

**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 7:05 p.m., Monday, March 9, 2015.

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

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

Aldermen: Kevin Lower, David Sage, Diana Hauman, Judy Stearns, Scott Black, Joni Painter, Jim Fruin, Mboka Mwilambwe, Karen Schmidt and Mayor Tari Renner.

City Manager David Hales, Interim City Clerk Renee Gooderham, and Corporate Counsel Jeff Jurgens were also present.

PUBLIC COMMENT: Mayor Renner opened the Public Comment section of the meeting. He added that there would not be a response from the City under the Public Comment portion of the meeting.

Mayor Renner stated that ten (10) public comment cards were received.

Motion by Alderman Schmidt, seconded by Alderman Stearns to suspend the rules to allow ten (10) citizens to speak during Public Comment for three (3) minutes apiece or a total of thirty (30) minutes.

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

Motion carried, (viva voce).

Julian Sigler, 904 W. Grove St., addressed the Council. He believed Solid Waste was a core service. The fee was in place. It covers brush removal, leaf pickup and the drop off facility. He believed the Solid Waste deficit was a whole budget problem.

Josh Schmidgall, 2212 Beacon Ct., addressed the Council. He questioned the Sugar Creek purchase. He cited an item purchased November 2014 in relation to the budget gap.

Bruce Meeks, 1402 Wright St., addressed the Council. He cited the changes made to refuse and recycling collection. He stated same was changed to save Workers Compensation claims. He questioned savings. The addition of smaller carts and free bulk waste bucket contributed to the deficit. He had recommended charging for household bulk waste. He believed Solid Waste was a core service. He questioned input from employees.

Alton Franklin, 508 Patterson, Dr., addressed the Council. He attended the Budget Work Session on Saturday, March 7, 2015. He questioned the Sugar Creek and U.S. Cellular Coliseum video board purchase. He believed a city property listing, cost of maintenance and property value should be readily available.

Renee Nestler, Staff Member AFSCME Council 31, 27 Fetzer Ct., addressed the Council. She stated that their employees take pride in their work and quality of services provided. They were concerned with the Solid Waste proposal and effect on same. They requested a meeting to discuss efficiencies with services. She believed to not consider same would result in a moral issue.

Kyle Korkus, 504 E. Pennsylvania Ave., Champaign, IL 61820, addressed the Council. He stated that he is a senior law student with Community Preservation Committee at the University of Illinois. He noted that a Community Innovation Fair would be held on April 25, 2015 from 12:00 p.m. (Noon) to 6:00 p.m. in the blocks of south Jefferson and west Mason. Same was sponsored by Mid Central Community Action. It provided an opportunity for residents and non-profit companies to highlight their neighborhood vision and resident led entrepreneurship. Cash prizes would be awarded.

Stan Geison, 6 Brompton Ct., addressed the Council. He was the Executive Director, Habitat for Humanity (HH). The West Bloomington Collaborative was awarded an Attorney General grant to focus on revitalizing west side neighborhoods. HH will build three (3) houses. Two (2) houses would be completed this year. Construction on the third (3rd) home would begin June 2016. He noted that HH was celebrating its thirtieth (30th) year in McLean County. He thanked Carey Sneed, Community Development Inspector III and Jennifer Toney, Community Development Grant Coordinator for their assistance.

Gary Lambert, 3018 E. Oakland Ave., addressed the Council. He read Council comments/statements from a 2005 budget meeting.

Patricia Morton, 1114 E. Grove St., addressed the Council. She had attended the Community Strengthening program sponsored by the United Way held at the YWCA, 1201 N. Hershey Rd.

Donna Boelen, 2702 Fox Trot Trl., addressed the Council. She believed Developers were not completing city requirements. She cited Chapter 24, Land Subdivision, Section 1.25 Penalties. She read from same. October 2014 she had suggested to Council placing time limits on punch lists.

The following was presented:

SUBJECT: Council Proceedings of February 23, 2015

RECOMMENDATION/MOTION: Recommend that the reading of the minutes of the previous Council Proceedings of February 23, 2015, 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 Council Proceedings of February 23, 2015 have been reviewed and certified as correct and complete by the Chief Deputy 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: Renee Gooderham, Interim City Clerk

Recommended by:

David A. Hales
City Manager

Motion by Alderman Schmidt, seconded by Alderman Hauman that the reading of the minutes of the previous Council Proceedings of February 23, 2015, be dispensed with and the minutes approved as printed.

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

Ayes: Aldermen Schmidt, Painter, Lower, Hauman, Sage, Black, Stearns, Mwilambwe and Fruin.

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.

FINANCIAL IMPACT: Total disbursements to be approved \$4,190,865.56. (Payroll total \$2,239,073.37, Accounts Payable total \$1,951,792.19)

Respectfully submitted for Council consideration.

Prepared by: Patti-Lynn Silva, Director of Finance

Recommended by:

David A. Hales
City Manager

(ON FILE IN CLERK'S OFFICE)

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

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

Ayes: Aldermen Schmidt, Painter, Lower, Hauman, Sage, Black, Stearns, Mwilambwe and Fruin.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Analysis of Bids for the Installation of Vehicle Exhaust Systems

RECOMMENDATION/MOTION: Recommend that the Bid for the Installation of Vehicle Exhaust Removal Systems at Headquarters Fire Station, Station #3, and Station #4 be awarded

and contract approved with Hastings Air Energy Control, Inc. of New Berlin, WI not to exceed \$135,000 and the Mayor and City Clerk be authorized to execute the necessary documents.

STRATEGIC PLAN LINK: Goal 2 Upgrade City Infrastructure and Facilities

STRATEGIC PLAN SIGNIFICANCE: Objective d. Well-designed, well maintained City facilities emphasizing productivity and customer service.

BACKGROUND: Firefighters are exposed to harmful by products and toxins. A major area of exposure within fire stations to diesel exhaust fumes from the apparatus and ambulances. Occupational Safety and Health Administration (OSHA) released a Hazard Alert outlining the associated risk of Diesel Exhaust/Diesel Particulate Matter (DE/DPM). (www.osha.gov/dts/hazardalerts/diesel_exhaust_hazard_alert.html) Personnel are routinely exposed to carbon monoxide (CO), nitric oxide (NO), and nitrogen dioxide (NO₂). Prolonged DE/DPM exposure can increase the risk of cardiovascular, cardiopulmonary and respiratory disease and lung cancer.

Engineering controls are the most effective strategy for minimizing worker exposure to DE/DPM. The 2012 Feasibility and Programming Study conducted by Five Bugles Design noted that the City Fire Stations are without Vehicle Exhaust Removal Systems.

The 2013 bids were rejected due to budgetary constraints and high project cost. The funds were rolled over into the current budget year with additional funds added to complete the project.

The Fire Department issued a Request for Proposal (RFP# 2015-43) for Installation of Emergency Vehicle Exhaust Removal System was released in October, 2014. Two (2) proposals were received. Members of the Fire Department, Facilities Manager, and Procurement Division reviewed proposals, interviewed the vendors, and contacted references. Vendors were asked to provide prices for several installation options. The criteria chosen for this project was proposal Option 1a (fire station 1, fire station 3, and fire station 4 using currently assigned apparatus in their current placement). The committee believes that the Hastings Air Energy Control, Inc. Plymovent system provides the design, functionally, flexibility, and price that will meet \$130,291, plus thirteen (13) Safety Disconnect Handles, \$2,860, and \$1,849 of contingency.

Hasting Air Energy Control, Inc. (Plymovent)

Option	Description	Cost
1a	Include Fire Station 1, Fire Station 3, and Fire Station 4 using currently assigned apparatus in their current placement	\$130,291.00
	Optional Equipment – Safety Disconnect Magnetic - \$220.00/drop (13)	\$2,860.00

Midwest Air Pro, Inc. (Nederman)

Option	Description	Cost
1a	Include Fire Station 1, Fire Station 3, and Fire Station 4 using currently assigned apparatus in their current placement	\$150,580.00

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: A request for bids was sent out via normal City Purchasing procedures. The work was published in the The Pantagraph on October 22, 2014. See Attachment 4 for list of Planholders.

FINANCIAL IMPACT: This item is included in the FY 2015 Adopted Budget under Capital Improvement Fund-Building Improvements (40100100-72520). Stakeholders can find this in the FY 2015 Budget Book titled “Other Funds & Capital Improvement Program” on pages 102, 279 and 305.

Respectfully submitted for Council consideration.

Prepared by: Eric Vaughn, Deputy Chief

Reviewed by: Brian Mohr, Fire Chief

Financial & Budgetary review by: Chris Tomerlin, Budget Analyst
Carla Murillo, Budget Manager

Legal review by: Jeffrey R. Jurgens, Corporation Counsel

Recommended by:

David A. Hales
City Manager

(ON FILE IN CLERK’S OFFICE)

Motion by Alderman Schmidt, seconded by Alderman Hauman that the Bid for the Installation of Vehicle Exhaust Removal Systems at Headquarters Fire Station, Station #3, and Station #4 be awarded and contract approved with Hastings Air Energy Control, Inc. of New Berlin, WI not to exceed \$135,000 and the Mayor and City Clerk be authorized to execute the necessary documents. that the Appointments be approved.

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

Ayes: Aldermen Schmidt, Painter, Lower, Hauman, Sage, Black, Stearns Mwilambwe and Fruin.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Illinois Environmental Protection Agency (IEPA) Water Department Operating Permits violation

RECOMMENDATION/MOTION: Recommend that the Stipulation and Proposal for Settlement be approved, including authorization to pay \$10,260 to the IEPA for the Operating Permits violation, and the Mayor and City Clerk be authorized to execute the necessary documents.

STRATEGIC PLAN SIGNIFICANCE: 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 the State of Illinois, public water supplies are required to obtain an operating permit from the IEPA for all changes and additions for which a construction permit is required (new or upgraded water main). Compliance with this requirement is expected, usually, within thirty (30) days by either requesting more time, notifying the Agency that the project is cancelled or submitting an operating permit application and satisfactory bacteriological sample results.

On April 8, 2013, the IEPA issued a Violation Notice to the City for failure to obtain 33 different drinking water operating permits, dating back to 2004. In some cases, the project never moved forward and thus a permit was not required, however the IEPA was not notified. In other cases, the necessary paperwork was not properly delivered to the IEPA. The 2013 notice from the IEPA was not processed in a timely manner and accordingly was turned over to the Illinois Attorney General's office. All issues have now been corrected and a settlement agreed upon with the Attorney General's office to account for the processing errors. In addition, the Water Department has adopted a new mechanism for handling IEPA notices and permits for future cases to ensure compliance.

The proposed Stipulation Agreement to resolve this matter, prepared and presented by the Attorney General's office, takes into account the nature of the violations as well as the City's response once staff became aware of the outstanding issues, as well as staff's immediate follow-up with processing the necessary paperwork and implementation of new procedures for the future handling of permits and notices. Although the penalty could be as high as \$50,000 per violation, with the aforementioned factors taken into consideration, the penalty set forth in the stipulation is \$10,260.

City staff is committed to timely responses to the IEPA for not only this matter, but also all others moving forward. At no time was the public safety at risk. This was a matter of paper work that was not finished. The City’s Water Department maintains high standards for performance and customer service and staff has now put steps in place that deter such paperwork failures in the future.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: None.

FINANCIAL IMPACT: The payment of \$10,260 to the IEPA for the Operating Permits violation will be paid out of Water Administration Other Professional Services (50100110-70220). Stakeholders can locate this in the FY 2015 Budget Book titled “Other Funds & Capital Improvement Program” on page 131.

Respectfully submitted for Council consideration.

Prepared by: Brett Lueschen, Interim Water Director

Reviewed by: Steve Rasmussen, Asst. City Manager

Financial&budgetary review by: Chris Tomerlin, Budget Analyst
Carla Murillo, Budget Manager

Legal review by: Jeffrey R. Jurgens, Corporation Counsel

Recommended by:

David A. Hales
City Manager

Motion by Alderman Schmidt, seconded by Alderman Hauman that the Stipulation and Proposal for Settlement be approved, including authorization to pay \$10,260 to the IEPA for the Operating Permits violation, and the Mayor and City Clerk be authorized to execute the necessary documents.

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

Ayes: Aldermen Schmidt, Painter, Lower, Hauman, Sage, Black, Stearns, Mwilambwe and Fruin.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Supplemental Motor Fuel (MFT) Tax Resolution for Lincoln St. MFT Section 92-00283-00-RP

RECOMMENDATION/MOTION: Recommend that the Supplemental MFT Resolution, MFT Section 92-00283-00-RP, in the amount of \$432,289.71 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, and Goal 2. Upgrade city infrastructure and facilities. Goal 2 Upgrade City Infrastructure and Facilities.

STRATEGIC PLAN SIGNIFICANCE: Objective 1d. City services delivered in the most cost-effective, efficient manner. Objective 2a. Better quality roads and sidewalks.

BACKGROUND: This project involved the construction on new alignment of approximately 1,700 feet of three (3) lane bituminous pavement with curb and gutter. It included traffic signals at the intersection of Lincoln St. & Morrissey Ave. (US Rte. 150). This project has stretched over two (2) decades from conception to completion. The final costs of engineering, right of way acquisition, and construction were all higher than originally anticipated. Final payments have been made to all parties as shown below.

The Public Works Department is making an effort to reconcile older MFT projects with the Illinois Department of Transportation (IDOT). Clark Dietz Engineers has been assisting with same. A recent IDOT audit showed a number of outstanding requirements including this project, an administrative oversight, of having sufficient MFT resolution(s) to cover all the expenses.

	MFT	State	Local
Right-of-Way	\$95,200.00		\$291,064.00
Engineering fees (Farnsworth)	\$235,543.06		
Construction Costs (Rowe)	<u>\$2,501,946.65</u>	<u>\$600,000</u>	<u>\$443,770.52</u>
Total =	\$2,832,689.71	\$600,000	\$734,834.52

MFT Resolutions have been previously approved by Council as follows:

December 9, 1991	\$150,000.00
November 8, 1993	\$62,000.00
August 8, 2005	\$138,400.00
April 14 2008	<u>\$2,050,000.00</u>
Total =	\$2,400,400.00

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: IDOT, District 5.

FINANCIAL IMPACT: In order to finalize the paperwork and close out the project with the IDOT, a Supplemental MFT in the amount of \$432,289.71 is necessary to balance appropriations with actual expenditures. No additional funds are requested or will be expended.

Respectfully submitted for Council consideration.

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

Reviewed by: Steve Rasmussen, Asst. City Manager

Financial & Budgetary review by: Chris Tomerlin, Budget Analyst

Legal review by: Jeffrey R. Jurgens, Corporation Counsel

Recommended by:

David A. Hales
City Manager

(MFT RESOLUTION 2015 – 9 ON FILE IN CLERK’S OFFICE)

Motion by Alderman Schmidt, seconded by Alderman Hauman that the Supplemental MFT Resolution, MFT Section 92-00283-00-RP, in the amount of \$432,289.71 be approved and the Mayor and City Clerk be authorized to execute the necessary documents.

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

Ayes: Aldermen Schmidt, Painter, Lower, Hauman, Sage, Black, Stearns, Mwilambwe and Fruin.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Application of Bloomington Mobil, Inc., d/b/a Bloomington Mobil, located at 1513 Morrissey Dr., requesting a GPBS liquor license which would allow the sale of packaged beer and wine only for consumption off the premises seven (7) days a week

RECOMMENDATION/MOTION: Recommend that a GPBS liquor license for Bloomington Mobil, Inc., d/b/a Bloomington Mobil, located at 1513 Morrissey Dr., 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 4.a. Retention and growth of current local business.

BACKGROUND: The applicant appeared before the Liquor Commission at the January 13, 2015 and February 10, 2015 Liquor Commission meetings. Summaries of those proceedings follow.

Bloomington Liquor Commissioner Tari Renner called the Liquor Commission to order on January 13, 2015, to hear the request of Bloomington Mobil, Inc., d/b/a Bloomington Mobil, located at 1513 Morrissey Dr., requesting a GPBS liquor license which would allow the sale of packaged beer and wine only for consumption off the premises seven (7) days a week. Present at the hearing were Liquor Commissioners Tari Renner, Geoffrey Tompkins and Jim Jordan; George Boyle, Asst. Corporation Counsel, Clay Wheeler, Asst. Police Chief, and Renee Gooderham, Chief Deputy Clerk and Thagish John and Vijay Musvnrurv owners and applicant representatives.

Commissioner Renner opened the liquor hearing and requested that the applicant representatives address this request. Thagish John and Vijay Musvnrurv owners and applicant representatives addressed the Commission. Mr. John noted that the location currently held a packaged liquor license.

Commissioner Renner questioned BASSET (Beverage Alcohol Sellers and Servers Education) training and retail sale of alcohol experience. Mr. John responded negatively.

Commissioner Jordan questioned floor plan and insurance. Mr. John stated that floor plan would be the same as the current liquor license holder. He explained that they were currently working with an insurance company.

Commissioner Renner noted that the articles of incorporation were missing.

Commissioner Tompkins noted that the emergency contact sheet listed Ms. Dakes address as the business. Mr. John stated he would provide an updated address.

Motion by Commissioner Tompkins, seconded by Commissioner Jordan to lay over the GPBS liquor license of Bloomington Mobil, Inc., d/b/a Bloomington Mobil, located at 1513 Morrissey Dr., until the next Liquor Commission Meeting on February 10, 2015.

Commissioner Renner reminded the Applicant's that prior to the Liquor Commission meeting the following would have to be completed: 1.)emergency contact address updated; 2.)provide articles of incorporation; 3.)insurance commitment letter; 4.)floor plan; and 5.) commitment to BASSET training.

There being no further business before the Commission, the meeting recessed at 4:27 p.m.

Bloomington Liquor Commissioner Tari Renner called the Liquor Commission to order on February 10, 2015 for the reappearance of Bloomington Mobil, Inc., d/b/a Bloomington Mobil,

located at 1513 Morrissey Dr., requesting a GPBS liquor license which would allow the sale of packaged beer and wine only for consumption off the premises seven (7) days a week. Present at the hearing were Liquor Commissioners Tari Renner, Geoffrey Tompkins and Jim Jordan; George Boyle, Assistant Corporation Counsel, Renee Gooderham, Chief Deputy Clerk and ViJay Musunuru Bloomington Mobil owner/operator.

Commissioner Renner opened the liquor hearing and requested that an update be provided. ViJay Musunuru, Bloomington Mobil owner/operator, addressed the Commission. He stated that the bond, BASSETT (Beverage Alcohol Sellers and Servers Education) certifications and floor plan had been provided to the Clerk's Office.

Mr. Musunuru stated that he and two (2) employees had completed BASSETT training.

Commissioner Jordan questioned employee numbers in relation to BASSETT training. Mr. Musunuru replied that all three (3) employees would obtain certification.

Renee Gooderham, Chief Deputy Clerk, addressed the Commission. She verified the submission of bond, liquor liability insurance, BASSETT certification, floor plan and articles of incorporation.

Motion by Commissioner Jordan, seconded by Commissioner Renner that the commission recommend to the City Council creation of a GPBS Liquor License for Bloomington Mobil, Inc., d/b/a Bloomington Mobil, located at 1513 Morrissey Dr., requesting a GPBS liquor license.

Ayes: Commissioner Jordan and Renner.

Present: Commissioner Tompkins.

Motion carried.

Commissioner Renner stated that this item would appear on the Council's March 9, 2015 Consent Agenda. He encouraged them to attend same.

There being no further business before the Commission, the meeting recessed at 4:48 p.m.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Public notice was published in the Pantagraph on January 5, 2015 in accordance with City Code. In accordance with City Code, approximately three (3) courtesy copies of the Public Notice were mailed on DATE. In addition, the Agenda for the January 13 and February 10, 2015 Meetings of the Liquor Commission were placed on the City's web site. There also is a list serve feature for the Liquor Commission.

FINANCIAL IMPACT: The annual fee for a GPBS liquor license is \$1,180. The Licensee will also be responsible for paying appropriate taxes.

Respectfully submitted for Council consideration.

Prepared by: Renee Gooderham, Interim City Clerk
Reviewed by: George D. Boyle, Asst. Corporation Counsel
Recommended by:

Tari Renner
Mayor

Motion by Alderman Schmidt, seconded by Alderman Hauman that a GPBS liquor license for Bloomington Mobil, Inc., d/b/a Bloomington Mobil, located at 1513 Morrissey Dr., be created, contingent upon compliance with all applicable health and safety codes.

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

Ayes: Aldermen Schmidt, Painter, Lower, Hauman, Sage, Black, Stearns, Mwilambwe and Fruin.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Suspension of Ordinances to Allow Consumption of Alcohol at Davis Lodge on May 16, 2015

RECOMMENDATION/MOTION: That the Ordinance be passed.

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

STRATEGIC PLAN SIGNIFICANCE: Objective 5.d. 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 Laurel Augsburg and Aaron Davis to allow moderate consumption of alcohol at their May 16, 2015 wedding reception to be held at Davis Lodge. Present at the hearing were Liquor Commissioners Tari Renner, Geoffrey Tompkins and Jim Jordan; George Boyle, Asst. Corporation Counsel and Renee Gooderham, Chief Deputy Clerk.

Staff Absent: Tracey Covert, City Clerk.

Commissioner Renner opened the Public Comment section of the meeting. No one came forward to address the Commission.

Commissioner Renner opened the liquor hearing and requested that the requestor address this request. Aaron Davis addressed the Commission. The wedding ceremony and reception would be held at the Davis Lodge on May 16, 2015. Baxter's American Grille, located at 312 E. Empire St., would provide the food and beverage service. Liquor service would be limited to beer and wine only.

Motion by Commissioner Tompkins, seconded by Commissioner Jordan that the request of Laurel Augsburger and Aaron Davis to allow moderate consumption of alcohol at the Davis Lodge for their May 16, 2015 wedding reception be approved.

Motion carried, (viva voce).

Commissioner Renner stated that this item would appear on the Council's March 9, 2015 Consent Agenda. He encouraged them to attend same.

There being no further business before the Commission, the meeting recessed at 4:02 p.m.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: The Agenda for the February 10, 2015 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.

Prepared by: Renee Gooderham, Interim City Clerk

Reviewed by: George D. Boyle, Asst. Corporation Council

Recommended by:

Tari Renner
Mayor

ORDINANCE NO. 2015 - 13**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 DAVIS LODGE**

WHEREAS, Laurel Augsburg and Aaron Davis are planning to hold their wedding reception at the Davis Lodge Pavilion from 4:00 p.m. to 10:00 p.m. on May 16, 2015; and

WHEREAS, Laurel Augsburg and Aaron Davis 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 Davis Lodge on May 16, 2015 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 9th day of March, 2015.

APPROVED this 10th day of March, 2015.

APPROVED:

Tari Renner
Mayor

ATTEST:

Renee Gooderham
Interim City Clerk

Motion by Alderman Schmidt, seconded by Alderman Hauman that the Ordinance be passed.

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

Ayes: Aldermen Schmidt, Painter, Lower, Hauman, Sage, Black, Stearns, Mwilambwe and Fruin.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Approve a Budget Amendment to Accounts (10019180 - 89410), (40100100 - 85100) and (40100100 - 72510) in the General and Capital Improvement and Agreement with Sugar Creek Packing Co.

RECOMMENDATION/MOTION: Recommend that the Agreement with Sugar Creek Packing Co. located at 412 East St. be acquired at an acquisition amount not to exceed \$245,000. be approved, the Ordinance Amending the Budget to Add Funds to Accounts (10019180 - 89410), (40100100 - 85100) and (40100100 - 72510) in the General and Capital Improvement Fund be passed and the Mayor and City Clerk be authorized to execute the necessary documents.

STRATEGIC PLAN LINK: Goal 2. Upgrade City Infrastructure and Facilities. Goal 5. Great Place – Livable, Sustainable City. Goal 6. Prosperous Downtown Bloomington.

STRATEGIC PLAN SIGNIFICANCE: Objective 2d. Well-designed and well maintained City facilities emphasizing productivity and customer service. 5a. Well-planned City with necessary services and infrastructure. 5e. More attractive city: commercial areas and neighborhoods. 6a. More beautiful, clean Downtown Area. 6b. Downtown Vision and Plan used to guide development, redevelopment, and investments. 6c. Downtown becoming a community and regional destination.

BACKGROUND: The City has considered the purchase of the Sugar Creek Packing Plant located at 412 East St. The property is approximately 36,224 sq. ft. (0.83 acres) in area. The building on the site, (23,648 sq. ft.), includes 2,090 sq. ft. of office space, 20,203 sq. ft. of warehouse space, and 1,335 sq. ft. of miscellaneous space. The original building dates back to about 1920 with additions in 1969, 1971, 1992 and 1997. The building has little area significance, and while it had been zoned manufacturing, it does not lend itself to current market

demands for manufacturing space as a result of its age, limited ceiling height, size and location relative to major highways.

The Sugar Creek Packing Co. contracted a Phase I & Phase II Environmental Assessment in 2003. These studies concluded that no levels of deleterious constituents were found which rose to the level of needing remediation based upon Illinois Environmental Protection Agency (IEPA) regulations. The studies also determined that a 1,000 gallon underground storage tank (UST) which used to store waste oil was likely removed from the site but found no conclusive documentation indicating such. An asbestos study dated March 24, 2014 was clean.

Acquisition of the subject property provides a number of options: It could be combined with other City owned parcels in the area to encourage potentially larger or more intense land uses. It could also be used to provide necessary additional parking in the area allowing for upwards of nearly 115 additional parking spaces. According to City Code, the Library and City Hall campuses need a total of 1,090 parking spaces. Currently there are only 457. The site could also be used as a storm water detention basin servicing Downtown as part of the CSO (Combined Sewer Overflow) elimination project. The site could be combined with construction of a smaller facility and adjacent green space to provide a more aesthetically pleasing area with other nearby public uses.

Update since August 11, 2014 Council meeting: Council approved the purchase at the August 11, 2014 meeting contingent on the acquisition of a No Further Remediation (NFR) letter from the IEPA for the subject property. However, an NFR letter was not obtained and accordingly the purchase was not finalized. In the absence of obtaining an NFR letter, Sugar Creek allowed, and the City decided to pursue some additional environmental samplings to assess the property's environmental standing and determine if the UST is still present. The cost of the additional sampling was \$6,000 and Sugar Creek has lowered its price of the property by \$5,000 to offset those costs.

At staff's request, additional soil sampling was performed at the subject property on January 28, 2015 by Prairie Analytical Systems, Inc. and Ramsey Geotechnical Engineering in partnership with Farnsworth Group. The latest soil samples indicate that the UST was removed based on the findings of pea gravel in the center of the location where the UST was believed to have been located (pea gravel is often used as backfill when a UST is removed).

Staff recommends that the City proceed with the acquisition of the Sugar Creek Packing Plant as originally presented at the August 11, 2014 Council Meeting having found additional environmental issues of significance..

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: IEPA.

FINANCIAL IMPACT: The approval of the Budget Amendment will allow a transfer from the General Fund balance for General Fund Transfers to Capital Improvement (10019180 - 89410) and to the Capital Improvement from General Fund (40100100 - 85100). The expenditure will be paid from the Capital Improvement Land account (40100100 - 72510). A lease will be

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executed after completing the bid process to pay for this purchase. A rough estimate of the debt service is 5 years at 2.35% with biannual payments of \$26,100.

Respectfully submitted for Council consideration.

Prepared by: Austin Grammer, Economic Development Coordinator

Financial & budgetary review by: Carla A. Murillo, Budget Manager

Legal review by: Jeffrey R. Jurgens, Corporation Counsel

Recommended by:

David A. Hales
City Manager

ORDINANCE NO. 2015 – 14**AN ORDINANCE AMENDING THE BUDGET ORDINANCE
FOR THE FISCAL YEAR ENDING APRIL 30, 2015**

WHEREAS, on April 21, 2014 by Ordinance Number 2014 - 35, the City of Bloomington passed a Budget and Appropriation Ordinance for the Fiscal Year Ending April 30, 2015, which Ordinance was approved by Mayor Tari Renner on April 28, 2014; and

WHEREAS, a budget amendment is needed as detailed below;

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

Section One: Ordinance Number 2014 - 35 (the Budget and Appropriation Ordinance for the Fiscal Year Ending April 30, 2015) is further hereby amended by inserting the following line item and amount presented in Exhibit #1 in the appropriate place in said Ordinances.

Section Two: Except as provided for herein, Ordinance Number 2014 - 35 shall remain in full force and effect, provided, that any budgeted or appropriated amounts which are changed by reason of the amendments made in Section One of this Ordinance shall be amended in Ordinance Number 2014 - 35.

Section Three: This Ordinance shall be in full force and effect upon its passage and approval.

PASSED the 9th day of March, 2015.

APPROVED the 10th day of March, 2015.

APPROVED:

Tari Renner
Mayor

ATTEST:

Renee Gooderham
Interim City Clerk

Mayor Renner introduced this item. He noted the eighteen to twenty (18 – 20) month processes. He believed acquiring the property was strategic. Environmental testing had been conducted. No concerns were noted. He cited possible future partnerships. The Bloomington Public Library (Library) required parking. In the future they would make a

contribution. The area would be a parking lot and detention basin. Council could direct staff to aggressively sell non critical properties to pay for same.

Austin Grammer, Economic Development Coordinator, addressed the Council. He referred to a letter Farnsworth Group, Inc. dated February 6, 2015. They worked with Ramsey Geotechnical Engineering to conduct the environmental assessment. He stated that core drilling/testing around a former underground storage tank (UST) at the Sugar Creek Packing Plant (SCPP) had been completed. It appears that the UST was removed. Pea gravel was found below the concrete patch. Pea gravel was commonly used as backfill material after UST removal.

The location had strategic value to revitalizing the Downtown (DT). The economic development and DT revitalization were intertwined. Acquisition would allow the Library to consider expansion opportunities.

He believed the area was blighted. There were 400,000 Library visitors in 2014. Encouraging Library use and promoting the city to future residents could increase same.

David Hales, City Manager, addressed the Council. He noted that the city was not compliant with city code for staff parking. The SCCP purchase would assist the city's continued combined sewer relocation efforts. The area was a prime site for the location a storm water detention basin. Same would add approximately 115 parking spaces. He stated that the purchase would be funding with bonds.

Alderman Schmidt understood the strategic value. She cited concerns with the budget. She questioned selling other properties. Mayor Renner noted that payments would be approximately \$25,000 - \$30,000 annually. Staff would begin work to sell non critical properties. Profit from same would be used for annual SCPP bond payment.

Alderman Schmidt questioned showing same in the budget. Mr. Hales stated that the sale of surplus property was deposited into the General Fund (GF). GF was used to purchase land and or equipment. He noted that the bond would conclude in five (5) years.

Alderman Painter cited concerns with Governor Rauner's proposed budget and the SCPP purchase. It was anticipated that municipality's state revenue sharing could be reduced by \$3.1 million. She believed an Illinois Environmental Protection Agency (IEPA) remediation letter was important. She questioned the UST removal. She requested a right of first (1st) refusal option. Mr. Grammer noted that the IEPA could revoke a remediation letter. Parking and green space were acceptable uses.

Alderman Stearns believed the purchase was a want not a need. She questioned the Library's location next to a drop off facility. She believed that the \$245,000 should be used for the Solid Waste Fund.

Alderman Mwilambwe questioned the drop off facility. Mr. Hales stated that same was part of a long range master plan.

Alderman Sage stated support of this item. He questioned land required for the Library expansion. Mr. Hales noted that the Library had parking needs. Alderman Sage questioned Library assistance with the purchase. Mr. Hales noted that the Library was currently working on space needs assessment.

Alderman Lower believed this was not a need. He questioned vision. He questioned demolition and pavement costs and how. He requested selling non critical property first.

Alderman Fruin believed the purchase was a strategic opportunity. There was the potential for community partners. He understood the budget concerns. Mr. Grammer noted that there was retail interest to locate near the Library. He cited Farr and Associates Up Town Normal's evaluation. Within same they stated that the Library was an anchor for retailers.

Alderman Hauman believed Council should be planning for five/ten (5/10) years. Multiple tests had been completed. The purchase price was under the assessed value.

Alderman Black noted that emails received citing various visions and support for the property.

Motion by Alderman Painter, seconded by Alderman Stearns that the City be granted the right of first (1st) refusal for up to twelve (12) months for the acquisition of property located 412 East St.

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

Ayes: Aldermen Stearns and Painter.

Nays: Aldermen Schmidt, Hauman, Sage, Black, Mwilambwe and Fruin and Lower.

Motion failed.

Motion by Alderman Black, seconded by Alderman Hauman that the Agreement with Sugar Creek Packing Co. located at 412 East St. be acquired at an acquisition amount not to exceed \$245,000 be approved, the Ordinance Amending the Budget to Add Funds to Accounts (10019180 - 89410), (40100100 - 85100) and (40100100 - 72510) in the General and Capital Improvement Fund be passed and the Mayor and City Clerk be authorized to execute the necessary documents.

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

Ayes: Aldermen Schmidt, Painter, Hauman, Sage, Black, Mwilambwe and Fruin.

Nays: Aldermen Stearns and Lower.

Motion carried.

The following was presented:

SUBJECT: Parkland Dedication Fees

RECOMMENDATION/MOTION: Recommend that Council provide direction to staff on whether to proceed with an Amendment to an Annexation Agreement to waive Parkland Fees in lieu of dedication requirements for the Hawthorne Commercial Subdivision, 12th Addition and Sapphire Lake Subdivision 3rd Addition.

STRATEGIC PLAN LINK: Goal 1: Financially Sound City Providing Quality Basic Services. Goal 5: Great Place to Live—Livable, Sustainable City.

STRATEGIC PLAN SIGNIFICANCE: Objective 1a: Budget with adequate resources to support defined services and level of services. Objective 5d: Appropriate leisure and recreational opportunities responding to the needs of residents.

BACKGROUND: Council approved the Hawthorne Commercial Subdivision, 12th Addition and Sapphire Lake Subdivision 3rd Addition Final Plats at the January 12, 2015. Included in the packet were memos detailing tap on fees required prior to the release. The developer is now questioning the Parkland Dedication Fee.

There is a long history of Parkland Dedication within the City. City Code chapter 24 section 7.2 and 7.3 speak to parkland dedication and fees in lieu of. Section 7.2 provides as follows:

As a condition of approval of a final plat of a subdivision code, each owner, subdivider or developer or property with a residential zoning classification, shall be required to dedicate land for park and recreational purposes, to serve the immediate and future needs of the residents of the development or to contribute cash in lieu of said actual land dedication, or to make a combination of cash and contribution and land dedication at the election of the City.

On November 26, 2001, Larry Bielfeldt, developer entered into an Annexation Agreement with the City through the Council at a Council Meeting. Section 2E of the agreement states as follows:

Bielfeldt shall meet the Parkland Dedication requirements by dedication of trail right of way and the payment of a fee in lieu based on actual density as determined at final platting rather than maximum density as permitted by City's zoning code. No parkland fees will be collected for areas Zoned C-1 or B-1 unless the land is devoted to residential use.

The City Code, Chapter 24 section 7.2 (c), provides: the City shall apply the population ratio of 1 acre of land for 100 ultimate population with the development or area to be subdivided times the fair market value as established in section 7.3 of this Code.

Fair Market Value (FMV) for this land is based on the purchase of 137.719 acres of the Kelley Farm for \$4,000,000. FMV is \$29,044 per acre. The Sapphire Lake 3rd Addition will be single family homes with a 2.34 population density. Hawthorne 12th Addition will be an assisted living facility with population density of 84 beds. Applying the above code the calculations are:

2.34 + 84 = 86.34 population density. FMV is \$29,044. Based on actual density not maximum
 $\$29,044. * .8634 = \mathbf{\$25,076.59.}$

Mr. Bielfeldt submits that although the Annexation Agreement requires a fee in lieu of be paid for parkland dedication, such provision should be waived since he has dedicated three (3) acres to the City for parkland in the subdivision. Mr. Bielfeldt purchased the property from Frances Kelley through a contract dated April 10, 2001. As part of that contract, he was required to dedicate a certain amount of acreage as a park on the Kelley homestead property. Specifically, Section 12(H) of the contract provided as follows:

Buyer agrees that when he acquires the tract or tracts on which the improvements are located, he will not remove any of the trees located around those improvements and further agrees that he will dedicate at least three acres of the old homestead area located on one or more of the tracts as a public park and will allow Seller, at Seller's expense, to place a memorial stone on such dedicated park land memorializing Seller's family.

Frances Kelley filed a lawsuit against Mr. Bielfeldt to ascertain that parkland dedication, which was made and accepted by the City in 2014. In the final court ordered settlement, Frances Kelley agreed to a smaller dedication of Parkland (approximately 2.41 acres) than the original agreement specified. Mr. Bielfeldt believes that the dedication should be waived due to the agreement/lawsuit with Frances Kelley. As calculated above, the fair market value for this land is \$29,044 per acre.

$\$29,044 * 2.41 = \mathbf{\$69,996.04.}$

It is City staff's position that the agreement between Mr. Bielfeldt and Frances Kelley are unrelated. Mr. Bielfeldt had already entered into the agreement with the Kelley family prior to the Annexation Agreement. Accordingly, it is believed the parties intended for Land Dedication under the Kelley contract to be a separate Parkland Dedication.

The potential options for resolving this issue are as follows:

- 1) Require Mr. Bielfeldt to pay \$25,076.59 as required by the Annexation Agreement.
- 2) Amend the Annexation Agreement to either permit the donation of the 2.41 acres as an option in lieu of paying a fee or allowing the value of the dedication to offset the fee required.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Developer Larry Bielfeldt and Don Adams, Farnsworth Group.

FINANCIAL IMPACT: Option 1 would result in receiving \$25,076.59 from Mr. Biefeldt which would be placed in the Park Dedication Fund – Property Owner Contribution account (24104100-57320). The City Parks and Recreation Master Update and Approved by Council January of 11, 2010 Defines 8 Neighborhood Planning Areas (NPA). The fees in lieu of land are for NPA 1 area. The fees in lieu of land historically have gone in to the Park Dedication Fund and are managed in accordance with the code to serve the immediate and future recreational needs of the said area. Option 2 would result in the City receiving no revenue.

Respectfully submitted for Council consideration.

Prepared by: David Lamb, Assistant Superintendent of Parks

Reviewed by: Robert Moews, Superintendent of Parks

Reviewed by: Jim Karch, PE CFM, Public Works Director

Financial & Budgetary review by: Carla A. Murillo, Budget Manager

Legal review by: Jeffrey R. Jurgens, Corporation Counsel

Recommended by:

David A. Hales
City Manager

Jeff Jurgens, Corporation Counsel, addressed the Council. Staff was requesting direction on whether to proceed with an Amendment to an Annexation Agreement to waive Parkland Fees in lieu of dedication requirements for the Hawthorne Commercial Subdivision, 12th Addition and Sapphire Lake Subdivision 3rd Addition.

Mayor Renner left the dais at 8:22 p.m.

Mr. Jurgens provided a brief history. He noted that final plats for Hawthorne Commercial Subdivision 12th Addition and Sapphire Lake Subdivision 3rd Addition appeared on the January 12, 2015 Council meeting. Tap on fees were associated with same.

Mayor Renner returned at 8:24 p.m.

Motion by Alderman Fruin, seconded by Alderman Mwilambwe that Larry Bielfedt pay the required tap on fees for the Hawthorne Commercial Subdivision, 12th Addition and Sapphire Lake Subdivision 3rd Addition as approved on the January 12, 2015 Council meeting.

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

Ayes: Aldermen Schmidt, Painter, Lower, Hauman, Sage, Black, Stearns, Mwilambwe and Fruin.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Text Amendment to Chapter 21, Refuse Code, Section 300.7

RECOMMENDATION/MOTION: Recommend that the Text Amendment to Chapter 21, Refuse Code, Section 300.7, be approved and the Ordinance be 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: The high cost of and low revenue from bulky waste and brush collection drives a funding gap in the Solid Waste Enterprise Fund, which is designated to be a self-supporting fund. The Solid Waste Enterprise Fund is projected to end FY2016 with a \$2.5 million deficit which includes a \$1.5 transfer from the General Fund. This deficit would continue to grow in FY2017 to \$3.6 million under the current rate structure and another General Fund transfer of \$1.5 million. The Text Amendment takes steps to eliminate the funding gap through changes in bulky waste and brush collection services. Those changes are:

- Eliminate the first bucket free policy that nearly equates to free, citywide, weekly bulk collection.
- Raise the fee for bulky waste and brush to \$50 per end loader bucket starting April 1, 2015. (One brush bucket is equal to two large grabs or “bites” of an end loader.)
- Increase the bulk and brush fees by 5 percent every two (2) years to offset rising labor costs and other costs, with the first increase taking effect on May 1, 2017.
- Maintain the cart-based refuse fees adopted by the Council in calendar year 2014. The schedule is as follows:

⇒ Currently: 16-gallon cart, \$16 per month; 65-gallon cart, \$18; 95-gallon, \$20.

⇒ As of May 1, 2015: \$16/\$20/\$23.

⇒ As of May 1, 2016: \$16/\$21/\$25.

For multi-family homes, building owners would be billed if the Public Works staff cannot be certain which tenant left the bulk or brush.

Staff also is considering community-wide free collections two (2) times per year, once in the spring and once in the fall, which is an operational change not needing an ordinance amendment.

The City likely would wait until spring 2016 to conduct the first collection. It will have a better idea how other changes are affecting the budget before undertaking a charge-free program that would carry a large cost to the City.

If bulk changes are accepted by the Council, Bloomington will retain excellent bulky waste and brush service at reasonable fees. The cost for a Solid Waste customer to drop off bulk at the landfill transfer station in west Bloomington is \$89.74 per ton, with a minimum charge per visit of \$89.74. A similar brush comparison was not made because there is no comparable market in the private sector. This is because the City picks up all brush without charging.

The following material takes a historical view on fees and Solid Waste. It supplements materials given to the Council and the public for the March 9, 2015, work session.

Fee history and the funding gap:

Bloomington's bulky waste and brush collection service distinguishes the City's Solid Waste collection from that of most other communities but at a cost of nearly \$3.5 million a year. For most of the history of the service in Bloomington, customers have been charged no fee for bulky waste and brush collection. This labor intensive and equipment-intensive collection work has been paid through General Fund subsidies (taxes).

Taxes once paid for the all Solid Waste service by design of the Council. The Councils philosophy shifted in the new century. The Council instituted a Solid Waste (Refuse) Fee for the first time in FY 2004: \$5 per month per household. It rose to \$7 for FY 2008.

First bulk fee:

In 2009, the Council passed a bulk fee of \$25 per end loader bucket for all collection over two (2) end loader buckets. The Council also decided in 2009 that the City should stop taking heavy materials such as shingles, sod, dirt, concrete and rock except in cases in which a Solid Waste customer made special arrangements and paid a fee based on the City's actual collection cost. As seen in Council minutes from 2009 (see box above), the Council identified bulk services as a high-cost service, and then Mayor, Steve Stockton said a reduction to periodic collection was one route the City should consider.

Enterprise Fund: 2011

The Council designated Solid Waste as an Enterprise Fund for FY 2011. Solid Waste should pay for itself without General Fund tax subsidy. The monthly customer fee rose to \$14 in FY 2010 and to \$16 in FY2013, but revenue in Solid Waste continued to fall short of costs.

A Solid Waste Analysis completed in 2013 showed cost of bulky waste and brush pickup was responsible for continued high operations cost in Solid Waste. (See chart.) Staff considered reducing the service level. A year ago, during discussions of the FY 2015 budget, staff prepared for a service reduction through elimination of one (1) of three (3) bulk crews, but the Council decided against the cut.

Cart fee started, bulk fee changed

For FY 2015, the City instituted automated cart collection for garbage. (It had done so for recycling in 2013.) The Council established a tiered rate system in which the monthly fee was set according to the customer's garbage cart size beginning May 1, 2014: \$16 monthly for a 35-gallon cart, \$18 for a 65-gallon cart and \$20 for a 95-gallon cart. The rates increase to \$16/20/23 beginning May 1, 2015, and \$16/21/25 beginning May 1, 2016. For bulk, the first end loader bucket remains free and the second bucket costs \$25. It should be noted here that many cities provide minimal bulk and brush services and confine most solid waste services to garbage and recycling, as shown in the top diagram on the previous page.

FY 2015 deficit

Midway during the fiscal year, staff determined that the new fee structure would not bring Solid Waste into self-supporting operations. The opposite was true; the funding gap was widening. Staff brought the situation to the Council's attention and staff examined the issues. The results are the recommendations before the Council tonight.

Staff this winter concluded that the core issue was the fee system for bulky waste pickup, the lack of any brush fee and the cost for premium bulky waste and brush collection. The cart fees are expected to generate \$5.3 million in FY 2015, which is about \$1.1 million above the cost of garbage and recycling. The cost of bulky waste and brush collection is projected to cost about \$3.5 million, and revenue produced by bulky waste collection will be insignificant in comparison.

The cart fee cannot sustain the entire Solid Waste program. **The fee would have to rise to about \$30 a month per household.** Staff detects little support among the public for doing so.

Instead, staff proposes to end the free bucket policy, raise the bulk fee to \$50, charge similarly for brush and reduce bulk personnel through job transfers and attrition. Staff ran twenty – nine (29) scenarios through cost revenue formulas. It projects that the \$50 bulk fee will produce revenue and work reduction resulting in a net gain of about \$165,000 in the first year.

The Unknown:

While staff generated cost and revenue projections, there are unknowns. The first is consumer behavior. We are estimating that demand for bulk will decrease by 60 percent as a result of the increased cost and the elimination of the free bucket. Actual results may differ, but prior experience indicates reduction in demand should take place. From 2008 to 2011, the City saw a 38 percent reduction in bulk tonnage, the likely result of the Council instituting a bulk fee and excluding heavy materials including sod, shingles and rock from its regular bulk collection. (See accompanying chart.) The strategy includes management moving employees into other jobs and reducing labor costs through attrition. The rate of attrition is another unknown.

Conclusion:

Recommendations will put the Solid Waste Enterprise Fund on the right course. It will require several months of consumer experience before the City can fully understand how the changes (or any other changes in Solid Waste fees and services) affect the budget.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Staff has conducted multiple public outreaches on the topic of Solid Waste, notably during the study and Solid Waste Analysis headed by Assistant to the City Manager Alex McElroy. More recently, Solid Waste was a table topic during the Citizens' Summit on January 20, 2015. The Public Works Department has availed itself to informal public comment and discussion throughout years of proposals and changes discussed in this memorandum.

FINANCIAL IMPACT: Financial analysis of the above staff recommendation projects a modest a gain of \$165,000 in FY 2016 and \$86,500 in FY2017. These projections use predictions of consumer behavior such as growth in customer base of 400 per year based to population growth trends and additional utilization of 35 gallon carts as monthly rates increase. Further a significant assumption made is the reduction of bulk waste pickups will reduce by 60%. It is not possible to understand the true financial impact at this time. However, Finance does endorse the staff recommendation presented within and believes this is a viable solution for the fund to become solvent in the long term.

Respectfully submitted for Council consideration.

Prepared by: Stephen Arney, Public Works Administration
Reviewed by: Jim Karch, PE, CFM, Director of Public Works
Reviewed by: Steve Rasmussen, Assistant City Manager
Financial & Budgetary review by: Patti-Lynn Silva, Finance Director
Legal review by: Jeffrey R. Jurgens, Corporation Counsel
Recommended by:

David A. Hales
City Manager

Alderman Sage questioned removing brush pick up from the fee structure.

Alderman Lower requested macro-economic impacts.

Alderman Black requested the item appear on the March 16, 2015 Committee of the Whole.

Alderman Mwilambwe requested pick up clarification. He believed input from the refuse crews was required.

Alderman Stearns requested that the refuse crews provide bulk waste efficiency ideas.

Motion by Alderman Schmidt, seconded by Alderman Hauman that the Text Amendment to Chapter 21, Refuse Code, Section 300.7 be laid over to the April 13, 2015 Council meeting.

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

Ayes: Aldermen Schmidt, Painter, Hauman, Sage, Black, Mwilambwe, Streams, Lower and Fruin.

Nays: None.

Motion carried.

CITY MANAGER'S DISCUSSION: Jeff Jurgens, Corporation Counsel, addressed the Council. He read a memorandum referencing McGraw Park Conflict of Interest, dated March 9, 2015. He noted that same involved a vote held on the purchase of Lots 47 and 48 of Empire Business Park Preliminary Plat utilizing a \$750,000 state legislative grant from Senator Bill Brady and Agreements with Central Catholic High School from the November 10, 2014 Council meeting.

Don Knapp, Asst. State's Attorney, was contacted. Mr. Knapp did not pursue a determination as the vote was reconsidered on November 24, 2014 with Alderman Fruin abstaining. Alderman Fruin stated that he had no financial interest with Central Catholic High School (CCHS). He served as a volunteer and was not part of any discussions with CCHS involving the McGraw Park transaction.

Mr. Jurgens stated that the Legal Department was working to clarify in the city code conflicts of interests.

Mr. Hales noted that a public meeting would be held at the Pepper Ridge School, Music Room, on the Fox Creek Rd. Bridge improvements on March 11, 2015 beginning at 6:00 p.m.

MAYOR'S DISCUSSION: Mayor Renner thanked Alderman Schmidt for presiding over the Mayor Open House on March 6, 2015.

He recapped the One Voice trip held in Washington, D.C. on March 2 – 4, 2015. He believed the area's mental health concerns and Connect Transits downtown transfer station were favorably received.

He noted that March 7, 2015 was the 50th Anniversary of the Selma, AL marches.

ALDERMEN'S DISCUSSION: Alderman Black noted Wards 2, 6, & 7 would hold a future Budget discussion on March 10, 2015 at the Lincoln Leisure Center, 1206 S. Lee St., from 6:00 to 7:30 p.m.

Alderman Painter thanked Jeff Jurgens, Corporation Council, for his work on the Illinois Environmental Protection Agency (IEPA) Water Department Operating Permits violation.

Alderman Stearns believed that the Budget Work Session held on March 7, 2015 was productive. She requested a list of all city properties, events held at the Bloomington Center for the Performing Arts and U.S. Cellular Coliseum including profits.

Alderman Lower noted that the Town of Normal uses a boom and knuckle truck for brush pick up.

Motion by Alderman Black, seconded by Alderman Hauman, that the meeting be adjourned. Time: 8:49 p.m.

Motion carried.

**Renee Gooderham
Interim City Clerk**