

GENEVA CITY COUNCIL MEETING
MARCH 18, 2013

CALL TO ORDER

The March 18, 2013 meeting of the Geneva City Council was called to order at 7:00 p.m. in the Council Chambers of City Hall by Mayor Kevin Burns. Aldermen present: Chuck Brown, Don Cummings, Dorothy Flanagan, Sam Hill, Dean Kilburg, Craig Maladra, Richard Marks, Ron Singer, Dawn Vogelsberg. Aldermen absent: None. Also attending: City Atty. Charles Radovich, City Administrator Mary McKittrick, Asst. City Administrator/Dir. of Administrative Services Stephanie Dawkins, Public Works Director Dan Dinges, Economic Development Director Ellen Divita, Community Development Director Dick Untch, Police Chief Steve Mexin, Fire Chief Steve Olson.

PLEDGE OF ALLEGIANCE

PUBLIC HEARINGS, SPECIAL ITEMS AND PRESENTATIONS

FY2013-14 Proposed Budget Presentation

Admin. McKittrick presented the proposed FY2013-14 operating and capital budgets for all funds including the General Fund, Electric Fund, Water/Wastewater Fund and Miscellaneous Funds. The proposed budgets represent anticipated revenues and expenditures in all funds. She said that this year's budget focus is fiscal stability.

She said that in recent years it has been challenging to balance the budget given the economic times, adding that this year's proposed General Fund is \$2 million less than it was in FY2008-09. She cited expenditure reductions as a result of deferred capital improvements, reduced or frozen staffing levels, and decreasing operational expenditures. These, she said, have made it difficult to maintain services as population has not declined. She noted, however, some recovery in the economy, with sales tax and income tax receipts to the City showing modest increases, although assessed property valuation continues to decline.

Admin. McKittrick said the FY2013-14 budget reflects the above economic realities and requires continued vigilance to balance the budget and to achieve a number of service and operational goals, which she detailed. She addressed property tax revenues, saying the City's portion of a tax bill is eight percent. She also addressed other revenue sources such as sales taxes and motor fuel taxes.

She then turned to specifics on the various anticipated fund revenues and expenditures comprising the proposed FY2013-14 budget, which totals \$83,698,248, a difference of about \$10 million from last year. She also discussed workforce and pensions status.

She concluded by saying that the proposed budget responds to current economic conditions, retains core services for residents and businesses, begins to reinvest in needed areas, recognizes those employees who provide excellent customer service, and demonstrates financial stability.

She asked Council members to submit additional questions prior to the March 25 Committee of the Whole meeting, where they will be addressed. Questions were then taken from the Council and audience.

On a question from Ald. Maladra, Admin. McKittrick said her presentation will be sent to Council members and posted on the City's website. Hard copies also will be available at City Hall and the library,

Responding to a question by Ald. Singer on population growth vs. city workforce, Admin. McKittrick said the city has grown by about 3,000 residents since 2007. Ald. Flanagan asked which city department saw the greatest reduction in workforce. Admin. McKittrick answered that the reductions were spread across all departments. Ald. Flanagan also asked about pension funding requirements.

Geneva City Council Meeting
March 18, 2013

Ald. Marks asked if the possible State reduction in distributive funds is reflected in the budget. Admin. McKittrick said that it is reflected in those funds targeted by the State. Ald. Kilburg wondered if a future communications officer might be shared with other government bodies such as the Park Dist. and School Dist. While acknowledging that as a possibility, Admin. McKittrick felt that the City would require someone who could quickly disseminate emergency information, while the other bodies would be more inclined to require someone providing information on a more routine basis. Ald. Hill asked Admin. McKittrick if she would explain to the audience the current situation with State distributive funds.

AMENDMENTS TO AGENDA

Moved by Ald. Maladra, seconded by Ald. Cummings to remove item 11i (Res. 2013-38) from the Omnibus Agenda. Carried unanimously by voice vote. MOTION CARRIED

OMNIBUS AGENDA

All items listed on the Omnibus Agenda are considered to be routine by the Council and will be enacted by one motion. There will be no separate discussion on these items unless a Council member or citizen so requests in which event the item will be removed from the Omnibus (Consent) Agenda and considered in its normal sequence on the Agenda. Moved by Ald. Maladra, seconded by Ald. Flanagan to approve the Omnibus Agenda as amended. Roll call:

AYES: 9 (Ald. Brown, Cummings, Flanagan, Hill, Kilburg, Maladra, Marks, Singer, Vogelsberg)

NAYS: 0 MOTION CARRIED

Approve Res. 2013-38 Selling Surplus Public Property Lot 96 of the Fox Run Subdivision at a Price of \$105,000.00

Having been removed from the Omnibus Agenda, this item was now given separate consideration.

Moved by Ald. Vogelsberg seconded by Ald. Hill to approve Res. 2013-38 selling surplus public property Lot 96 of the Fox Run Subdivision at a price of \$105,000.00.

Paul Stukel, 746 Fox Run Dr., wished to address the Council. He is a property owner adjacent to the surplus property who had submitted an offer of \$98,000 for the property. He questioned the process by which the property was offered for sale, saying that he has asked why there was not a formal published process in respect to the sale of the property, and why his offer, which contained contingent considerations, was not addressed. He also questioned the opaqueness of the process. He said he was asked by Admin. McKittrick for \$1,000 earnest money before he could make an offer, when he was quite certain that John Henry Builder-Developer, the winning bidder, was not required to deposit the earnest money. He said the city attorney later told him that the earnest money was not required. He felt that the City could have received more money for the property had the sale been a more open process. He felt the City was uncommunicative.

Atty. Radovich responded to Mr. Stukel, saying the City Council adopted Res. 2013-09 on Feb. 4 authorizing the property in question to be declared surplus and authorized the city administrator to sell the property in a manner to be determined by her regarding solicitation and advertising. He said the sale notice was published in the Daily Herald the following week. He recounted the state-authorized bidding process carried out by Admin. McKittrick, noting that it was about mid-February, about three weeks after the John Henry bid was received, that the City was made aware of the Stukels' interest in the property. He said the Stukels were contacted and given a limited amount of time to submit an offer. After receiving the Stukels' offer, it was decided to accept the offer of

Geneva City Council Meeting
March 18, 2013

\$105,000, the appraised value, from John Henry Builder-Developer. Regarding the Stukels' contingent consideration, Atty. Radovich said only the dollar amount of \$98,000 was considered. He added that it is his opinion that a process was followed, that there was considerable correspondence between Mr. Stukel and the City, and that the process was transparent.

Admin. McKittrick said she believed she and Atty. Radovich clearly outlined the public process to Mr. Stukel and that there was no attempt to hide any information. She recounted her contact with Dan Baker of the Fox Run homeowners association regarding the property sale, and that Mr. Baker forwarded the information supplied to him, along with the appraisal, to Mr. Stukel. She chronicled her several attempts to reach Mr. Stukel. She said that responding to Mr. Stukel regarding any escalator or contingency clauses would be unethical and illegal.

Mr. Stukel again stated that the City's actions did not constitute a process, but rather a notification, and that his questions remain unanswered. He questioned the relevance of the Feb. 27 deadline he was given to submit his bid. Mayor Burns asked Mr. Stukel to clarify a previous statement that he would like the City Council to defer this matter. Mr. Stukel said he would like a deferral so as to further discuss his bid and the process.

Ald. Kilburg asked as to procedure for disposing of other City property such as a truck. Atty. Radovich said there are various procedures per state statute for disposing of different types of City property. Ald. Vogelsberg wished to assure Mr. Stukel that this has been a clean process, that Mr. Stukel received plenty of notice, and that it simply involved accepting the highest offer.

Mr. Stukel argued that indications are that John Henry would have paid \$112,000 to the benefit of the taxpayers. Ald. Maladra said that this, as with other City bid processes, was not a random process, and that this is a simple consideration of the highest bid. Ald. Cummings called the question, saying that the process is unrelated to accepting the bid and that the sales process possibly could be discussed at a later time. Mayor Burns reminded the Council that the vote requires two-thirds of the corporate majority, or seven votes. Roll call:

AYES: 10 (Ald. Brown, Cummings, Flanagan, Hill, Kilburg, Maladra, Marks, Singer, Vogelsberg, Mayor Burns)

NAYS: 0 MOTION CARRIED

APPROVE MINUTES OF THE LAST REGULAR MEETING HELD MARCH 4, 2013

Moved by Ald. Maladra, seconded by Ald. Flanagan to approve motion as presented. Approved by unanimous roll call vote. (Omnibus Agenda). MOTION CARRIED

APPROVE REPORTS

Moved by Ald. Maladra, seconded by Ald. Flanagan to approve motion as presented. Approved by unanimous roll call vote. (Omnibus Agenda). MOTION CARRIED

UPCOMING MEETINGS

Committee of the Whole March 25, 2013
City Council April 1, 2013

OTHER ITEMS AND CORRESPONDENCE

Policy Discussion on Refuse Rate Amendment

Dir. Dinges recapped the refuse fund policy discussion held in Oct. 2012, saying the current residential refuse fee is \$4.05 per month. He said that the City is currently looking into outsourcing the street sweeping, adding that the City's 10-year-old street sweeper needs about \$30,000 in repairs. He estimated the cost of a new replacement sweeper to be about \$235,000. He said that the outsourcing has been put out to bid, with the lowest bid being \$70,000 per year.

Dir, Dinges pointed out that the October discussion also addressed if commercial/industrial city customers should pay refuse fees along with residential customers. He presented a chart showing the fees under each situation. He said the current fee of \$4.05 per month includes some multi-family residential and commercial customers. If the fee applied only to single-family residential, it would be \$4.85, against the recommended fee of \$4.75 per month, excluding street sweeping. If all customers were included, he said the rate would fall to \$3.38 per month (\$3.97 with street sweeping).

Per a request from Admin. McKittrick, Dir. Dinges said the City's sweeper costs approximately \$12,000 a year in maintenance, debris disposal costs are about \$10,000 per year, fuel costs are about \$6,000 per year, labor costs over an eight-month period are about \$55,000. He added that currently parking lots such as the commuter lots are not swept, but if the low bidder was to do so, an additional \$12,000 would be added to the bid of \$70,000.

Ald. Maladra asked if charging everyone for refuse service would raise the demand. Dir. Dinges said the service would remain the same, so not every customer would receive the same service. Ald. Singer asked what consideration has been given to associations that provide similar brush pickup services. Ald. Dinges said all customers would be charged the same fee, calling it a fee to keep Geneva clean.

On a question from Ald. Hill, Dir. Dinges said the fee of \$3.97 includes outsourced sweeping until 2016. Ald. Kilburg asked as to the equity in the current street sweeper, with Dir. Dinges answering that he was unsure of the value, but felt that it would be worth \$50,000 or less. Ald. Brown said that charging commercial/industrial companies could be complicated in that firms could have multiple meters and billings, although he generally agreed with the proposed blanket billing.

Carl Eberle, 742 Fox Run Dr., said he would be satisfied with a brush pickup once a month. Dir. Dinges responded that how often brush pickups occur could be a consideration in future contracts. Ald. Brown said it was his understanding that charges for brush pickup are based on overall volume rather than pickup frequency. Dir. Dinges agreed, but said there would be some cost savings with fewer pickups.

Ald. Hill supported the option whereby all customers would be charged at a set monthly fee with outsourced brush pickup, leaf pickup and street sweeping. Consensus was to proceed in that direction.

MUNICIPAL BILLS FOR PAYMENT

The following bills were presented for payment:

General Fund	\$66,488.22
Cultural Arts Fund	1,005.00
SPAC Fund	2,377.45
Tourism Fund	128.17
Tri-Com Fund	260,771.19

Geneva City Council Meeting
March 18, 2013

SSA #1	42.78
Debt Service Fund	350.00
General Capital Projects	20,965.34
TIF #2	150.00
Electric	2,195,247.07
Water/Wastewater	37,184.38
Refuse	33.82
Cemetery	762.64
Commuter Parking	3,712.14
Group Dental	2,107.80
Workers Compensation	900.00
Total Funds	<u>\$2,592,226.00</u>

Moved by Ald. Brown, seconded by Ald. Flanagan that the bills be approved and vouchers prepared. Roll call:

AYES: 9 (Ald. Brown, Cummings, Flanagan, Hill, Kilburg, Maladra, Marks, Singer, Vogelsberg)

NAYS: 0 MOTION CARRIED

COMMITTEE OF THE WHOLE ITEMS OF BUSINESS

Recommend Approval of Requests for Street Closures and Use of City Services for Concours d'Elegance August 25, 2013

Moved by Ald. Maladra, seconded by Ald. Flanagan to approve motion as presented. Approved by unanimous roll call vote. (Omnibus Agenda). MOTION CARRIED

Approve Res. 2013-31 Accepting Quit Claim Deed from Simon & Sohn Series LLC for Campbell Street Parking Lot Alley Dedication

Moved by Ald. Maladra, seconded by Ald. Flanagan to approve motion as presented. Approved by unanimous roll call vote. (Omnibus Agenda). MOTION CARRIED

Approve Res. 2013-32 for Plat of Easement Lot 1 Duke Realty Geneva Business Park Subdivision

Moved by Ald. Maladra, seconded by Ald. Flanagan to approve motion as presented. Approved by unanimous roll call vote. (Omnibus Agenda). MOTION CARRIED

Approve Res. 2013-33 for Plat of Easement Lot 2 of First Resubdivision of Lot 1 Randall Center

Moved by Ald. Maladra, seconded by Ald. Flanagan to approve motion as presented. Approved by unanimous roll call vote. (Omnibus Agenda). MOTION CARRIED

Approve Res. 2013-34 Authorizing Execution of License Agreement with Bensidoun USA, Inc. for Open Air Market

Moved by Ald. Maladra, seconded by Ald. Flanagan to approve motion as presented. Approved by unanimous roll call vote. (Omnibus Agenda). MOTION CARRIED

Approve Res. 2013-35 Authorizing Execution of First Amendment to Development Economic Incentive and Reimbursement Agreement with Joseph Stanton

Moved by Ald. Maladra, seconded by Ald. Flanagan to approve motion as presented. Approved by unanimous roll call vote. (Omnibus Agenda). MOTION CARRIED

Geneva City Council Meeting
March 18, 2013

Approve Res. 2013-36 Authorizing Contract with Ehlers and Associates for Professional Financial Planning Service – Downtown Business District

Moved by Ald. Maladra, seconded by Ald. Flanagan to approve motion as presented. Approved by unanimous roll call vote. (Omnibus Agenda). MOTION CARRIED

Approve Res. 2013-37 Authorizing Execution of First Amendment to Intergovernmental Agreement for Tri-City Police Records Management with New World Systems

Moved by Ald. Maladra, seconded by Ald. Flanagan to approve motion as presented. Approved by unanimous roll call vote. (Omnibus Agenda). MOTION CARRIED

NEW BUSINESS

Seeking Fifth Ward Aldermanic Applicants

Ald. Maladra reminded everyone that the City is seeking applicants to fill an aldermanic seat in the fifth ward. He read the press release addressing same.

Birthday Greeting for Ald. Singer

Ald. Vogelsberg wished Ald. Singer a happy birthday.

ADJOURNMENT

There being no further business, moved by Ald. Marks, seconded by Ald. Hill to adjourn the Geneva City Council meeting. Carried by voice vote.

The meeting adjourned at 9:26 p.m.

Lynn P. Landberg, City Clerk