

**CITY OF WASHINGTON, ILLINOIS
CITY COUNCIL PUBLIC HEARING – THURSDAY, OCTOBER 3, 2019
PROPOSED SPECIAL SERVICE AREAS (SSA) 2 AND 3
BANQUET ROOM B
360 N. WILMOR ROAD – 6:30 P.M.**

Call to Order	Mayor Manier called the Public Hearing meeting of Thursday, October 3, 2019 to order at 6:32 p.m. in Banquet Room B at Five Points Washington.
Roll Call	<p>Present and answering roll call were Aldermen Adams, Black, Brownfield, Butler, Cobb, Dingledine, Stevens, and Yoder.</p> <p>Also present was City Administrator Ray Forsythe, Public Works Manager Kevin Schone, City Treasurer Ellen Dingledine, Assistant City Attorney Derek Schryer, City Clerk Pat Brown, and consulting engineer Frank Sturm, Mohr & Kerr Engineering.</p>
Public Hearing	<p>A public hearing for the purpose of the proposed Special Service Areas 2 (N. Lawndale Avenue) and 3 (W. Holland Street) was opened for comment at 6:32 p.m. in Banquet Room B at Five Points Washington.</p> <p>City Administrator Forsythe made the following comments: City Council has taken steps the last couple of years to create a format to reinvest in our streets and public infrastructure; one step was in raising the sales tax and dedicating the additional monies to a long term 20-year plan for public improvements; Council recently increased utility fees and rates to have a mechanism to follow the street reconstruction process with the allowance of upgrading our utility system (sanitary sewer, storm sewer, and water); the process we are now going through is to start a 20-year plan for the reconstruction with N. Lawndale and W. Holland being our first two projects; the challenge has been trying to figure out the process that will be used year after year going forward, which has become a learning process for us all; the intention is to do a project every year with both the street reconstruction as well as all the utilities underground; Mr. Frank Sturm our design engineer, is here this evening to talk about each of the two projects as well as give information on why it is important to upgrade the private part of the utilities (lines that go from house to the new utility mains) in order to comply with IEPA regulations; public meetings have been held but at the time we didn't necessarily understand the full funding mechanism that had to be put into place; the Special Service Area was determined to be the best route for the homeowners to participate in these projects to help fund the private improvements that go along with the public improvements (new streets, sewer, water, and storm sewer mains).</p> <p>Mr. Frank Sturm, Project Manager, Mohr & Kerr Engineering, shared an overview of the Special Service Area improvement projects noting the following: W. Holland is a brick street in pretty bad condition; public improvements will consist of new street, curb & gutter, sidewalks, driveway approaches; sanitary sewers run in back yards; City has recently decided to include the sanitary sewer as part of the street reconstruction project; more work will need to be done in locating the existing sewer laterals; a new water main will be ran on the north side of the street that new services will connect to and sump drain lines will be added; this project is unique in that generally public improvements stop at the right-of-way line and from there back to the home is the homeowners responsibility but in this case the City has decided to go all the way to the house as part of the reconstruction projects; generally speaking in the older neighborhoods the foundation drains if you have them are hooked to the sanitary lateral, which according to the Environmental Protection Agency, is an illegal connection and is no longer allowed; during the project illegal connections will be determined and will be separated and put into the sump pump drain line system; at the end of the project properties will have new water, sanitary, sump lines all the way to the house and is true on both the W. Holland and N. Lawndale projects; the latest cost estimate on N. Lawndale is \$1.8M and W. Holland is just under \$600K; intention on W. Holland is to replace the existing brick street with brick; and, it has not yet been decided if we salvage and reuse the existing brick, which a sample has been sent to determine its condition for reuse, or use new bricks.</p> <p>City Administrator Forsythe commented that one question that has come up is how did the City come up with the \$5K assessment amount. He shared the City Attorney's office has been helping us to create the SSA and when looking at the options which included a direct assessment where each property would pay based on linear feet, Staff and Council did not see the option based on linear feet as an appropriate mechanism to help fund the project due to the service line replacements being typical for each property. He indicated the SSA option would include each property within the area and be levied a tax that would be fair to the property owners. He shared that the improvements will range anywhere from over \$5K up to \$15K per property depending on property needs. Mr. Sturm shared they have estimated that if you need water service and plumbing, sump drain line and sump pump, and sanitary lateral and line all the way to the house the cost will run between \$10K and \$15K for each property and the City is offering to do these improvements all upfront. City Administrator Forsythe shared that the reason they are doing this all upfront is the City is using funds that have been set aside for this project, but a funding source will have to be identified to move this forward for future street reconstruction projects. He noted bonds may be issued to pay for the next project or we may have to wait until enough funds are collected through the increased fee rates to do the next project. He shared that by doing the SSA it gives property owners the ability to make payment over a 10-year period with no interest and also allows for consistency in having one project contractor and sub-subcontractors coming in to do the work without having to wait a time period for each individual property to connect their services individually, noting that it also allows for the project to get done all at the same time as well.</p>

Audience member comment: will everyone in town pay the \$5K or just the east end? City Administrator Forsythe shared that every year a public improvement project is planned only those properties that are part of the project will have an SSA established.

Same audience member comment: isn't there supposed to be a referendum or something for a tax and how does that work? Assistant City Attorney Schryer shared that under IL law there is a SSA tax law and if a municipality is providing benefits that only benefit certain areas of the municipality the SSA tax law allows the creation of a SSA so that a tax can be assessed on the properties that are benefitting from the project. He shared that as City Administrator Forsythe has mentioned, the City's long-term vision is to go street by street and create numerous SSA's so that the property owners benefitting are the ones that are paying for it.

Same audience member comment: If it does not cost me the \$5K does the rest go to paying for my neighbors? Attorney Schryer shared that the minimum estimate for benefit improvements on a single property was at least \$5K. Public Works Manager Schone shared that properties will be closer to a \$10K to \$15K amount.

Audience member comment: does the assessment include just the improvements on private property? Attorney Schryer indicated that it did.

Audience member comment: how will it be assessed if work has already been done? City Administrator Forsythe shared City records have been analyzed and they did not find a property where all three services had been done.

Audience member comment: who monitors that this will be taken off our tax bill in 10-years? Attorney Schryer shared that once the SSA is created and enacted the City contacts Tazewell County and the County then creates a levy each year for the 10-year period and after the 10th year it will come off the tax roll.

Audience member comment (905 E Adams) corner of Adams and Lawndale: had sewer problems and had blockage somewhere under street; to fix would have to tear up street and put in new pipe and repave street so what we did was unhooked it and ran it parallel down Adams and hooked onto N. Lawndale; question is will I be hit again if we pay \$5K, we have not had any problems. City Administrator Forsythe shared the intention is to only have you participate one time. Mr. Sturm shared that when the new sewer main is installed they will find where your lateral is and will run new lateral from main to house. Mr. Sturm shared that there could be several situations on corner lots where sewer may go out to Lawndale but water is coming from another street. He shared we are not going back far enough on a side street on this project, we will do sewer and sump but water may be part of another project on the side street, indicating that the one-time assessment will cover all three.

Audience member comment (lives in the Danforth house): My water/sewer lines collapsed, have seven systems under house, hooked up to other system and now have brand new water and sewer off of S. Main Street. Mr. Sturm shared that the foundation drains would have to be looked at and possibly separated if found to be connected. He shared that W. Holland has sewer lines in the rear yards and the design is not yet completed and decisions will be made once the unknowns are known and it could be possible that you would not have to connect. This possibility was directed to Attorney Schryer to comment if a service could be taken off the SSA if it is not needed. Attorney Schryer indicated that the City Council has the authority to remove them off the SSA assessment roll.

Mr. Thomas Fuller, W. Holland Street, shared that \$5K sounds reasonable and is basically an interest free loan but asked why we are now just talking about this process and have not started any construction. City Administrator Forsythe shared that earlier this year the City was working through the funding process for the 20-year infrastructure improvement plan, which ultimately resulted in increased utility rates, but could not move forward on these projects without a funding mechanism in place. He shared that it was deemed the best benefit to use the Special Service Area method for these two projects, creating a long-term process for the City to use moving forward in the 20-year plan. He shared the City wants to make sure it is being done appropriately and we are now at the end of the construction season and want to keep this process moving forward so construction can begin likely in the spring. Mayor Manier commented that we knew we had it done on the public side earlier in the year but the private side became a component that we wanted to include as part of the project. Mr. Fuller commented that the private side came in and is what slowed the process down. He asked if there will be a survey of need done on each home and if it is found that only a water line is needed could it be less than the \$5K. City Administrator Forsythe shared that it has not been determined at this point. Mayor Manier indicated the chances are low that a home has done all three components. City Administrator Forsythe indicated that records have been checked a very few have replaced existing lines. Mr. Fuller asked if a water line could be less than \$5K and City Administrator Forsythe indicated that it is not likely to be under \$5K, but the City has the ability to amend if it is. Attorney Schryer affirmed that if the cost comes in lower than the \$5K the City Council can take action and reduce the cost. Mr. Fuller asked about the liability of the work product and who they would go to with problems. It was communicated that the contractor has a 2-year warranty and 2-year bonding on the work as well as the City validating and accepting the improvements. Alderman Butler commented that the City could have done a better job communicating that if the \$5K cost is less it could be reduced. Mr. Fuller asked about lines that could be running under driveways and landscaping and if there was a plan to pay for damages that could occur. Mr. Sturm shared that they will not know until construction begins but would try and move lines so they are not under driveways. City Administrator Forsythe indicated that any restoration would be taken care of.

Public Hearing, Cont.)	<p>Mr. Walter Ruppman, S. Main Street, asked about the multiple W. Holland parcels (14 addresses, 14 parcels, and only 9 households) and if the \$5K charge will be per household and not per parcel. City Administrator Forsythe shared that it would be based per household and not parcel, noting the additional parcels with the same addresses as the household parcels are part of the SSA, but were never combined with the household parcel.</p> <p>Audience member comment: is there a timeline on what streets are next. City Administrator Forsythe indicated that streets are currently being analyzed and plans will be formulated based on rank.</p> <p>Several other comments were made by audience members that consisted of the following:</p> <p>1) sump line explanation, Mr. Sturm explained if there is not a need, they would not put one in but it may be decided to go ahead and stub it in for future, and also explained that sump wells can be interior or exterior; 2) if a property has backup issues Mr. Sturm indicated they would want to know the history; 3) foundation tiles connected to sanitary sewer lines are mandated to be separated as part of the Clean Water Act and as part of the project are obligated to be checked and improvements made if connection is illegal; 4) if the household dollar amount comes in under who makes notification to homeowner? City does the notification; 5) will there be downtime with no running water? No long-term situations, but there will be brief periods of half a day and homeowners will be notified in advance. Traffic will be the biggest challenge and the contractor will provide good communication and coordination with homeowners when working with traffic flow; 6) N. Lawndale street surface is really patchy now will it continue to become this way once new pavement is put down? One of the biggest things out of our control is gas and electric lines through Ameren but we are not anticipating this as Ameren has just went through an upgrade of their gas lines in this area; 7) this would be a great time to replace the Ameren overhead lines with underground lines, has there been any communication about this? We have been in preliminary conversations with Ameren about this and will continue to push in this direction; 8) will it cause problems with the W. Holland SSA if parcels are no longer contiguous within the SSA? Instead of eliminating those parcels that are not considered households we will look at creating a zero assessment that will keep them within the SSA; 9) how will work be done and guaranteed around older foundations where lines come in under or through the foundation wall? All work is proposed to be done outside the foundation wall and there is not a plan to penetrate foundation walls or do any interior plumbing work as part of the project; 10) will the exterior shut off valves be located in the same location in the yards? Unable to determine now but it could move into the yard a little further or could move closer to the curb; 11) another concern was raised about adjusting the assessment amounts per household parcel and it was reaffirmed that parcels will be looked at individually but we may not know how they will be adjusted until the construction process happens; 12) will City property records be updated once the work is done? Yes, as-built drawing will be provided that show where all the improvements are on an individual property; 13) will the vacant lot on N. Lawndale where the house was demolished have lines ran as well? Utilities would be stubbed to the lot as part of the project but service lines would not be run at this time; 14) what is this construction timeline and the timeline moving forward once these two projects are completed? W. Holland and N. Lawndale will be spring of 2020 and moving forward we have identified within a 5-year timeline and our goal is to continue creating a 10-year and into 20-year plan; and 15) how many houses total are we looking at overall? 100 homes per mile and we are looking at 20 miles. Once the east end of town is completed, we plan to move this process into other sections.</p> <p>Alderman Brownfield commented that we will have small hiccups that arise throughout the project not unlike those that occurred after the tornado, and asked residents to be patient as we want to do our due diligence within the process to head off any last-minute surprises. Mr. Sturm noted that one thing they encounter when digging in older neighborhoods is old septic systems are found and gives opportunity to remove old septic tanks that were left in place when homes abandoned them to connect to sewer systems.</p> <p>Mayor Manier commented the condition of streets will help in identifying the rank of future improvements but within the future timelines a project could be moved to a priority rank if water breaks occur in an area. City Administrator Forsythe commented that a great deal of work has begun on street pavement conditions and we are in the process of analyzing the data in order to identify where we go next. He mentioned that if an area does not want to participate, it could get moved down the list.</p> <p>Alderman Dingleline commented that we are just now putting into place mechanisms to fund projects into the future. Mayor Manier commented in partnering with homeowners on improvements and the unknown situations we may encounter, the result will be an upgrading of the neglected systems, both private and public. City Administrator Forsythe commented that the SSA funding mechanism has the biggest benefit to the property owner in participating in upgrading laterals and private connections to a new utility system which ultimately results in an overall new utility system in the neighborhood. He noted that most communities only do the public side of the improvements and require property owners to undertake the private side within a certain amount of time.</p>
Closed Public Hearing	With no further discussion, the Public Hearing was closed at 7:56 p.m. on motion by Alderman Dingleline and second by Alderman Cobb. <u>Motion carried by voice vote.</u>
Adjournment	At 7:56 p.m. Alderman Dingleline moved and Alderman Cobb seconded to adjourn. <u>Motion carried unanimously by voice vote.</u>