

DANVILLE CITY COUNCIL
SEPTEMBER 6, 2016

#1....THE REGULAR MEETING of the City Council of the City of Danville was called to order at 6:02 p.m. by Mayor Scott Eisenhauer at the Robert E. Jones Municipal Building, 17 W. Main Street, Danville, Illinois.

THE ROLL CALL was answered by Mayor Scott Eisenhauer, Vice Mayor Rickey Williams Jr., Aldermen Brenda Brown, Jon Cooper, Dan Duncheon, Steve Foster, Sharon McMahon, Steve Nichols, Michael O'Kane, Sherry Pickering, Michael Puhr, Lloyd Randle, Tom Stone, and Rick Strebing. Absent was Alderman R.J. Davis. A quorum was present.

Staff Members Present: Assistant Corporation Counsel Bethany Nystrom, City Clerk Lisa Monson, City Comptroller Gayle Lewis, Corporation Counsel Dave Wesner, Engineering & Urban Services Director David Schnelle, Human Resources Director Bill Westphal, Human Relations Administrator Sandra Finch, Information Technology Administrator Agnel DSilva, Public Safety Director Larry Thomason, Public Transportation Director Lisa Beith, and Public Works Director Doug Ahrens.

There were also 12 audience members and 3 news media in attendance.

#2....INVOCATION was given by Reverend Doug Knapp, Associate Pastor of Life Church, preceded by a moment of silence for the passing of Jim McGuire, Danville Mass Transit Maintenance Supervisor, who passed away unexpectedly August 29th, followed by

#3....THE PLEDGE OF ALLEGIANCE led by Alderman Duncheon.

#4....THE MINUTES of the regular meeting held, August 16, 2016 having been published and distributed, was presented. Alderman Brown moved for approval as presented, seconded by Alderman McMahon. On the voice vote, the motion so ordered.

#5....THE AGENDA for the evening was presented. Mayor Eisenhauer announced Item 12-C Resolution Awarding Bid 567 for Tuttle Street Sanitary Sewer Improvements will be moved to Item 11-B. There being no further changes, Alderman Puhr moved for approval as amended, seconded by Alderman Randle. On the voice vote, all ayes, no nays; the motion so ordered.

#6....MAYOR'S REPORT

#6-A..Proclamations - None

#6-B..Board/Committee Appointments

Mayor Eisenhauer announced the appointment of Tim Cowan to the David S. Palmer Arena Board, replacing Stanley Grubb, term to expire November, 2019 and the appointment of Rob Witzel, replacing Karen McGinnis, term to expire November, 2019. Alderman Foster moved to concur, seconded by Alderman Stone. There being no questions or discussion, on the voice vote, all ayes, no nays; the motion so ordered.

#6-C..Reports of Boards, Agencies, Commissions - None

#6-D..Items of Information

Mayor Eisenhauer wished a Happy Birthday to the Director of Public Safety Larry Thomason and to Neuhoff Broadcasting reporter Nicole Miller.

#7...PETITIONS, COMMUNICATIONS, AUDIENCE COMMENTS

- Vince Koers of Danville spoke concern of the City buying properties and feels the City should require the landlords to keep the grass mowed.
- Kevin Parrish of Danville reminded Council of the LEADSONline free of charge database that would assist the Police Division with stolen items and asked the Council to grant an additional pawn license.
- Ed Butler of Danville President of the N.A.A.C.P. Danville Branch thanked Director Thomason and Mayor Eisenhower for their assistance with the recent marches and presented each of them with a plaque to show appreciation for their loyalty. He also stated there will be a break from the marches and the focus will be working in the schools with the school resource officers.

#8...ZONING PETITIONS - None

#9...PAYROLL

Mayor Eisenhower presented Payrolls for August 19, 2016, of \$563,978.89, August 26, 2016, of \$66,012.99 and for September 2, 2016 of \$542,590.53. Alderman Brown moved to dispense with the readings and asked for approval as presented, seconded by Alderman Stone. There being no questions, the roll call vote being:

Ayes: Aldermen Puhr, Nichols, Foster, Brown, Duncheon, McMahon, Stone, Williams, Strebing, Pickering, O'Kane, Randle, Cooper

Nays: None

Absent: Alderman Davis

Motion carried 13 to 0 with 1 absent.

#10...SCHEDULE OF VOUCHERS PAYABLE

Mayor Eisenhower presented the Schedule of Vouchers Payable, having been published, posted, and distributed, for August 23, 2016, of \$927,834.21, corrected special run for August 23, 2016, of \$9,841.17, for August 30, 2016, of \$429.66, and for September 6, 2016 of \$2,924,296.18. Alderman Cooper moved to dispense with the readings and asked for approval as presented, seconded by Alderman Stone. There being no questions, the roll call vote being:

Ayes: Aldermen Nichols, Foster, Brown, Duncheon, McMahon, Stone, Williams, Strebing, Pickering, O'Kane, Randle, Cooper, Puhr

Nays: None

Absent: Alderman Davis

Motion carried 13 to 0 with 1 absent.

#11...PUBLIC WORKS COMMITTEE REPORT

#11-A..Chairman Puhr presented RESOLUTION NO. 2016-110 approving Contract for Household Electronic Collections Event submitted through a Request For Proposal (RFP) 570 to the sole responder Vintage Tech Recyclers in the amount of \$24,800.00 for the collection of 50,000 pounds of household electronic items and authorizing a Budget Amendment to the Solid Waste Fund-Other Contractual Services Budget in the amount of \$24,800.00 to cover costs of the collection event, with said funds to come from the Solid Waste Fund Reserve budget, moved to dispense with the reading and asked for approval as recommended by Committee during a special meeting held this evening prior to Council, seconded by Alderman Cooper. Director Ahrens reported the event will be held Saturday, October 1, 2016 at the Public Works facility from 8:00 a.m. to 11:00 a.m. or 8:30 a.m. to 11:30 a.m. Each account holder will be limited to six items per account and will need to provide their



bill at the event for the month of September. Account holders that have direct-debit from their checking accounts, will receive postcards to be submitted the day of the event. There being no questions or further discussion, the roll call vote being:

Ayes: Aldermen Foster, Brown, Duncheon, McMahon, Stone, Williams, Strebing, Pickering, O’Kane, Randle, Cooper, Puhr, Nichols

Nays: None

Absent: Alderman Davis

Motion carried 13 to 0 with 1 absent.

#11-B..[previous Item #12-C] Chairman Puhr presented RESOLUTION NO. 2016-111 awarding Bid 567 to the lowest responsible bidder, Owens Excavating & Trucking LLC for the Tuttle Street Sanitary Sewer Improvement, in the amount of \$47,214.30 to be paid from the Sanitary Sewer Replacement Fund- Infrastructure Improvement Budget, moved to dispense with the reading and asked for approval without recommendation by Committee, seconded by Alderman Strebing. There being no questions or discussion, the roll call vote being:

Ayes: Aldermen Brown, Duncheon, McMahon, Stone, Williams, Strebing, Pickering, O’Kane, Randle, Cooper, Puhr, Nichols, Foster

Nays: None

Absent: Alderman Davis

Motion carried 13 to 0 with 1 absent.

#11-C..Items of Information

Chairman Puhr announced the next Public Works Committee meeting is scheduled for Tuesday, September 13, 2016 at 6:00 p.m.

#12...PUBLIC SERVICES COMMITTEE REPORT

#12-A..Chairman Nichols presented the City Clerk’s License Report, moved to dispense with the reading and asked for approval and placement on file, seconded by Alderman Randle. The report as follows:

LICENSES:

TOBACCO DEALER’S LICENSE:

Danville One Stop, Inc. dba Danville Grocery & Deli – 1814 E. Main St

There being no questions, on the voice vote, all ayes, no nays; the motion so ordered.

#12-B..Chairman Nichols presented RESOLUTION NO. 2016-112 approving Memorandum of Understanding with Vermilion County and Danville Public Building Commission to determine and otherwise confirm the procedure to be followed for and during the completion of improvements and other capital projects for the Public Safety Building as outlined on the Project List using the Bond Funds now held in Escrow by the Danville Public Building Commission, moved to dispense with the reading and asked for approval without recommendation by Committee, seconded by Alderman Brown. Mayor Eisenhower stated part of the discussion that has taken place is to change the process upon which items are bid for the Public Building Commission. The way it used to go was they would bring the item to the City for a not to exceed amount on that item, it would be voted on and then they would then go out for bid and as Chairman Marron and he continued to debate this was always thought to be interesting because all of the contractors know how much money we are willing to spend and then asking them to bid. That seems out of line for what we should be doing in an effort to protect taxpayer dollars so what we decided is with the items that you have all approved a bond for allowing the PBC to go out and seek the bids on those and they will report the findings of those bid

results back to the Chairman and I and we would have the ability to look over those before they make their recommendation then they would make their recommendation to the PBC. If the Chairman or I felt it was in our best interest to bring that back to you as a whole body we would certainly do that. We would do that if the bids came in great than what was anticipated and they still wanted to move forward with those or if they were going to change a project; otherwise they have presented to you as part of this resolution a list of the jobs they intend to bid as part of the bond and so we wanted to try this new process with these items and see whether or not it was more efficient than what was done before. Alderman Foster questioned if there will still be quarterly meetings held for the City/County Public Safety Building Committee and Mayor Eisenhower responded the Committee will not be disbanded because what we have suggested is while we don't believe there is a need for you to meet on a specified basis as was the bylaws before we do feel there may be situations in the future where it would be in the best interest for the director to come before both bodies for a discussion so we don't want to disband the committee on a quarterly basis but rather as needed. Mayor Eisenhower stated it will also open up the transparency to the full City Council because now we will be bringing things to all of you. After all questions were addressed and there being no further discussion, the roll call vote being:

Ayes: Aldermen Duncheon, McMahon, Stone, Williams, Strebing, Pickering, O'Kane, Randle, Cooper, Puhr, Nichols, Foster, Brown

Nays: None

Absent: Alderman Davis

Motion carried 13 to 0 with 1 absent.

After the roll call vote, Chairman Nichols congratulated Mayor Eisenhower and Vermilion County Board Chairman Marron for the transparency and the positive changes that have been made.

#12-C..*[previous Item #12-D]* Chairman Nichols presented ORDINANCE NO. 9062 waiving the requirements of Section 30.07(A) of the Code and authorizing the Purchase of Real Property from Vermilion County Trustee for rights-of-way, future improvements, additions to public parks and facilities, and to demolish blighted properties, for a total purchase price of \$60,705.00 for 95 properties, with funds of \$35,705.00 to be paid from Infrastructure Development Fund-Economic Development Program Budget and \$25,000.00 to be paid from General City Government Fund-Real Estate Purchase Budget, moved to dispense with the reading and asked for approval as recommended by Committee, seconded by Alderman Strebing. There being no questions or discussion, the roll call vote being:

Ayes: Aldermen McMahon, Stone, Williams, Strebing, Pickering, O'Kane, Randle, Cooper, Puhr, Nichols, Foster, Brown, Duncheon

Nays: None

Absent: Alderman Davis

Motion carried 13 to 0 with 1 absent.

#12-D..*[previous Item #12-E]*..Items of Information

[The next Public Services Committee meeting will be held Tuesday, September 27, 2016 at 6:00 p.m.]

#13...DISCUSSION REGARDING FINANCIAL OUTLOOK

Mayor Eisenhower presented a PowerPoint presentation to discuss demolitions and capital, identify funding opportunities, and discuss upcoming budget challenges. The City has discussed challenges with dilapidated structures, the need for more capital investment, and stormwater management.

Dilapidated structures highlights: Structural Survey conducted city-wide; the Neighborhood Association wish list increases; property values zeroed out; and increased risk to public safety such as fires, illegal activity, and squatters. According to the city-wide Housing Structural Survey conducted in 2014-2015 there were 4,177 structures in the "good" category, 3,443 in the "fair" category, 1,221 structures in the "poor" category, and 315 structures in the "very poor" category (need to be demolished). Since 2009, the City has demolished 252 structures, an average of 31.5 per year funded by bond, CDBG (Community Development Block Grant), and Community Redevelopment. The funding resources have great limitations with heavy restrictions, and not all which need demolished would qualify. A funding source needs to be identified for demolitions and some means to assist those with poor housing. Alderman Duncheon has suggested a way to keep individuals on the "poor" list from moving to the "very poor" list. Mayor Eisenhauer stated it is a tremendous idea and a fantastic opportunity for us to be involved to move individuals from the poor category to the fair or good category. The Administration is currently reviewing and researching the suggestion and making sure it has both legal and financial merit and assuming that it does the idea will be presented as part of a final package. Mayor Eisenhauer thanked the Council and members of the public for their suggestions, options, opportunities, and insight as to their belief as there needs to be a dedicated funding source for dilapidated structures and what some of those sources might look like.

Recommendation highlights: \$4.6 million dollars initially for demolition and would need to purchase in order to do the bulk of this work in-house approximately \$400,000.00 in capital equipment. The City does have personnel trained in performing demolitions in-house which is a significant savings to citizens in this community. The total approximate cost to do demolitions to approximately 400 structures is \$5 million. Capital Equipment highlights: In 2002 the City enacted an ordinance creating the Telecommunications Tax of which 65% funded the capital equipment purchases and 35% funded community redevelopment. In 2004 the Telecommunications Tax revenue totaled \$1,317,234.00 and due to the decrease in telephone land lines the revenue total decreased to \$946,000.00 in 2016. The total amount of all capital equipment items for Fiscal Year 2017-2018 totals \$1,712,972.00.

Additional funding sources must be identified to fund the program. Funding option highlights: A possible revenue option to address these two challenges would be to increase the Home Rule Sales Tax by 0.5% which would increase the current Sales Tax from 8.75% to 9.25%. The increase would generate an additional \$1.8 million annually (based on current sales tax collection). The City would be able to establish a new revenue source for Community Reinvestment; demolitions and home repairs for the next five years, then re-evaluate; move the Neighborhood Redevelopment funds from the Telecommunications Tax and pay with new revenue, Capital Equipment Purchases now 100% of Telecommunications Tax; and use remaining funds annually for Bond and Interest Payment so Property Tax is only Police Pension, Fire Pension, and Library. This would allow the City to lessen the load on the Property Tax by removing Bond and Interest from its calculation.

Budget Challenges highlights: Pensions will increase this year a projected \$600,000.00; Salaries and Overtime will increase by over \$800,000.00; Health Insurance could rise a projected \$400,000.00 based on historical increases; PSB lease will increase by \$131,000.00; and revenues will be reduced by \$300,000.00 based on actual. Over the next three months significant discussion will need to be held regarding cuts in expenditures and new revenue just to balance the budget, let alone any money for other special projects. After the presentation, Mayor Eisenhauer addressed questions from the Council. Vice Mayor Williams will not support a tax increase and feels the City should try to cut expenditures on items the Council can control. Alderman Foster feels a sales tax increase is better than a property tax increase as it is broader based. Alderman Duncheon supports community reinvestment and feels we need to continue to the general fund abatement needs to stay. Alderman Nichols reminded everyone the tax increase is not free money and to make sure we have everything in line with expenditure reductions before we get additional revenues. Alderman Randle spoke

concern of loss of retail to other communities and feels the dollars could be better spent on the rehabilitation of homes. He also would like to hear from Vermilion Advantage about where the City is heading with job growth. Mayor Eisenhower stated he will ask Vermilion Advantage CEO Vicki Haugen to address the Council in the near future. Alderman Stone asked if the Stormwater Improvements would be included in the \$1.8 million and Mayor Eisenhower stated "no". Alderman Foster asked for a timeline and Mayor Eisenhower stated the Administration is going to propose a \$0.5% sales tax increase at the Public Works Committee next week and will be taken to the full Council on September 20th. Alderman Foster requested a scenario for a \$0.75% increase as well.

#14...ITEMS OF INFORMATION

- Alderman Strebing reported a great turn out yesterday at the Masonic Temple for breakfast.
- Alderman Pickering announced a cookout will be held for the Old Soldiers Home Neighborhood Association on September 17th from 1:00 p.m. to 3:00 p.m. at 308 Delaware Street.
- Alderman Duncheon requested assistance for the OurDanville app from Samantha McCoy for the Vermilion Heights neighborhood group.
- Director Schnelle reported two roads the City owns and maintains at Liberty Village were re-inspected during the annual maintenance program and they are not in a condition to do microsurfacing or sealcoating treatment as they are too far gone. The City will need to add those to the overlay program this year and be deducted from the sealcoat program and microsurfacing and there will be additional costs in the overlay program which will have to be brought back for approval from City Council, but would like to begin that work while the contractor is here. He asked if there was any objection from the Council to begin the work and his estimate is \$50,000.00 more to do the overlay treatment, but the roads will not make it through another winter. If there are no objections to moving forward, the work should begin within the next two weeks. There were no objections from Council to proceed.

#15...CLOSED SESSION was not needed.

#16...ADJOURNMENT

There being no further business to discuss, the meeting was adjourned by acclamation at 7:42 p.m. following a motion by Alderman Cooper and a second by Alderman Pickering.



Lisa K. Monson, City Clerk

I, Lisa K. Monson, City Clerk of the City of Danville, Illinois, do hereby certify that the foregoing Minutes are a true and correct copy of the regular meeting held September 6, 2016, as the same appears on the records of the City now in my custody and keeping.

Lisa K. Monson, City Clerk

Approved: 09/20/16
Posted Publicly: 09/21/16