Columbia used its Chapter 100 bonds program to purchase and renovate a $3 million building, which it then leased back to IBM for $1 per year for 15 years. In addition, the company was offered a sales tax exemption for personal property and a 50% property tax abatement. Columbia also extended a key road necessary for the project to happen. The project will eventually employ 800 workers, and will instantly make IBM one of the top ten largest employers in Columbia.

Council Bluffs, Iowa: In 2002, Council Bluffs assisted Automated Concepts, Inc. with relocation from the company's existing facility in the city to a new, larger facility. Automated Concepts is a robotics systems integrator that works with multiple Fortune 500 companies. Council Bluffs provided a 3-year 100% property tax abatement to the company, a refund of sales taxes and a $300,000 combination forgivable and 0% interest loan through the Community Economic Betterment Account (CEBA). The value of the expansion was estimated at $4 million.

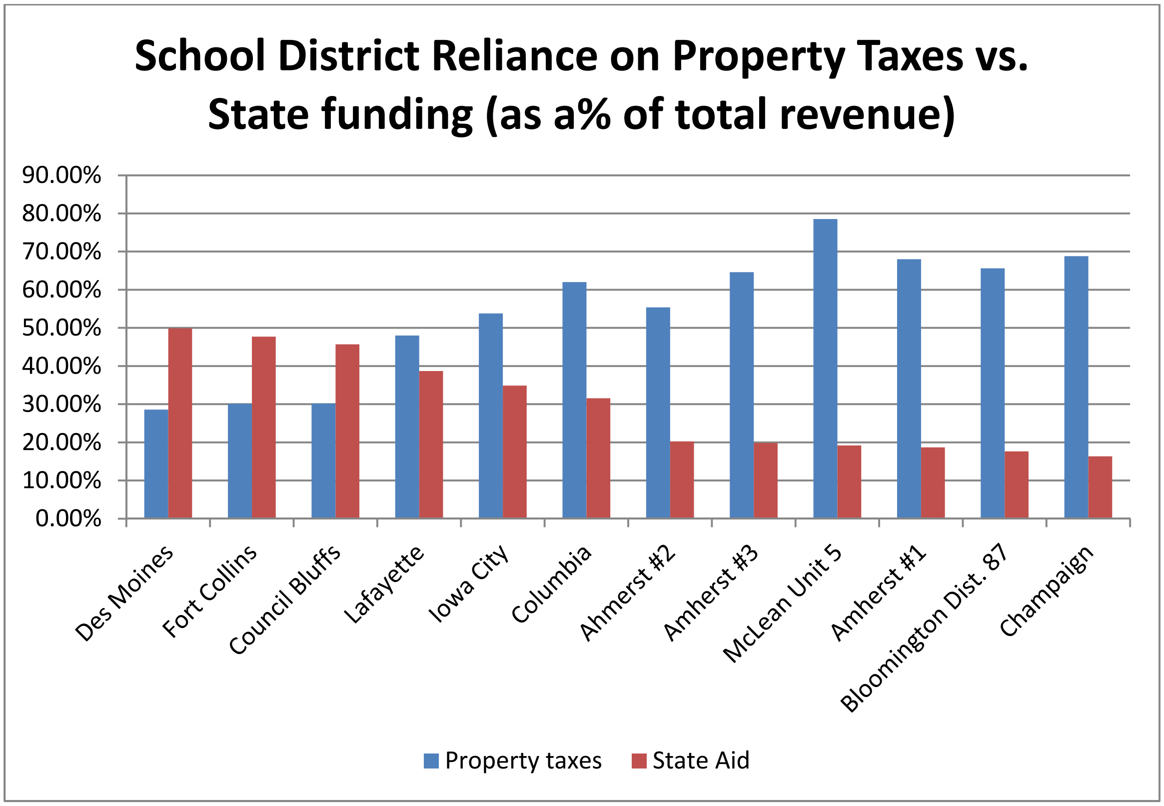
Des Moines, Iowa: In April of 2008, the City of Des Moines reached an agreement with Wellmark Blue Cross Blue Shield of Iowa to construct a new corporate HQ building in downtown Des Moines. The local incentives for that project were authorized to reach $20.8 million on a $194 million project. The local package included TIF, property tax abatement (for all taxing entities) on a portion of the project, a per-employee hiring incentive at $500 per retained employee, $1,000 per new hire for a ten year period. The project was expected to retain 1,577 FTE and create up to 150 FTE.

Fort Collins, Colorado: In August of 2012, Fort Collins began considering a package of incentives to Avago Technologies, a manufacturer of semiconductors for the wireless industry. Avago has an existing location in Fort Collins that is being considered for an expansion. The expansion would add another 136 jobs on top of the 700 that Avago already employs. The project would invest $130 million in equipment and would renovate an un-used portion of Avago's existing facility. The company is seeking a rebate on the local use tax and on personal property taxes over 10 years, with a net value of $4.9 million. The company has received "cash offers" from both Taiwan and Singapore for the new expansion. Approval of these incentives is planned for September.

Lafayette, Indiana: In March of 2012, the City of Lafayette granted a ten-year property tax abatement to Heartland Automotive in order to locate a new facility in Lafayette. The company is a supplier to Subaru, which has an existing plant in the Lafayette community. The project is expected to create 38 permanent jobs on an investment of $8.4 million. While Heartland already had a smaller presence in Lafayette, the expansion project was competitively bid amongst other localities and the company had at least one other offer on the table, triggering a "but-for" scenario.

VII. School Districts' Reliance on Property Taxes

Staff was asked to research the sources of school funding in each of the communities in order to better understand the potential impact of property tax abatement on schools. The following chart shows the breakdown of total school district revenues into property-tax sources and state sources for each school district. Unless specified, all figures come from the most recent-available budgets for these school districts.



Amherst, New York: There are three school districts in the Amherst metro area. The Amherst Central School District, as of the most recent fiscal year, relied on property taxes for 68% of its annual revenues and receives 18.7% of its annual revenues from state sources. The Sweet Home School District uses property taxes for 55.4% of its total revenues, sales taxes for 4.3% and state aid for 20.23%. The Williamsville School District uses property taxes for 64.6% of their budget, sales taxes for 5.92% and state aid for 19.81%.

Champaign, Illinois: Local "designated-purpose levies" comprises 68.8% of total revenue for CUnit 4 Schools. State sources comprise 16.33% of total revenues.

Columbia, Missouri: Property taxes ("local sources" in the budget) account for 62% of total revenues, while state sources comprise 31.55% of total revenues for the Columbia Public School district.

Council Bluffs, Iowa: Property taxes in the Council Bluffs Community School District account for 30.17% of total revenues, while state assistance accounts for 45.7% of total revenue.

Des Moines, Iowa: Property and other local taxes comprise 28.6% of total revenues for the Des Moines Public School District. State aid amounts to 49.9% of total district revenues.

Fort Collins, Colorado: The Poudure School District uses property taxes for 30.1% of total district revenues, while state sources comprise 47.7% of district revenues.

Iowa City, Iowa: Property taxes accounted for 53.79% of total revenues for the Iowa City Community School District in 2011. State sources accounted for 34.88% of revenues in that same year.

Lafayette, Indiana: Local sources of funding (majority property taxes) comprise 48% of district revenues, whereas state sources of funding comprise 38.7 % for the Lafayette School Corporation.

McLean County: Property taxes comprised 78.54% of total revenues for McLean County Unit 5 School District in 2010-2011, whereas state sources comprised 19.2% of total revenues. Property taxes comprised 65.6% of total revenues for Bloomington District 87 in 2011, while state sources comprised 17.65% of total revenues.

VIII. Conclusion / Recommendation

Based on the findings of this study, EDC staff recommends that the Major Industry committee proceed with the design of a pre-defined, discretionary incentive tool that can provide incentives to both pure attraction deals and expanding local firms. Staff sees property tax abatement as the most practical candidate for the source of the incentive, but stresses that abatement should only be made on improvements made to the real property and that abatement terms should not be so long as to inflict undue harm on taxing bodies.

Further, staff recommends that the major industry committee propose clear requirements for this program that will restrict its use to genuine attraction projects or expansions of local companies that have a competitive offer from another locality. Encoded in these requirements should be preferential treatment for companies in the five major industries.

Staff does not recommend tying this new incentive program to the Enterprise Zone for several reasons. First, the Enterprise Zone is designed to be an open-to-all type of incentive program, which by definition lacks the discretionary approval element suggested above. Second, the local Enterprise Zone is set to expire in 2016, meaning that any local incentive components therein would need to be re-designed after the expiration of our zone.

Respectfully submitted,
EDC Staff

EDC

ECONOMIC DEVELOPMENT COUNCIL
OF THE BLOOMINGTON-NORMAL AREA

Investing in McLean County

A five-year initiative for economic growth and prosperity for the Bloomington-Normal area

Anvil Brand Shoe Co., Lexington, Illinois

FORGING OUR COMMUNITY

Six years ago, leaders in McLean County public and private sectors partnered with the newly revived regional Economic Development Council (EDC) of the Bloomington-Normal Area to pursue a mutual goal: strengthen the community's economic development efforts. The work required creating an effective professional approach to helping local businesses grow, attracting new companies, and creating entrepreneurial opportunities for wealth and prosperity.

This shared desire resulted in the EDC's five-year initiative titled Navigating A New Direction. In place from 2006-2011, the plan created/retained more than 1,000 local jobs and injected more than $1 billion in new capital investment into McLean County.

These impressive results bolster our belief that the EDC is critical to our community's growth and development. We are consequently committed to continue investing significant amounts of time and financial resources to maximize the EDC's regional impact and effectiveness well into the future.

Forging Ahead is the new, five-year economic development plan crafted for 2012-2016 to ensure the EDC continues on its path forward with even greater influence and intensity. The plan offers community leaders and committed investors the opportunity to build on the EDC's past successes.

We fully support the four new strategies identified in Forging Ahead for implementation by 2017. The aggressive and comprehensive strategy detailed in this document will empower the EDC to compete with other communities, which in turn will sustain and propel our viable regional economy. The plan outlined in this brochure also challenges McLean County leadership to support new business recruitment, existing business expansion, community advocacy, and local business communications.

The time is now for effective community leadership! We hope that we can count on your endorsement and financial support of Forging Ahead to ensure the long-term health and economic success of McLean County.

Jennifer McDade

Alderman, City of Bloomington

Dave Magers

CFO, COUNTRY Financial

A GREAT START

Every nation, state, and community is working hard in today's global marketplace to capitalize on a finite number of available business attraction and expansion projects. Due to the uncertainty surrounding broad macroeconomic issues—such as European sovereign credit concerns, protracted U.S. debt, and general economic malaise—many communities are taking steps to reduce their risk of a local economic slowdown.

Community leaders in Bloomington-Normal responded by uniting behind the Economic Development Council (EDC) and it's Navigating A New Direction initiative, which was launched in 2006.

The five-year plan worked, fulfilling the desire of local leadership to control the community's destiny. To date, Navigating A New Direction has helped create/retain more than 1,000 local jobs and inject more than $1 billion in new capital investment into McLean County.

Navigating A New Direction created a good start, resulting in accomplishments that affirm we have a well-managed community. Bloomington-Normal is without a doubt an attractive place to live with low crime, first-class hospitals, and superior educational facilities.

The momentum must and will continue with Forging Ahead, which will be implemented between 2012-2016. This next five-year initiative promises to remain true to the EDC's core mission, while bringing a tighter focus on new business recruitment and existing business expansion.

Local economic development requires a long-term approach, with strategies focused on current realities and conditions. Strong leadership from public and private stakeholders is a vital ingredient to successful and effective implementation of these strategies.

Five years ago, a handful of visionary leaders took a leap of faith in believing that the EDC truly could influence this region's economic future by Navigating A New Direction. McLean County is now Forging Ahead, confident local leaders and investors will continue to partner with the EDC to garner even more success and growth within our thriving community!

The Normal Theater, Normal, Illinois

2012–2016 4 STRATEGIC PRIORITIES

1 TARGETED NEW BUSINESS RECRUITMENT

Strategic Objective: Attract new jobs and capital investment

Key Performance Metric: Lead in the location of five new companies into the community
Planned expenditure: $1,777,451

The EDC will strategically target industry sectors compatible with our region to develop high-paying jobs. The EDC will also improve existing services and programs such as Community Development Corporation, Enterprise Zone management and implementation, project development/proposal inquiries/new business services, and foreign direct investment (FDI) and trade programs. New efforts include:

- Pursue companies in industry sectors that provide the best potential to attract high-paying jobs and capital investment;
- Continually evaluate and identify industries that will provide the highest success rate for the attraction of new companies into the region;
- Concentrate on tech-based, service-sector firms requiring a well-educated workforce;
- Focus on capital-intensive manufacturing companies requiring a highly skilled workforce;
- Build and sustain strong relationships with corporate decision-makers and site location consultants.

2 EXISTING BUSINESS ASSISTANCE, SUPPORT, AND EXPANSION

Strategic Objective: Retain and grow existing businesses specializing in basic industry sectors

Key Performance Metric: Assist in 100 existing business retentions and expansions
Planned expenditure: $748,039

The EDC assists and supports all McLean County businesses. It will be the primary source of assistance for second-stage businesses, entrepreneurs, and mature businesses. The EDC will improve existing services and programs such as Community Development Corporation, Enterprise Zone, Executive Pulse Business Retention Program, and current initiatives that develop an entrepreneurial environment. New efforts include:

- Convene an annual summit to examine progress and challenges, with transportation the 2011 topic;
- Develop a headquarter contact program to meet annually with Bloomington-Normal corporate executives;
- Consult and provide resource identification and growth strategies for companies with 20 or more employees seeking to expand;
- Develop angel capital resources and venture capital resources;
- Assist local companies to identify new markets outside the region, including potential export assistance; and
- Develop programs or procedures that provide for the infill/redevelopment of at least 2 vacant county retail properties and/or industrial sites annually.

The creation and attraction of quality jobs has become increasingly sophisticated and complex. In the United States alone, more than 15,000 economic development organizations are actively pursuing the limited number of new business opportunities for their respective areas. An aggressive and comprehensive strategy is required for the Bloomington-Normal area to propel and sustain a viable regional economy. Forging Ahead provides that by establishing a goal of raising $3.5 million from the private and public sectors combined to fuel four strategic priorities.

3 COMMUNITY ENHANCEMENT AND ADVOCACY

Strategic Objective: Provide advocacy and support to community-wide initiatives that enhance quality of life, have economic impact, and produce jobs and capital investment

Planned expenditure: $137,255

The EDC will improve existing services and programs, such as the One Voice government advocacy program. The agency will convene and lead community projects with economic impact. New efforts include:

- Support/enhance the quality and development of transportation assets, from the airport and transportation center to high-speed rail and interstate system;
- Develop a legislative agenda for business improvement, then work with regional and state partners to secure change; and
- Partner with/support organizations to create a pro-business environment and bring a quality product to market. Working with the McLean County Chamber of Commerce, downtown support organizations, the Convention and Visitors Bureau, schools, state and regional allied groups and associations, and area municipalities, the EDC will lead or partner on issues such as community appearance, a superior education system, downtown vibrancy, cultural/recreational amenities, and sound infrastructure, all to provide a positive business climate.

4 ECONOMIC INFORMATION AND COMMUNICATION

Strategic Objective: Provide information and research essential to the business community's success; inform individuals and organizations in a way that enhances their objectives, thus improving the community's quality of life and economic prosperity

Planned expenditure: $837,255

The EDC is the community's primary source for economic information, with a wealth of data, information, and services available. More needs to be done to make businesses and individuals aware of what is available. To improve in this area the EDC will:

- Report results and findings from the business retention program to area municipalities, the McLean County Chamber of Commerce, and other allied organizations;
- Create publications and marketing materials to capture and promote statistical data needed by anyone interested in investing in McLean County;
- Conduct a variety of periodic seminars, forums, and presentations with local and national experts to keep business and community leaders updated on economic trends and issues; and
- Provide economic information to area businesses and entities seeking data services support.

Our goal is to raise $3.5 million

Twin Groves Wind Farm, Bloomington, Illinois

FIVE-YEAR GOALS

In order to deliver a tangible return on the community's investment in this $3.5 million plan, and as a means of providing accountability to investors, the EDC has established that it will achieve the following four goals by 2017.

1. **Assist in the creation of 1,500 new jobs, with more than 50 percent of the positions paying at or above the McLean County median wage of $34,736 annually. This goal will be obtained through:**
   Priority #1—Targeted New Business Recruitment
   Priority #2—Existing Business Assistance, Support, and Expansion

2. **Attract five new basic sector/interstate commerce companies into the area. This goal links directly to:**
   Priority #1—Targeted New Business Recruitment

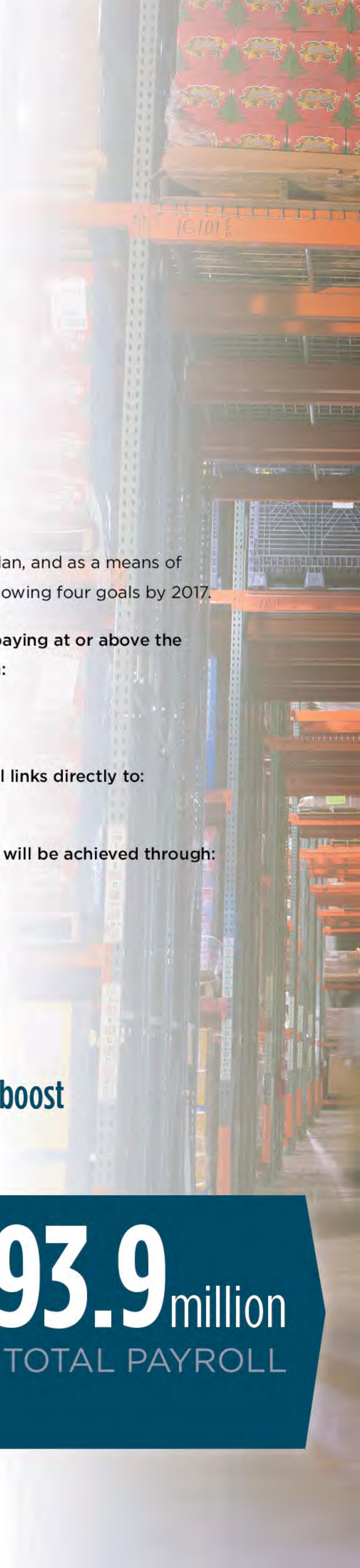
3. **Assist 100 existing businesses in expansion, support, and retention of jobs. This goal will be achieved through:**
   Priority #2—Existing Business Assistance, Support, and Expansion

4. **Facilitate $150 million in new capital investment. This goal ties specifically to:**
   Priority #1—Targeted New Business Recruitment
   Priority #2—Existing Business Assistance, Support, and Expansion
   Priority #3—Community Enhancement and Advocacy

Forging Ahead will ultimately result in an enormous economic boost to McLean County, which will gain:

2,674
TOTAL NEW JOBS

$93.9 million
IN TOTAL PAYROLL



Nu-Way Transportation, Inc., Bloomington, Illinois

$63.9 million
IN CONSUMER EXPENDITURES

$21.3 million
IN LOCAL BANK DEPOSITS

ECONOMIC IMPACT

METRICS	Direct Impact[1]	Indirect[2] and Induced[3] Impact	Total Impact
Jobs	1,500	1,174	2,674
Earnings (payroll)	$54,882,880	$39,036,317	$93,919,197

New payroll is projected to generate

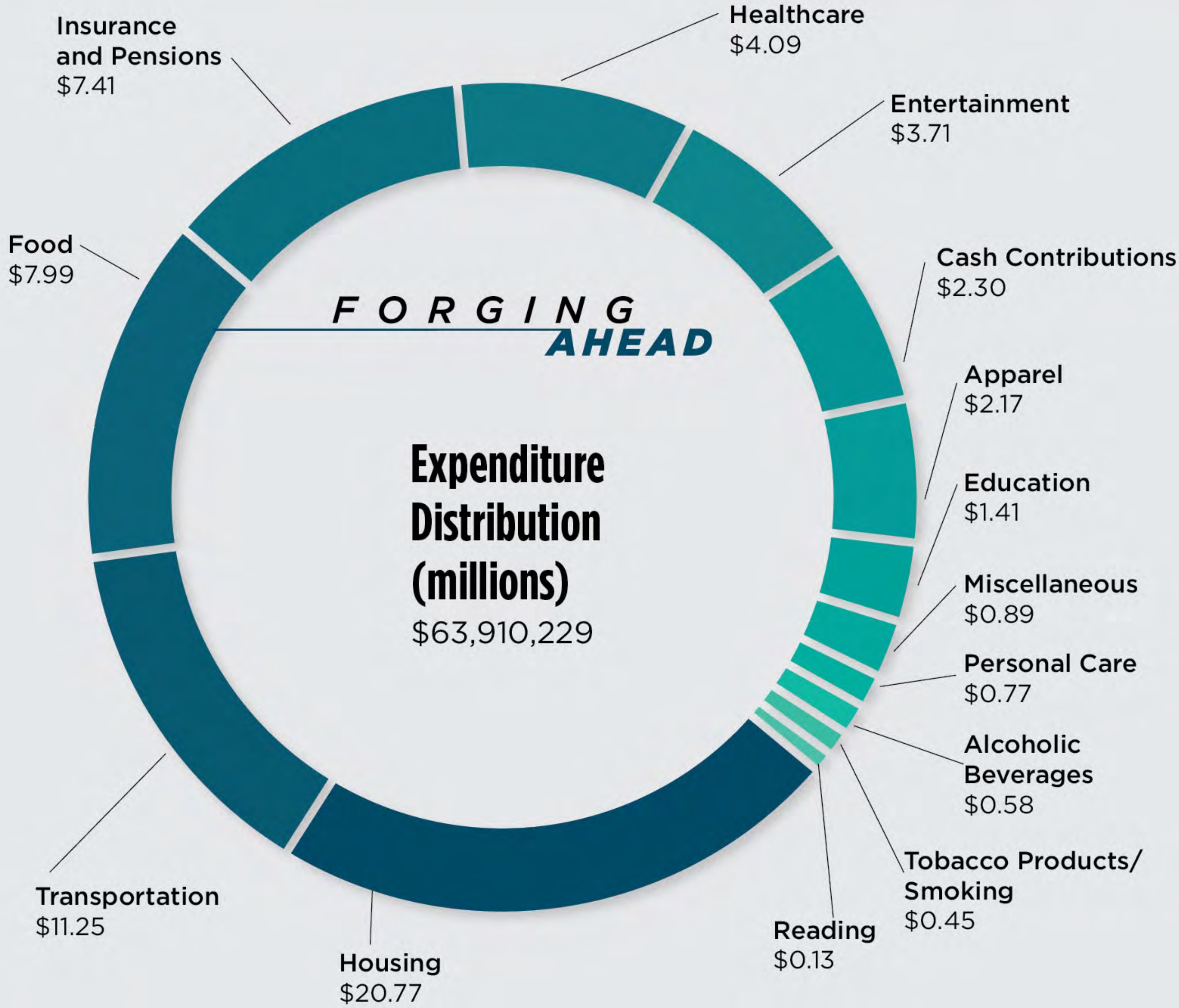
Net Personal Consumption Expenditures[4]	$63,910,229
Deposit Potential for Area Financial Institutions[5]	$21,303,410

1 **Direct Impact:** Impact generated directly from the jobs created with the assistance of the new initiative
2 **Indirect Impact:** Changes in employment, income, and output (business sales) in various industry sectors of the local economy supplying goods and services to the companies that expanded
3 **Induced Impact:** Captures the ripple effect of increased household and/or institutional income
4 **Net Personal Consumption Expenditures:** Percentage of disposable personal income less interest, personal transfer payments, and personal savings
5 **Deposit Potential:** Personal savings rate less deposit leakage estimate with area turnover (Reserve Requirement Ratio)

A portion of total earnings is used for personal consumption expenditures. The chart shows how the money will be spent following a consumption pattern consistent with the Midwest region. Note: The report does not include nonconsumer expenditures, such as utilities of new/expanded businesses, and insurance payments from insurance companies.

The expenditure detail determines the estimated annual impact to regional companies—with knowledge of their regional market share—as a result of Forging Ahead job creation activities.

Note: The EDC counts an "assist" as any time the agency is involved in the process of helping a company expand, locate, or add additional jobs and/or capital investment. This role could constitute a wide variety of activities that include but are not limited to real estate services, grant applications, capital acquisition, referrals, and other consulting. The EDC does not count jobs created by the private sector without our help, nor does it count induced and indirect jobs that occur as "spinoffs" of our direct involvement in primary job creation.


FORGING AHEAD
Expenditure Distribution (millions)
$63,910,229
Insurance and Pensions $7.41
Healthcare $4.09
Entertainment $3.71
Food $7.99
Cash Contributions $2.30
Apparel $2.17
Education $1.41
Miscellaneous $0.89
Personal Care $0.77
Alcoholic Beverages $0.58
Tobacco Products/ Smoking $0.45
Reading $0.13
Transportation $11.25
Housing $20.77

Campaign Development Council Cabinet

Mayor Chris Koos
Town of Normal

Mayor Steve Stockton
City of Bloomington

Al Bowman
Illinois State University

Colleen Kannaday
Advocate BroMenn

Kevin Callis
State Farm Insurance

Communications Chair

Jay Groves
Illinois State University

Evaluations Chair

Bob Lakin
Commerce Bank

Advanced Division Co-Chair

Ron Greene
AFNI Inc.

Tom Good
Busey Bank

Allen Goben
Heartland Community College

Campaign Director

Alan Chapman
Campaign Director

Leadership Division Co-Chair

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Integrity Technology Solutions

John Penn
Laborers' International Union of North America

Jeff Lynch
GROWMARK

Pacesetter and Community Divisions

Jeff Flessner
Benefit Planning Associates

Denise Grazer
Fox & Hounds Hair Studio and Day Spa

Rich Zeller
Avanti's Restaurants

Julie Hile
The Hile Group

Mike O'Grady
Village of Hudson

Forging Ahead photography courtesy of Rick Kessinger Studio, Bloomington. Written by Marty Vanags, Jay Groves, and Susan Blystone.
Designed by Michael Mahle. Art Direction by Brian Beam. Forging Ahead sculpture commissioned by Paul Halvorsen, Normal.
Printing courtesy of Illinois State University, Office of the President, and Printing Services.

The Disadvantages of doing Business in Illinois

- Illinois has the **worst pension funding** of all 50 states *(Chicago Tribune, 7/31/13)*
- Illinois' business **tax climate** is only 29th best in the U.S. *(Chicago Tribune, 7/7/13)*
- Illinois' jobless rate is the nation's **second-highest** *(Chicago Tribune, 7/7/13)*
- Illinois' **debt** sits at $97B and **unpaid bills** at $10B *(Chicago Tribune, 4/18/13)*
- Illinois' **credit rating** sinks to worst in nation *(Chicago Tribune, 1/25/13)*
- Illinois is among the worst states in the country for businesses because of the **legal climate** *(Chicago Tribune, 9/10/12)*
- Illinois among top three states for **workers compensation** costs *(Peoria Journal Star, 2/27/12)*

FOR COUNCIL: November 12, 2013

SUBJECT: Proposed 2013 Estimated Tax Levy

RECOMMENDATION/MOTION: The Council makes a motion to set the estimated 2013 property tax levy in the amount of $23,219,066.

STRATEGIC PLAN LINK: Goal 1. Financially Sound City Providing Quality Basic Services.

STRATEGIC PLAN SIGNIFICANCE: Objective 1c. Engaged residents that are well informed and involved in an open governance process.

BACKGROUND: According to the Illinois Property Tax Code Division 2 Truth in Taxation (35ILCS 200/18-60), the City must formally adopt an estimated tax levy not less than 20 days prior to the adoption of a final tax levy.

35ILCS 200/18-85 requires said estimate be compared to the prior year extension and if a 5% increase exists then a public notice and a public hearing must occur.

In addition, the tax levy ordinance must be passed by a vote of the Council and a certified copy, thereof, filed with the County Clerk on or before the last working Tuesday in December which is December 17th. Therefore, the adoption of the 2013 Tax Levy Ordinance should be placed on the Council's December 9, 2013 meeting agenda. In addition, it is our goal to abate any taxes at this meeting.

There are three components of the property tax formula that affect an increase or decrease in a homeowners property taxes. The dollar amount requested by the City or any of the other overlapping tax districts, the amount of the final equalized assessed value (EAV) which is one third of the properties assessed value, and the tax rate that is generated by dividing the dollar amount by the EAV:

Tax formula: $$\frac{\text{Dollar Levy}}{\text{Final EAV}} = \text{Tax Rate}$$

The City adopts its estimated tax levy based on a preliminary EAV which is an estimate and subject to the appeals process. The Final EAV is completed by January 1st, 2014. The tax rate generated is later applied to individual property owner's tax bills on April 1st, 2014 and bills are sent out on May 1st.

2013 Tax formula Estimate (Preliminary EAV):	$\frac{\$23{,}219{,}066}{\$1{,}768{,}687{,}513}$	1.31279%

This year the City is asking for $23,219,066 *(See Exhibit 1)* which appears to result in a lower tax rate than last year. Depending on what happens to the City's Final EAV, homeowner's could receive a slight decrease in property taxes levied by the City of Bloomington. *See Exhibit 2 for estimated impact to individual homeowners.*

The City's tax levy is made up of the following ten (10) components explained briefly below:

1. Bonds & Interest – this levy is used to fund costs associated with city owned debt instruments. The general obligation debt (GOB) service is approximately $8,846,034 for FY2014 (excluding capital leases and IEPA loans for enterprise funds). The City levied $2,180,143 in FY2014 or approximately 24.6% of total GOB debt. The balance is abated and paid from other revenue sources. There is no increase recommended in the 2013 levy.

2. Fire Pension – this levy is used to fund contribution for employees eligible for a fire pension. The FY2014 minimum statutory contribution was $2,902,472 as calculated by Tepher Consulting and was levied at 100%. This year's levy will be increased $1,000,000 to the minimum contribution as calculated by the Illinois Department of Insurance or the first phase of the City's new pension funding methodology; both of which are equal in year one.

3. Fire Protection - this levy is used to fund costs associated with fire protection. Fire protection costs (net of departmental revenue and pension) are approximately $10,908,079 for FY2014. The City levies roughly 10.8% of this cost and is recommended to remain flat in the 2013 levy.

4. General Corporate – this levy is used to fund the general operations of the City, this component of the levy has been increased in the past to supplement the road resurfacing program which has grown to approximately $4.0 million dollars in FY2014. This portion of the 2013 levy is recommended to be reduced by approximately $1.6 million dollars to offset Police and Fire pension funding increases. If the $1.6 million reduction in levy cannot be absorbed by other City revenues then the road resurfacing program may need to be reduced. Note: $10,000,000 road resurfacing and sewer bond was issued in October 2013.

5. Illinois Municipal Retirement Fund (IMRF) – this levy is used to fund portions of the annual pension contribution for employees eligible for the Illinois Municipal Retirement Fund. The FY2014 minimum statutory contribution is based on a % of payroll and was budgeted at $3,595,407. The City levied for approximately 70% of the required minimum contribution in FY2014 and paid the balance from other revenue sources. This portion of the 2013 levy is recommended to remain flat.

6. Police Pension – this levy is used to fund the minimum annual statutory required contribution for employees eligible for a police pension. The FY2014 minimum statutory contribution was $3,181,581 as calculated by Tepher Consulting and was levied at 100%. This year's

levy will be increased $576,419 to the minimum contribution as calculated by the Illinois Department of Insurance or the first phase of the City's new pension funding methodology; both of which are equal in year one.

7. Police Protection – this levy is used to fund costs associated with police protection. Police protection costs (net of departmental revenue and pension) are approximately $15,092,090 for FY2014. The City levies approximately 8.9% of this cost and is recommended to remain flat in the 2013 levy.

8. Public Parks – this levy is used to fund costs associated with public parks. Park costs which include: administration, maintenance, recreation, aquatics, Miller Park Zoo, and the Pepsi Ice Center (net of departmental revenues) are approximately $5,795,569 for FY2014. The City levies about 17.2% of these costs and is recommended to remain flat in the 2013 levy.

9. Social Security – this levy is used to fund costs associated with the cities portion of social security for eligible employees. The FY2014 social security costs are estimated at $2,069,002; The City levies roughly 70% of this cost and is recommended to remain flat in the 2013 levy.

10. Library – this levy is used to fund costs associated with the Library. The FY2014 estimated Library costs are $4,513,477 net of departmental revenue. The City levied for 100% of the net Library costs in FY2014. The 2013 levy will increase by $33,233 to a total of $4,546,710 as requested by the Library Board.

Expenditures related to the property tax levy are primarily related to operations with the exception of the Library estimate which includes contributions to capital, and any portions of the General Corporate component contributed to the road resurfacing program.

COUNCIL COMMITTEE BACKGROUND: A preliminary discussion of the 2013 tax levy was held at the October 21st, 2013 Committee of the Whole public meeting.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Both the Police and Fire Pension Boards have actively participated pension funding discussions and have been communicated with in regards to the Police and Fire pension contributions portions of the 2013 tax levy.

FINANCIAL IMPACT/ANALYSIS: The Council adopted a "reduced dollar" tax levy last year of $23,185,803 *as extended.* The City Manager and Finance Director recommend the Council adopt tax levy estimate of $23,219,066 which increases the overall levy by $33,233 to fund Library's FY2014 budget request. A redistribution of the remaining levy enables the city to increase its pension funding for both the Police and Fire pensions

Finance has created the attached three exhibits to facilitate Council's decision making process over the next 20 days. The Exhibit 1 depicts the recommendations discussed within listed by levy component. Exhibit 2 is the estimated impact to the individual homeowner. Exhibit 3 is history of City's levies as previously adopted for your reference.

Respectfully submitted for Council consideration.

Prepared by: Patti – Lynn Silva, Director of Finance

Recommended by:

David A. Hales
City Manager

Attachments Attachment 1. Exhibit 1 - Estimated Tax Levy Proposal
Attachment 2. Exhibit 2 – Estimated Impact to Homeowners
Attachment 3. Exhibit 3 – History of Tax Levies

Motion: ____ Seconded by: ____

	Aye	Nay	Other		Aye	Nay	Other
Alderman Black				Alderman Mwilambwe			
Alderman Fazzini				Alderman Sage			
Alderman Fruin				Alderman Schmidt			
Alderman Lower				Alderman Stearns			
Alderman McDade							
				Mayor Renner			

City of Bloomington 2013 Estimated Tax Levy Proposal

Levy Component	***2013 Estimated Tax Levy Proposal***	
BONDS & INTEREST	$	2,180,143
FIRE PENSION^	$	3,946,000
FIRE PROTECTION	$	1,183,228
GENERAL CORPORATE	$	1,287,233
IMRF	$	2,502,907
POLICE PENSION^	$	3,758,000
POLICE PROTECTION	$	1,354,421
PUBLIC PARKS	$	1,001,415
SOCIAL SECURITY	$	1,459,009
LIBRARY^^	$	4,546,710
TOTALS	**$**	**23,219,066**
Dollar Increase/(Decrease) over Prior Year	$	33,233
Percent Increase/(Decrease) over Prior Year		0.14%

^ Both the Police and Fire Pension levy components were increased by approximately $1.6 million with a corresponding decrease in the General Corporate portion of the levy.

^^ The Library levy has been increased as requested by $33,233.

City of Bloomington Estimated Impact to Homeowners based on the 2013 Tax Levy Estimate

Home Value	2012 Tax Levy	2013 Estimated Tax Levy Proposal	$ Increase/(decrease)
100,000	$ 438.66	$ 437.55	$ (1.11)
150,000	$ 657.99	$ 656.33	$ (1.66)
160,000	$ 701.85	$ 700.08	$ (1.77)
175,000	$ 767.65	$ 765.71	$ (1.93)
180,000	$ 789.58	$ 787.59	$ (1.99)
200,000	$ 877.31	$ 875.10	$ (2.21)
225,000	$ 986.98	$ 984.49	$ (2.49)
250,000	$ 1,096.64	$ 1,093.88	$ (2.76)
300,000	$ 1,315.97	$ 1,312.65	$ (3.32)
400,000	$ 1,754.63	$ 1,750.21	$ (4.42)

** Please note that taxes listed above per homeowner are estimates based on the preliminary equalized assessed value and is subject to change based on the final equalized assessed value.

City of Bloomington History of Tax Levies

Levy Type	***2013 Estimated Tax Levy Proposal***	***2012 Adjusted Levy Amount***	***2011 Adjusted Levy Amount***	***2010 Adjusted Levy Amount***
AUDIT	$ -	$ -	$ -	$ -
BONDS & INTEREST	$ 2,180,143	$ 2,180,143	$ 2,179,980	$ 2,179,867
FIRE PENSION^	$ 3,946,000	$ 2,908,472	$ 3,111,552	$ 3,407,498
FIRE PROTECTION	$ 1,183,228	$ 1,183,228	$ 1,183,182	$ 1,183,182
GENERAL CORPORATE	$ 1,287,233	$ 2,901,180	$ 2,973,867	$ 1,927,000
IMRF	$ 2,502,907	$ 2,502,907	$ 2,502,956	$ 2,502,956
LIABILITY INSURANCE	$ -	$ -	$ -	$ -
POLIC PENSION^	$ 3,758,000	$ 3,181,581	$ 3,306,933	$ 4,057,967
POLICE PROTECTION	$ 1,354,421	$ 1,354,421	$ 1,354,332	$ 1,354,332
PUBLIC BENEFIT	$ -	$ -	$ -	$ -
PUBLIC PARKS	$ 1,001,415	$ 1,001,415	$ 1,001,487	$ 1,001,487
ROAD AND BRIDGE	$ -	$ -	$ -	$ -
SOCIAL SECURITY	$ 1,459,009	$ 1,459,009	$ 1,459,097	$ 1,459,097
LIBRARY	$ 4,546,710	$ 4,513,477	$ 4,513,519	$ 4,513,519
TOTALS	**$ 23,219,066**	**$ 23,185,833**	**$ 23,586,905**	**$ 23,586,905**
Dollar Increase/(Decrease)	$ 33,233	$ (401,072)	$ -	$ 230
Percent Increase/(Decrease)	0.14%	-1.70%	0.00%	0.00%

FOR COUNCIL: November 12, 2013

SUBJECT: Proposed Funding Ordinance for the Police and Fire Firefighter Pension Plans

RECOMMENDATION/MOTION: Recommend that the Text Amendment to Chapter 16, Article III, Funding Ordinance for Police and Firefighter Pension Plans, Section 46, be approved and the Ordinance passed.

STRATEGIC PLAN LINK: Goal 1. Financially Sound City Providing Quality Basic Services.

STRATEGIC PLAN SIGNIFICANCE: Objective 1a. Budget with adequate resources to support defined services and level of services.

BACKGROUND: As directed by Council through the Action Agenda Plan beginning in FY2013 a study of the status of the City's pension obligations and funding levels began. The Finance Department worked with an independent actuary to understand its status and legislative obligations of the City's three main pension plans: the Illinois Municipal Retiree Fund (IMRF), and the Police and Fire Pension funds. It was determined the that IMRF fund - the City's largest pension representing 1,045 members was 82% funded while the Police and Fire Pensions with approximately 200 members each were lagging between 50% and 60% funded. Legislation passed in 2011 now requires Police and Fire Pensions to be funded at 90% by Fiscal Year 2040. To achieve this goal the State recommends a minimum annual contribution. In analyzing this legislation it became evident that the annual contributions were minimal in the early years of the state's plan and then increase substantially in the last several years of the plan. In reviewing the City's finances these increases were determined to be unsustainable and would cause an inequitable tax burden on a future generation of tax payers. The Finance Department worked with the City Council, Police and Fire Pension Boards, its independent actuary, the Administration and Finance Committee, and the public to develop a Pension funding policy. The attached ordinance represents a culmination of the input and analysis obtained throughout the last 15 months. The benefits of this funding plan are major: resulting in full funding for both Police and Fire Pension Plans as well as providing over $68,000,000 of saving over the State's Minimum Plan. The FY2015 increase of $1.6 million dollars is included in the 2013 Tax Levy Estimate; to accommodate this increase a corresponding decrease has been made in the General Corporate portion of the levy normally intended for the road resurfacing program.

The City follows the Governmental Accounting Standards Board's accounting standards which does require the adoption of funding policy by the Fall of 2014.

COUNCIL COMMITTEE BACKGROUND: A discussion of the Police and Fire Pension Funding Policy was held at the October 21st, 2013 Committee of the Whole public meeting in addition to numerous meetings and presentations over the last 15 months at both the Council and Committee level.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Police and Fire Pension Board Members have actively participated in pension funding discussions and have attended Council and Committee meetings. In addition, both boards and have been communicated with in regards to the Police and Fire pension portions of the 2013 Estimated Tax Levy.

FINANCIAL IMPACT/ANALYSIS: The adoption of the Police and Fire Pension Funding Ordinance will cause approximately a $1.6 million increase in pension contributions in Fiscal Year 2015 and then increase on average $1.2 million for the next four years. This is a five year phase in approach which will save the City approximately $68,000,000 - See attached Exhibit 1. The 2013 Estimated Tax Levy includes the $1.6 million Fiscal Year 2015 increase for both the Police and Fire Pension seen in the Police and Fire Pension components of the levy with a corresponding decrease in the General Corporate portion of the levy recently used to fund the City's road resurfacing program. If the City cannot absorb the $1.6 million in road resurfacing funding in the FY2015 budget not included in the levy then this program may need to be reduced.

Respectfully submitted for Council consideration.

Prepared by: Patti - Lynn Silva, Finance Director

Recommended by:

David A. Hales
City Manager

Attachments
Attachment 1. Ordinance
Attachment 2. Proposed Funding 5-Year Plan
Attachment 3. Proposed Funding 10-Year Plan
Attachment 4. Utility Tax Analysis

Motion: ______________________________ Seconded by: ______________________________

	Aye	Nay	Other		Aye	Nay	Other
Alderman Black				Alderman Mwilambwe			
Alderman Fazzini				Alderman Sage			
Alderman Fruin				Alderman Schmidt			
Alderman Lower				Alderman Stearns			
Alderman McDade							
				Mayor Renner			

ORDINANCE NO. 2013-

AN ORDINANCE AMENDING BLOOMINGTON
CITY CODE CHAPTER 16

BE IT ADOPTED by the City Council of the City of Bloomington, Illinois:

SECTION 1. That the Bloomington City Code Chapter 16, Article III, shall be and the same is hereby amended by adding Section 46 to read as follows:

Section 46 Funding Ordinance for Police and Firefighter Pension Plans.

Section 46.1 Purpose.

This ordinance is intended to set forth guidelines the City Council will use to determine the contributions needed to fund pension benefits for its Police and Fire employees as required by State law under Articles 3 and 4 of the Illinois Pension Code. This ordinance is further intended to:

(1) ensure that the pension funds have sufficient assets on hand to pay all benefits due;

(2) minimize the annual volatility of budgeted contributions;

(3) provide for equity among different generations of taxpayers with respect to bearing the costs of pension contributions;

(4) ensure that all statutory funding requirements are satisfied; and

(5) provide for full funding of pension liabilities.

Section 46.2 Fund Contributions.

(a) In order to achieve the objectives set forth in Section 46.1 and beginning with the budget for fiscal year 2015, the City Council will begin phasing in a process by which contributions to Police and Fire pension funds are based upon Actuarially Determined Employer Contributions (ADEC) prepared in accordance with Section 46.3 of this Chapter. In the period from fiscal year 2015 through fiscal year 2019, the City will move gradually from contributing to these pension funds based upon the statutory minimum required by law, to basing them upon the ADEC, with contribution levels based entirely upon the ADEC occurring no later than fiscal year 2019.

(b) Pension contributions will be funded through the annual property tax levy. The Finance Director shall include the ADEC in the tax levy estimate provided annually to the City manager and City Council.

(c) The City Manager and Finance Director shall communicate the ADEC to both the Police and Fire pension boards prior to the adoption of the tax levy by the Council.

Section 46.3 Actuarially Determined Employer Contributions; Preparation and Assumptions.

(a) The Finance Director will utilize the services of a certified independent actuary to calculate Actuarially Determined Employer Contributions each year, beginning with the May 1, 2013 actuarial valuation. The annual valuation will be prepared in compliance with all applicable Actuarial Standards of Practice and completed by October 1. The certified independent actuary shall also calculate the statutory minimum contribution as required by the Illinois Pension Code.

(b) The ADEC shall be determined using the following funding method elements:

(1) Long Term Outlook. The City will use a thirty year closed period to amortize its unfunded pension liabilities. Said closed period shall extend from May 1, 2011 through May 1, 2041.

(2) Assumptions. The ADEC shall be calculated using the following assumptions:

(i) Interest rate: Seven percent (7%).

(ii) Actuarial Cost Method: The Entry Age Normal (EAN) actuarial cost method required by the Government Accounting Standards Board will be used to determine the Normal Cost as well as the Actuarial Accrued Liability.

(iii) Amortization Method: A level percent of pay assumption of four percent (4%) will be used to amortize existing unfunded pension liabilities.

(iv) Asset Valuation Method: In order to minimize the impact of investment volatility on the ADEC, an asset evaluation method utilizing a five year smoothing for investment gains and losses will be used.

(v) Level of Funding: The ADEC will be calculated using a target funding ratio of one hundred percent (100%).

Section 46.4 Review of Pension Funding Ordinance.

The City Manager or Finance Director shall review this ordinance at least annually, examining its effectiveness and determining whether any modifications are necessary to ensure the ordinance is acted upon in conformance with accounting standards, best practices and changes in legislation.

SECTION 2. Except as provided herein, the Bloomington City Code, as amended, shall remain in full force and effect.

SECTION 3. The City Clerk is hereby directed and authorized to publish this Ordinance in pamphlet form as provided by law.

SECTION 4. This Ordinance is enacted pursuant to the authority granted to the City as a home rule unit by Article VII, Section 6 of the 1970 Illinois Constitution.

SECTION 5. This Ordinance shall take effect immediately upon passage and approval.

PASSED this ____ day of November, 2013.

APPROVED this ______ day of November, 2013.

APPROVED:

TARI RENNER
Mayor

ATTEST:

TRACEY COVERT
City Clerk

City of Bloomington

Proposed Funding Plan - Phase-in up to 5 years

Fiscal Year	Police	*PD variance*	*EST. Funding Level*	Fire	*FD variance*	*EST. Funding Level*	Total	Variance	
FY2014	3,182,000	-	48.60%	2,908,000	-	45.70%	6,090,000	-	
FY2015	3,758,000	576,000	50.40%	3,946,000	1,038,000	46.70%	7,704,000	1,614,000	(1)
FY2016	4,682,000	924,000	50.50%	4,408,000	462,000	46.20%	9,090,000	1,386,000	(1)
FY2017	5,432,000	750,000	51.00%	5,158,000	750,000	46.40%	10,590,000	1,500,000	(1)
FY2018	6,182,000	750,000	52.10%	5,558,000	400,000	47.10%	11,740,000	1,150,000	(1)
FY2019	6,697,000	515,000	53.90%	5,788,000	230,000	48.70%	12,485,000	745,000	(1)
FY2020	6,884,000	187,000	56.10%	6,011,000	223,000	50.40%	12,895,000	410,000	
FY2021	7,050,000	166,000	58.50%	6,241,000	230,000	52.10%	13,291,000	396,000	
FY2022	7,228,000	178,000	60.80%	6,470,000	229,000	53.80%	13,698,000	407,000	
FY2023	7,405,000	177,000	63.00%	6,705,000	235,000	55.50%	14,110,000	412,000	
FY2024	7,563,000	158,000	65.30%	6,947,000	242,000	57.20%	14,510,000	400,000	
FY2025	7,745,000	182,000	67.40%	7,187,000	240,000	58.80%	14,932,000	422,000	
FY2026	7,924,000	179,000	69.50%	7,430,000	243,000	60.50%	15,354,000	422,000	
FY2027	8,105,000	181,000	71.50%	7,679,000	249,000	62.10%	15,784,000	430,000	
FY2028	8,288,000	183,000	73.60%	7,924,000	245,000	63.70%	16,212,000	428,000	
FY2029	8,474,000	186,000	75.60%	8,180,000	256,000	65.20%	16,654,000	442,000	
FY2030	8,642,000	168,000	77.60%	8,466,000	286,000	66.80%	17,108,000	454,000	
FY2031	8,787,000	145,000	79.60%	8,799,000	333,000	68.40%	17,586,000	478,000	
FY2032	8,941,000	154,000	81.60%	9,172,000	373,000	70.10%	18,113,000	527,000	
FY2033	9,066,000	125,000	83.60%	9,596,000	424,000	71.80%	18,662,000	549,000	
FY2034	9,166,000	100,000	85.70%	10,072,000	476,000	73.70%	19,238,000	576,000	
FY2035	9,261,000	95,000	87.80%	10,603,000	531,000	75.80%	19,864,000	626,000	
FY2036	9,341,000	80,000	89.80%	11,174,000	571,000	78.10%	20,515,000	651,000	
FY2037	9,356,000	15,000	91.80%	11,809,000	635,000	80.70%	21,165,000	650,000	
FY2038	9,279,000	(77,000)	93.90%	12,551,000	742,000	83.60%	21,830,000	665,000	
FY2039	9,019,000	(260,000)	95.90%	13,427,000	876,000	86.80%	22,446,000	616,000	
FY2040	8,273,000	(746,000)	97.80%	14,645,000	1,218,000	90.30%	22,918,000	472,000	
FY2041	5,819,000	(2,454,000)	99.70%	17,144,000	2,499,000	94.30%	22,963,000	45,000	
FY2042	5,057,000	(762,000)	101.30%	5,584,000	(11,560,000)	98.80%	10,641,000	(12,322,000)	
FY2043	5,275,000	218,000	102.10%	2,431,000	(3,153,000)	104.40%	7,706,000	(2,935,000)	
Total Proposed Funding Plan	221,881,000	2,093,000		244,013,000	(477,000)		465,894,000	1,616,000	
Total State Minimum Plan	271,695,000	(705,000)		262,971,000	(685,000)		534,666,000	(1,390,000)	
Total Estimate Savings:	(49,814,000)	2,798,000		(18,958,000)	208,000		(68,772,000)	3,006,000	

(1) Costs will increase $1.6 million in FY2015 and then increase $1.2 million on average each year for four years and then begin to decline and then level off at an average of approximately $500,000 increase per year.

Note: The object of this plan is to align the City's contributions with a funding policy that correlates to accounting standards and best practices. To spread the initial impact of the City's Funding Plan over a 5 year period.
This plan provides increased funding; minimizes budget flucuations and provides approximately $70,000,000 in savings to the City when compared to the State Minimum Plan.

A key objective of a healthy pension plan is to contribute appropriately throughout the life of the plan so assets have time to earn money which offset future contribution payments, in addition to covering the working life of an employee as it is earned.

City of Bloomington

Proposed Funding Plan - Phase-in up to 10 years

Fiscal Year	Police	*PD variance*	*EST. Funding Level*	Fire	*FD variance*	*EST. Funding Level*	Total	Variance	
FY2014	3,182,000	-	48.60%	2,908,000	-	45.70%	6,090,000	-	
FY2015	3,758,000	576,000	50.40%	3,946,000	1,038,000	46.70%	7,704,000	1,614,000	(1)
FY2016	4,182,000	424,000	50.50%	3,908,000	(38,000)	46.20%	8,090,000	386,000	(1)
FY2017	4,682,000	500,000	50.80%	4,408,000	500,000	46.10%	9,090,000	1,000,000	(1)
FY2018	5,182,000	500,000	51.50%	4,908,000	500,000	46.30%	10,090,000	1,000,000	(1)
FY2019	5,682,000	500,000	52.70%	5,408,000	500,000	47.30%	11,090,000	1,000,000	(1)
FY2020	6,182,000	500,000	54.20%	5,908,000	500,000	48.40%	12,090,000	1,000,000	(1)
FY2021	6,682,000	500,000	55.80%	6,408,000	500,000	49.80%	13,090,000	1,000,000	(1)
FY2022	7,182,000	500,000	57.60%	6,695,000	287,000	51.40%	13,877,000	787,000	(1)
FY2023	7,682,000	500,000	59.60%	6,943,000	248,000	53.20%	14,625,000	748,000	(1)
FY2024	8,023,000	341,000	61.70%	7,194,000	251,000	54.90%	15,217,000	592,000	
FY2025	8,237,000	214,000	63.90%	7,445,000	251,000	56.70%	15,682,000	465,000	
FY2026	8,438,000	201,000	66.20%	7,699,000	254,000	58.40%	16,137,000	455,000	
FY2027	8,640,000	202,000	68.40%	7,959,000	260,000	60.10%	16,599,000	462,000	
FY2028	8,846,000	414,000	70.60%	8,216,000	257,000	61.80%	17,270,000	671,000	
FY2029	9,054,000	193,000	72.80%	8,484,000	268,000	63.50%	17,731,000	461,000	
FY2030	9,247,000	170,000	75.00%	8,783,000	299,000	65.20%	18,200,000	469,000	
FY2031	9,417,000	181,000	77.20%	9,128,000	345,000	66.80%	18,726,000	526,000	
FY2032	9,598,000	152,000	79.30%	9,516,000	388,000	68.60%	19,266,000	540,000	
FY2033	9,750,000	130,000	81.60%	9,954,000	438,000	70.50%	19,834,000	568,000	
FY2034	9,880,000	126,000	83.80%	10,445,000	491,000	72.50%	20,451,000	617,000	
FY2035	10,006,000	112,000	86.10%	10,992,000	547,000	74.70%	21,110,000	659,000	
FY2036	10,118,000	49,000	88.30%	11,580,000	588,000	77.10%	21,747,000	637,000	
FY2037	10,167,000	(39,000)	90.60%	12,233,000	653,000	79.90%	22,361,000	614,000	
FY2038	10,128,000	(220,000)	92.80%	12,995,000	762,000	82.90%	22,903,000	542,000	
FY2039	9,908,000	(699,000)	95.10%	13,892,000	897,000	86.20%	23,101,000	198,000	
FY2040	9,209,000	(2,389,000)	97.30%	15,134,000	1,242,000	90.00%	21,954,000	(1,147,000)	
FY2041	6,820,000	(1,763,000)	99.40%	17,667,000	2,533,000	94.10%	22,724,000	770,000	
FY2042	5,057,000	218,000	101.30%	5,608,000	(12,059,000)	98.80%	10,883,000	(11,841,000)	
FY2043	5,275,000	(5,275,000)	102.40%	2,431,000	(3,177,000)	104.60%	2,431,000	(8,452,000)	
Total Proposed Funding Plan	230,214,000	(3,182,000)		248,795,000	(477,000)		470,163,000	(3,659,000)	
Total State Minimum Plan	271,695,000	(705,000)		262,971,000	(685,000)		534,666,000	(1,390,000)	
Total Estimate Savings:	(41,481,000)	(2,477,000)		(14,176,000)	208,000		(64,503,000)	(2,269,000)	

(1) This plan was designed to smooth the impact of the City's Funding Plan into a 10 year phase in. The City cannot contribute less than the State Minimum Plan which has been reflected in FY2015. The increase in FY2015 causes an anomolie in FY2016 which will be refined if adopted. The 10 year phase in approach provides saving of approximately $64,000,000 over the life of the plan compared to the State Minimum Plan and will increase on average $950,000 per year in the first nine years.

Utility Tax Projections

As of 10-30-2013

Utility Tax by Component	City of Bloomington	Town of Normal	Statutory Limits 2013
Natural Gas*	2.50%	3.8 cents or 5.00%	5.00%
Cable Television	2.50%	5.00%	5.00%
Electric** (Cents per Kilowatt)	.28 down to .13 cents	.53 cents down to .26	.61 cents down to .08
Telecommunications	3.50%	6.00%	6.00%
Water ^	2.50%	-	5.00%

* Natural Gas is taxed on a different basis than Normal. Normal charges a flat rate for non-Nicor users and 3.8 cents per therm for all other users.
** Electricity Tax for both Bloomington and Normal is based on a sliding scale beginning with a high tax on lower usage and moving downwards as usage increases.
^ Water Tax revenue largely resides in the water fund. The analysis below relates only to the general fund portion.

Statutory Caps Estimate

Utility Tax by Component	2014 Budget	Base before %	Revised Revenue	Raised to	Increased Revenue
Natural Gas*	$ 563,461.00	22,538,440.00	$ 1,126,922.00	5.00%	$ 563,461.00
Cable Television	$ 361,102.00	14,444,080.00	$ 722,204.00	5.00%	$ 361,102.00
Electric*** (Cents per Kilowatt)	$ 1,647,833.00	^^	$ 3,631,655.27	-	$ 1,983,822.27
Telecommunications	$ 1,800,000.00	51,428,571.43	$ 3,085,714.29	6.00%	$ 1,285,714.29
Water (for water sellers)	$ 380,000.00	15,200,000.00	$ 760,000.00	5.00%	$ 380,000.00
	$ 4,752,396.00	66,628,571.43	$ 9,326,495.56	-	$ 4,574,099.56

Increasing to Town of Normal Rates

Utility Tax by Component	2014 Budget	Base before %	Revised Revenue	Raised to	Increased Revenue
Natural Gas*	$ 563,461.00	22,538,440.00	$ 1,126,922.00	5.00%	$ 563,461.00
Cable Television	$ 361,102.00	14,444,080.00	$ 722,204.00	5.00%	$ 361,102.00
Electric*** (Cents per Kilowatt)	$ 1,647,833.00	^^	$ 3,140,053.67	-	$ 1,492,220.67
Telecommunications	$ 1,800,000.00	51,428,571.43	$ 3,085,714.29	6.00%	$ 1,285,714.29
Water (for water sellers)	$ 380,000.00	15,200,000.00	$ 760,000.00	5.00%	$ 380,000.00
	$ 4,752,396.00	66,628,571.43	$ 8,834,893.96	-	$ 4,082,497.96

Phase - in 50% to Town of Normal Rates

Utility Tax by Component	2014 Budget	Base before %	Revised Revenue	Raised to	Increased Revenue
Natural Gas*	$ 563,461.00	22,538,440.00	$ 845,191.50	3.75%	$ 281,730.50
Cable Television	$ 361,102.00	14,444,080.00	$ 541,653.00	3.75%	$ 180,551.00
Electric*** (Cents per Kilowatt)	$ 1,647,833.00	^^	$ 2,479,914.53	-	$ 832,081.53
Telecommunications	$ 1,800,000.00	51,428,571.43	$ 2,442,857.14	4.75%	$ 642,857.14
Water (for water sellers)	$ 380,000.00	15,200,000.00	$ 570,000.00	3.75%	$ 190,000.00
	$ 4,752,396.00	66,628,571.43	$ 6,879,616.17	-	$ 2,127,220.17

^^ Based revenue cannot be determined as a sliding scale tax is applied based on consumption catagories.
*** Electricity projections were based on three years of avg consumption by month.