

**CITY OF WASHINGTON, ILLINOIS
CITY COUNCIL MEETING - TUESDAY, JANUARY 22, 2019
LIBRARY MEETING ROOM
380 N. WILMOR ROAD – 6:30 P.M.**

<p>Mayor Manier called the regular meeting of Tuesday, January 22, 2019 to order at 6:30 p.m. in the Library Meeting Room at Five Points Washington.</p>	<p>Call to Order</p>
<p>Present and answering roll call were Aldermen, Adams, Brucks, Butler, Cobb, Dingledine, Gee, and Moss. Alderman Brownfield was absent.</p>	<p>Roll Call</p>
<p>Also present was Controller Joanie Baxter, Public Works Director Ed Andrews, Public Works Manager Kevin Schone, P & D Director Jon Oliphant, Police Chief Mike McCoy, Deputy Chief of Police Jeff Stevens, City Clerk Pat Brown, and the Press.</p>	
<p>All present stood for the Pledge of Allegiance.</p>	<p>Pledge of Allegiance</p>
<p>The Agenda was reviewed and stood as presented.</p>	<p>Agenda Review</p>
<p>Alderman Gee moved and Alderman Moss seconded to approve the Consent Agenda as presented. Items included on the Consent Agenda were minutes of the January 7, 2019 regular City Council meeting; bills & payroll; post ratification: emergency repairs, WTP #2, softener control cabinet; and payment authorization: Sensus analytics support, year 4. On roll call on the motion to approve the vote was: <u>Ayes: 7</u> Adams, Brucks, Butler, Cobb, Dingledine, Gee, Moss <u>Nays: 0</u> <u>Motion declared carried.</u></p>	<p>Approve Consent Agenda</p>
<p>Fire Chief Traver reported that the 2019 New Year’s baby was actually delivered in a home in Washington this year. He provided a summary of the call and recognized all those whose efforts were instrumental the difficult delivery (Firefighter Tyler Gee, Support Staff Lance Aarestad, Police Officer Ron Moore, Paramedic Jeremy Doerr, and Paramedic Daniel Grothe). He asked EMS Coordinator Gary Foley to step forward where he presented Washington Fire Department Service Awards to Tyler Gee, Lance Aarestad, and Ron Moore (Ron could not be here so his will be delivered to him) and Washington Fire Department Lifesaving Awards to Jeremy Doerr and Daniel Grothe. Police Chief McCoy shared that the Police Department appreciates the great relationship they have with the Fire Department and are honored to help out when they can.</p>	<p>Announcements WFD Awards</p>
<p>Mr. John Stromberger, representing the Washington Bicentennial Committee, shared information about the committee and their efforts thus far in beginning the process of the City’s 200th birthday, which will be celebrated in 2025. He noted that many things are in the planning stages and Committee members are available to answer any questions and receive any suggestions as they move forward in the process. The information shared as well as the list of Committee members and their contact information is attached and part of these minutes.</p>	<p>Bicentennial Committee</p>
<p>John & Sharon Amdall shared their concerns with spending down the City’s reserve funds on upcoming street reconstructions without a funding plan in place for the City’s 20-miles of future roadway reconstructions. The information shared is attached and part of these minutes.</p>	<p>Audience Comments</p>
<p>Mr. Bob Morris shared his concerns with the City’s financial obligation and development of the Washington 223 property along the US Route 24 Bypass (bounded by W. Cruger on the south and Nofsinger Road on the west). The information shared is attached and part of these minutes.</p>	
<p>Alderman Brucks, Finance & Personnel Committee Chairman reported nothing on the agenda. Alderman Butler, Public Safety Committee Chairman reported nothing on the agenda. Alderman Gee, Public Works Committee reported three items on the agenda (Resolution A, Ordinance A, and Staff Reports A).</p>	<p>Standing Committees</p>
<p>Mayor Manier complimented City Staff, Public Works, Police, and Fire for their efforts in keeping our residents safe during the recent snow events. He shared many compliments have been received on jobs well done and asked residents when they call City Hall to report an issue to consolidate calls to one that might be associated with a phone chain or homeowners association to help alleviate the volume of calls for staff on one issue.</p>	<p>Mayor’s Comments</p>
<p>Mayor Manier read a resolution, by title only and brief synopsis, authorizing the Mayor and City Clerk to enter into a Contract for Services regarding Water Treatment Plant No. 1. Adoption of this resolution would allow the opportunity to take advantage of all energy efficiency incentives through Ameren, award the contract for services, and waive the formal bidding process for the installation of Variable Frequency Drives at Water Treatment Plant No. 1. Incentives through Ameren total approximately \$40,000 of the \$60,950 project cost. Alderman Gee moved and Alderman Adams seconded to adopt the resolution as read. On roll call the vote was: <u>Ayes: 7</u> Adams, Brucks, Butler, Cobb, Dingledine, Gee, Moss <u>Nays: 0</u> <u>Motion declared carried.</u></p>	<p>Adopt resl, authrz contract for services, WTP #1, VFDs project</p>
<p>Mayor Manier provided first reading of the following ordinance, by title and brief synopsis: an ordinance adopting the City of Washington Transportation Priorities Plan. Adoption of this ordinance will adopt a Transportation Plan that will be used as a guide for local roads, mass transit, recreation trails, and green infrastructure priorities and be used as support for seeking additional funding opportunities. This ordinance will be listed on the next meeting agenda for action.</p>	<p>1st reading ord, adopting Transportation Priorities Plan</p>

Capital Improvement Program (CIP) - Streets	<p>Public Works Director Andrews provided a summary of one-time capital projects for FY2019/2020 which include the following four roadway projects: 1) N. Lawndale reconstruction, projecting a total expenditure of \$1.7M with approximately \$385K and \$168K being eligible from Sewer and Water Funds respectively and remaining from General Fund; 2) W. Holland reconstruction, projecting a total expenditure of \$500K with approximately \$75K and 50K being eligible from Sewer and Water Funds respectively and remaining from General Fund; 3) Freedom Parkway extension/Lakeshore Drive signal construction, approximately every 2-3 years Tri-County Regional Planning under PPUATS has Federal funds available in a competitive pool at 30/70 funding and the estimate for this project is \$3.5M, with \$1M as local General Funds and the balance of \$2.5M as PPUATS/STU funds; and 4) Stratford bridge construction, the existing 1961 box culvert has been load restricted to 12T and construction is estimated at \$350K using all local funds. He shared that the full 5-year projection of the General Fund Summary will be finalized as the water/sewer rate study is concluded and its results can be applied towards continued infrastructure reconstruction. He noted the following: the rollover of allocated budgetary funds on our match of the Nofsinger Road realignment and shared that depending on where it hits in the funding cycle it may rollover again into FY20-21; the updated dollar amount for the Fire Station roof rehabilitation that was included as part of last year's Five-Year Capital Improvement Plan; and the summary of funding sources which include \$3,192,500 from Reserve Funds, \$850K from 0.5% HR Sales Tax, and \$850K from Nofsinger Road match rollover. There were no questions or comments following the summary update.</p>
Public Safety & Works Updates	<p>Police Chief McCoy shared that 2-weeks ago during the big snow event 32 parking tickets were issued and last week's snow event 5 parking tickets were issued. He shared that they used social media as well as CodeRed alerts to make residents aware of the parking ban and worked with the Public Works Street Department to keep roadways clear.</p> <p>Public Works Manager Schone requested that residents call one of the three Public Works hotline phones to share plowing and other concerns rather than posting on social media. He shared the three numbers (208-6206, 208-6208, & 712-9253) indicating that issues can be addressed more quickly when calls are placed to one of these numbers. He shared that 315 tons of salt was spread during the first snow event and 185 tons was spread during the second snow event, leaving approximately 850 tons for the remainder of the season. He encouraged residents to pile snow away from mailboxes and in right-of-way and not in the streets to help avoid mailbox damage and snow from being plowed back into driveways. He also noted that streets are not initially plowed to the curb and when they are if driveways have been cleared it will push snow back onto driveways and encouraged residents to also pile snow downstream of the driveway which will help with the amount of snow that gets pushed back onto driveways.</p>
Aldermen's Comments	None.
Adjournment	At 7:07 p.m. Alderman Butler moved and Alderman Adams seconded to adjourn. <u>Motion carried unanimously by voice vote.</u>

Patricia S. Brown, City Clerk

John Stromberger shared at 1/22/2019 City Council meeting.

Hello my name is John Stromberger and I live at 118 Hollands Grove Lane. Thank you for giving me the opportunity to speak to the council tonight. In 1825, a man named William Holland was the first man to stake out a town in this area. From Holland's initial settlement, Washington has grown steadily and mightily into a wonderful town of which we should all be very proud. In 2025, Washington will celebrate its 200th birthday. I am here to announce that a committee has been formed to begin the process of planning this bicentennial celebration. I cannot give you many specifics at this time, as it is very early, but what I can tell you is that there will be opportunities in the years leading up to the bicentennial for Washingtonians to participate in city-wide celebratory activities culminating in the 2025 celebration. Our goals are simple, to adequately honor our town, to provide a range of activities so everyone has multiple opportunities to participate, and to make the bicentennial a memorable experience for all Washingtonians. Some of you may have memories of the sesquicentennial celebration of 1975. The painted fire hydrants, the mural painted on the side of the WRC building, or maybe you still have a souvenir or the history book written at that time. We want the bicentennial to create those same type of memories for the next generation. A couple of specific things we are working on right now include the creation of our bicentennial logo, and the Washington Historical Society has already started researching a contemporary history of Washington, called the Washington White Papers, that will serve as a digital sequel to that book that was written for the sesquicentennial in 1975. However, there are many more things in the planning stages. Moving forward there will be many opportunities for businesses, organizations, residents, and the city itself to work with the committee in terms of sponsorship of activities.

I have copies for you, which contain the list of people on the committee with the email addresses and phone numbers. Please feel free to contact any of us at any time with questions or suggestions. Thank you for your time.

January 2019

MEMBERS OF THE WASHINGTON BICENTENNIAL COMMITTEE

Committee Member Name	Phone Number	E-Mail Address
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* Chairman of the Washington Bicentennial Committee

John & Sharon Amdall shared at 1/22/2019 City Council meeting.

Comments

Public Works Committee, Finance Committee, and Washington City Council

Subject: Funding for Street Reconstruction

Thank you for the City of Washington plans to launch the reconstruction of the 100-year-old street, sewer, water, storm sewer, and sidewalk infrastructure. We especially appreciate that the 2019 plans include reconstruction of both an asphalt and a brick street.

However, we are deeply concerned that the 2019 planned street reconstruction is being funded mostly through reserve funds.

We feel that this sets the wrong expectations.

Based on prior statements from the City Staff, about 20 miles of Washington streets require reconstruction. The City Staff has shown data that this will cost about \$5.5 Million per mile.

Without a clear funding strategy, the 2019 street reconstruction will establish expectations for future street reconstruction that future City Leaders will struggle to fulfill.

We recognize that a practical funding strategy may require time to determine and actually implement. Therefore reserve funds may be required to accomplish the 2019 plans. We would request that the Washington Council Committees and the Washington City Council establish a funding plan for the 20 miles of street reconstruction before final approval to use reserve funds for the planned 2019 street reconstruction.

Sharon & John Amdall

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309-360-9902

WASHINGTON 223: 2019 UPDATE (1/22/19)

A little over one year ago, / I shared my comments and suggestions / regarding the Washington 223 project with each of you.

Recently, I have gathered updated information (and) / from records received through the Freedom of Information Act / and from the city's web page. I would like to share / some of my preliminary findings this evening. / Given the time constraints, / I have pared my comments / down to just a few facts and observations / directly related to the land acquisition.

The total end-cost of the 223-land purchase is now known:

When all is said and done, the land purchase expense will total 5,862,888 dollars, / including interest costs on the Morton Community Bank and Busey Bank loans.

Of this total, / 5,082,888 dollars / will be paid from general city revenues / and will ultimately be borne by the taxpayers. / The remainder will be covered by the net income from the farm lease.

Next I would like to turn to the Morton Community Bank Loan **"Lessons Learned"**

It is clear to me / that the interest-only loan from Morton Community Bank / was deemed necessary / to meet the city's short-term cash flow needs in 2013. However, / the loan carried a hefty price tag / with interest-only payments totaling 969,952 dollars / over the seven-year term.

Clearly, / this substantial, expense / should have immediately alerted city officials / to the need for converting to an alternate, / less-costly, permanent, financing solution / as soon as the city's finances / would allow.

Fortunately, the city elected to fully repay the Morton Bank loan in June of 2018 ... but not before paying 650,175 dollars in interest costs. /

I understand that the repayment and refinancing / was funded by a \$1.0M loan from Busey Bank / with the remainder taken from the city's cash reserves.

It is troubling to realize, however, / that the city could have repaid and refinanced the Morton Bank loan / in exactly the same manner / as it just did, (that is, a \$3.965M down payment and \$1.0M borrowing) / as early as May 1, 2015. / Regrettably, / the city did not have the foresight / to do so / at that time.

By my calculation, the delay in the repayment and refinancing of the Morton Bank loan / from May 1, 2015 / (when it could have been refinanced) / until June 4, 2018 / (when it actually was refinanced) / has cost the city and taxpayers 426,004 dollars / in avoidable interest expense. Furthermore, a refinance in 2015 would have resulted in a lesser interest rate and an earlier debt retirement date, thereby freeing-up the debt service payments for other purposes in 2025 rather than 2028.

In my view, / this costly / missed opportunity / is a direct result / of the city's failure to adequately plan / the 223 venture / from the outset in 2013.

Now to the Busey Bank Loan.

I understand / that the city elected to finance the \$1.0M Busey Bank loan / as a "taxable" borrowing / that carried a higher interest rate of 4.35%. / The interest cost on this loan / will total 247,712 dollars / over the ten-year term.

I also understand the logic for taking a "non-qualified / taxable loan" / in certain instances. / However, / I believe that the city could have taken / an alternate approach in borrowing this \$1M / which would have qualified for a lesser, tax-exempt, interest rate.

By my calculation, / doing so would have saved the city and taxpayers / about \$70,000 in interest costs over the life of the loan that is \$70k / that will be needlessly spent on interest costs.

Regarding Splitting Parcels from 223-tract.

It currently appears likely / that the 223-real estate / will remain exclusively in farm use / unless and until Nofsinger Road is relocated. / I suspect that there may be at least three buildable parcels / that could be split from the 223-acre tract / and put on the market immediately, / without adversely affecting the remaining acreage / or without having to wait on Nofsinger and the other infrastructure improvements. / This opportunity would have been

easily identified / early-on / in conjunction with a standard business plan / as it presents an immediate opportunity to generate income.

I believe that this prospect would be worthy of your further consideration.

Regarding the Protection of Schools

At the time of the land purchase in 2013 / and ever since, / City officials have repeatedly asserted / that the 223-land acquisition / was required to protect local schools from financial hardships / resulting from new residential development.

Purchasing land is surely one way to control development, / but it is extremely expensive and entirely unwarranted in my opinion / --- the city has far better options.

The city has broad, / formal and informal, / influence, discretion and authority / over new residential development / through the exercise of its powers / over annexation; / plat approval and subdivision development; / planning, zoning and development standards; / access to city water and sewer utility services; / connectivity to the city's street network; / and through the fees it levies for building permits, subdivision developments and utility connections, /.... to name but a few.

I would encourage the Mayor and City Council / to further consider these and other options / with the city staff. / Sooner or later, / there will be another / new residential subdivision seeking the City Council's approval. / In my judgement, / you would be well served to thoroughly prepare for that prospect, / sooner rather than later. Surely, the option of purchasing the ground / to block its development / will not warrant serious consideration.

In Conclusion

I have come to accept / that the Mayor and City Council see no advantage / in preparing a business plan / for the 223 venture. / While short-sighted in my opinion, / I respect that that is clearly your prerogative.

Nonetheless, / I would respectfully suggest / that it is in the interest of all concerned, / not the least of which the taxpayers, / for the city to critically

evaluate / at least two planning elements before incurring added costs / or increased indebtedness:

The first involves funding and financing for the 223 infrastructure improvements / --- roads, utilities and the like. As noted above, / ill-planned financing strategies / can and do carry high costs / and missed opportunities can result in needless spending.

I hope and trust / that the city will not be tempted / by another costly, / interest-only loan / merely to meet its short-term cash flow needs.

The second relates to marketing plans and strategies. / As previously noted, / the land acquisition alone / will cost the city 5,082,888 dollars. / At this point, / the taxpayers are picking up the tab, in full.

Is the Mayor and City Council satisfied / with outcome? / If not, / it will take skilled planning and near flawless execution / to relieve the taxpayers / of this financial burden.

I plan to share my further thoughts, observations and suggestions / on these and other aspects of the 223 venture / in the coming weeks and months.

I appreciate your time this evening / and your consideration of my concerns and comments.

Thank you.

Bob Morris, 1220 Belford Court, Washington, IL

