

Committee of the Whole

Monday, November 8, 2021 at 6:30 P.M.

Library at Five Points, Washington, 360 N. Wilmore Road, Washington, IL

Mayor Manier called the regular Committee of the Whole meeting of November 8, 2021 to order at 6:30 p.m. with a quorum present.

Present: Alderpersons Adams, Blundy, Boyles, Brownfield, Butler, Dingleline, Stevens and Yoder, Police Chief McCoy, Attorney Derek Schryer, City Treasurer Strubhar and City Clerk Brod

Absent: None

Also Present: Finance Director Baxter, P & D Director Oliphant, City Engineer Carr, and Public Works Director Schone

MINUTES

1. *Aldermen wishing to be heard:* None at this time.
2. *Public Comments:* Tazewell County resident, Bob Montgomery said on the way in tonight, he saw someone dumping yard waste into his farm field. He understands nothing can be done but wanted everyone to know.
3. *Approval of Minutes:* Alderman Yoder moved and Alderman Brownfield seconded to approve the minutes of the October 11, 2021 Committee of the Whole meeting with the adjustment to show Alderperson present at the October 11, 2021 meeting.

Motion carried unanimously by voice vote.

4. BUSINESS ITEMS

- A. *Chamber of Commerce Update:* Chris Hasten from the Chamber of Commerce was present and shared that the Chamber has secured the Good Neighbor Days site for 2022. She stated that they are planning on having the carnival in its usual site as well as small events throughout the year. Alderperson Stevens asked if Wendy Wagner has taken a leave of absence and if she resigned. Ms. Hasten noted that Ms. Wagner is not currently on the schedule. Alderperson Stevens asked when will businesses know about the Back to Business Grants. Ms. Hasten shared that it has been delayed and noted some applications were filled out incorrectly.

- B. *IAWC Bulk Water Sale Presentation:* City Engineer Dennis Carr noted that this has been discussed previously and he sent out an email to clarify information. He shared that Eric Larson had reached out to him and he wasn't confident with the Council's stance on the subject. He introduced Eric Larson who provided a slide show. Mr. Larson provided the following information: Illinois American Water purchased Spurgeon Utilities which has about 500 customers in Washington. He showed the service area, and noted that it is a small footprint surrounded with the town. He said they found higher levels of arsenic and ammonia in the well water and noted that it is an expensive process for removal. He stated they could invest heavily in the current facility, explore a land purchase for a new well, or partner with the City of Washington. He stated that the third option is the lowest cost and this will be the first time they will purchase from a municipality instead selling bulk water to a municipality. He stated they have about 230,000 customers in Illinois. Mr. Larson shared that the expenses are divided through all the customers across the state. He went on to state that the fastest solution would be the third option, as the others would take time to build infrastructure. He noted that fire flow would also need to be considered. Mr. Larson shared that option three would give the City revenue and noted that increase water usage helps the overall chlorine residual as it keeps water from getting old. Mr. Larson addressed the capacity and shared their daily usage data with the city, which showed excess water even after adding in Washington Estates. Alderperson Brownfield asked for information regarding infrastructure, line sizes and hydrant sizes. Alderperson Butler asked if they would be prepared to commit to the maintenance of the water tower. Mr. Larson said it could be negotiated. He noted the age of the current system and stated that if they need to fight a fire currently, they would lose pressure in other areas. Mr. Larson clarified that they are only allowed to earn what they invest in capital which is about 8.75% and this is regulated. Mayor Manier stated that this is a great way to get revenue and give quality water to Washington residents. Alderpersons Brownfield, Stevens, Adams and Yoder expressed agreement and want more information about capacity and rates. A brief discussion took place clarifying that Illinois American Water would be responsible for upgrading the infrastructure. Alderperson Dingle shared his concern for getting quality water for those in Washington Estates and would like to see them commit to a capital improvement program over a course of time. He also noted the height of the tower, the lower water pressure, the aging infrastructure and the material used to transport the water. Alderpersons Butler and Boyles shared their approval and asked for maintenance assurance. Alderperson Blundy agreed and asked to see the numbers. A brief discussion took place regarding the use of a fixed rate. Mr. Carr noted if the 223 property is developed, the City would need a third tower and the only time there would be an issue would be in the event of a large-scale fire. He also shared that if a big business moved into the City, they would require them to put money towards infrastructure. Mayor Manier suggested this go back to the Public Works Committee for further discussion.
- C. *TIF Funding Request Upfront Payment Discussion:* Planning and Zoning Director, Jon Oliphant shared information about the request of Jake Webber, Country Financial, at 105 Washington Square. Mr. Oliphant noted that the request is for a substantial renovation. Mr. Oliphant shared that Mr. Webber is asking for half of the funding to be given up front. Mr. Oliphant provided quotes in the packet and stated that he is looking for direction from

Council if they should put half of the subsidy upfront once the agreement is approved. Alderperson Yoder asked if this had been done before. Mr. Oliphant shared that one project was given 1/3 of the funding up front and another project was given 2/3 of an awning expense upon delivery of the awning. Mr. Oliphant stated the need to include language in the agreement that would protect the City. Mayor Manier agreed and asked Mr. Oliphant to bring the language to the Finance and Personnel Committee for review. Mr. Webber said he is ready to start the project when Council is ready. Mr. Oliphant noted that the City is currently working with CIVICSERV to create a scoring model and this situation could be included. Alderperson Stevens said she is not in favor of this due to the extra work for the staff and she is worried about the legality of it. Mr. Oliphant shared that it is a little more work to develop the language, but not too much. Alderperson Dingleline said we need to look at this as an investment in the property, not the person, as long as we are protected from assuming any debt, should this fall through. Mayor Manier asked for a straw pull so it could be brought to Council on Monday. Following is the feedback given:

- Alderperson Yoder felt comfortable with 40%
- Alderperson Adams felt comfortable with 40% but wants to be okay giving it to everyone
- Alderperson Stevens felt comfortable with 30%,
- Alderperson Brownfield felt comfortable with 40%
- Alderperson Dingleline felt comfortable with 40%
- Alderperson Butler expressed his concern with a non-sales tax generating business due to the inability to recover the cost. He noted his concern that a contractor wants money upfront.
- Alderperson Blundy noted a few concerns but said he is OK with it.
- Alderperson Boyles is in agreement with Alderperson Adams with setting the precedence

D. *Tax Levy Discussion:* Finance Director Joanie Baxter shared a review of the schedule and asked to discuss options. She shared that they will bring a tentative levy resolution to Council next week, then the ordinance readings in December, then adoption on December 20th and filed on December 28th. She referred to past property tax revenue and provided a graph showing the breakdown of statistics. Ms. Baxter also shared the total tax bill and gave a chart showing the breakdowns. She noted that 76% of the total tax goes to the schools and stated the total tax bill for the City is 5.5%. She shared that the City receives estimates from Tazewell County and there are some board of reviews that can adjust those numbers. She noted the .31% increase in the EAV which is only about a 2% increase from two years ago. She stated that the Special Levies are largely made up of the pensions and noted that the police pension amount comes from an actuary. She also noted the IMRF rates went down slightly. Ms. Baxter shared several options:

Option 1) Funding the special levies in full and keeping the Fire and Ambulance Levies intact.

Option 2) Funds the levies as indicated in Option 1 and add an additional amount as a General Fund Levy such that the total levy increase would be 4.99%.

Option 3) Funds the levies as indicated in Option 1 and adds an additional \$200,000 to a general fund levy for potential transportation programs and stormwater initiatives that don't have a funding source.

Option 4) Funds the levies as indicated in Option 1 and adds an additional 400K to a general fund levy for potential transportation programs and stormwater initiatives that don't have a funding source.

Ms. Baxter asked Council for direction. Mayor Manier and Mr. Oliphant clarified the transportation services including that the township is looking for a 50/50 partnership next year which would be \$150,000. Mayor Manier asked Mr. Carr to clarify stormwater funding. Mr. Carr shared that they are in the design phase of the Stormwater Study and noted the initial response was about \$10 million for stormwater management. Mayor Manier asked for Council's thoughts.

- Alderperson Stevens asked Ms. Baxter to clarify what was underestimated last year. Ms. Baxter shared that the County gave us an estimate on the EAV with a rate that was lower than we thought. Ms. Baxter explained that it doesn't affect the tax levy prior to knowing what the EAV is. It was also noted that the \$10 million would be spaced out over several years.

- Alderperson Yoder asked about the Stormwater Run-off Fee and where it stands. Mr. Carr clarified that it is just one option.

- Alderperson Blundy asked for clarification regarding the Truth in Taxation Hearing.

- Alderperson Brownfield stated that we have to fund stormwater and if we choose Option 4, there is less of a hit to fees. He stated that he is leaning towards Option 3 and including fees on the water/sewer bills.

- Alderperson Butler said he is not convinced how much it will be used and feels it is a lot of money for not knowing if it will be used. He shared the need for a minimum of Option 2 and the need to include transportation which would put us between Options 2 & 3. After a brief discussion it was determined to provide an option with a \$100,000 increase referred to as Option 2A.

- Alderperson Dingleline agreed that Option 2 would be the minimum but feels a little uncomfortable with the large increase of Option 3, favoring Option 2A.

- Alderperson Yoder said he would be okay with Option 2A as well.

- Alderperson Adams shared agreement.

- Mayor Manier noted that stormwater is a priority and we need to find options for funding. The general consensus is to move forward with Option 2A.

E. *223 Property Farm Lease Extension Consideration:* Planning and Zoning Director Jon Oliphant stated that the current lease expires at the end of this year. He also shared that the current lease holder is interested in continuing his lease. Mr. Oliphant shared details regarding how fees are assessed for the property. The lease holder requested an adjustment to the rates due to the impacts of supply chain issues. Mr. Oliphant shared that that other area farmers are inquiring about the property and there may be a few others who are interested in an agreement. After a brief discussion the general consensus was to move forward with current lease.

F. *DCEO Rebuild Downtowns & Main Streets Grant Consideration:* Planning and Zoning Director Oliphant shared that PCO came out with another grant process similar to ITEP. Among items like streetscapes, it is also open to other infrastructure projects. He noted a few different aspects are: there is not a local match required but it is strongly recommended and will be helpful in the scoring of the application, and this program is dependent on

impoverished areas which we don't meet. Mr. Oliphant noted that the Square has been negatively impacted by COVID and he thinks we can make a strong case. He shared that they are planning a phased approach to the streetscape projects around the Square. Phase One would be on North side of square plus a small portion of Main Street just South of Zinser and the front of the WRC building. Mr. Oliphant also noted that there is still uncertainty with the IDOT Business 24 project and we should know, at some point next summer, if IDOT will cover part of the streetscape in their project. Most provided agreement.

- G. *Sanitary Lateral Ordinance Discussion:* City Engineer Carr shared that this was brought forward earlier but it was tabled for further discussion. He noted that the City has had a few projects where the sanitary sewer crosses a roadway which increases the costs greatly. This proposed ordinance states that the homeowner would be responsible for the maintenance but City would take care of the roadway. The ordinance also states that once a required cleanout is installed, the city would then take over ownership from that cleanout to the main. Mr. Carr shared that the amended code would replace punishment with solutions and processes for homeowners. He also noted that other local communities use a similar ordinance. Mr. Carr explained that if a resident were to follow the process, the City could provide grant options for repairs. The general consensus was that all agree this has been talked about for a while and needs to be done. Alderperson Butler briefly discussed the punishments, granting of funds and how to protect the City from damage liability. Mr. Carr noted that repairs would need to be inspected and built to City standards. Alderperson Butler asked if we have schematics to show what the standards would be and concern if a property owner could do it more than once. Alderperson Dingledine clarified once the cleanout is installed, the homeowner assumes responsibilities from the cleanout to the house and the City takes responsibility from the clean out to the main.

5. OTHER BUISNESS

None provided at this time.

6. *Adjournment:* At 8:22 p.m. Alderman Steven moved and Alderman Dingledine seconded to adjourn. Motion carried unanimously by voice vote.

A handwritten signature in dark ink, appearing to read 'Valeri L. Brod', is written over a horizontal line.

Valeri L. Brod, City Clerk