

PUBLIC SERVICES COMMITTEE
MINUTES OF FEBRUARY 24, 2015

#1 CALL TO ORDER

Chairman Nichols called the Public Services Committee meeting to order at 6:02 p.m.

Roll Call was answered by Chairman Steve Nichols, Vice Chairman Steve Foster, Aldermen Kevin Davis, April Gilbert, Sharon McMahon, and Tom Stone. Alderman Frank Hoskins was absent. A quorum was present.

Others Present were Mayor Scott Eisenhauer, City Clerk Lisa Monson, City Comptroller Gayle Lewis, Corporation Counsel David Wesner, Human Relations Administrator Sandra Houston, Human Resources Administrator Bill Westphal, Information Technology Administrator Agnel D'Silva, Planner I Liila Bagby, Planning & Urban Services Manager Christopher Milliken, Public Safety Director Larry Thomason, Risk Manager Kathy Courson, 3 audience members and 2 news media.

#2 APPROVAL OF MINUTES

Chairman Nichols presented the Minutes of the regular meeting of January 28, 2015. Alderman Gilbert moved to dispense with the reading and asked for approval as presented, seconded by Vice Chairman Foster. On the voice vote, all ayes, no nays; the motion so ordered.

#3 APPROVAL OF AGENDA

Chairman Nichols presented the agenda, There being no changes, Vice Chairman Foster moved for approval as presented, seconded by Alderman Stone. On the voice vote, all ayes, no nays; the motion so ordered.

#4-A) PUBLIC HEARING

Chairman Nichols opened the Public Hearing on the Community Development Block Grant (CDBG) Consolidated Plan for 2015-2020 at 6:05 p.m. Manager Milliken stated the hearing is the second of three scheduled hearings to discuss the draft of the 2015 through 2020 Consolidated Plan for utilization of federal funds administered by the Department of Housing and Urban Development (HUD). Staff has been working on the Consolidated Plan draft the last couple of months with HUD now requiring the Plan be built within their system. Liila Bagby, Planner I, passed out CDBG Program Allocations listing six projects for proposed 2015-2016 total of \$713,631.00 with administrative reimbursements totaling \$175,136.00 for total allocation of \$888,767.00. The hope is to have the five year plan be approved by Council at the March 17, 2015 meeting. The Plan has to be at HUD at least 45 days before the beginning of the next fiscal year which is May 1, 2015. Chairman Nichols asked for audience comments. Cyril Ostiguy of Danville spoke concern that many homes are not worth the cost that is being put into them, asked how bids are taken and is there a final inspection as he was in one of the homes and the quality of work was not good. He also asked Manager Milliken if the next chance for public comment would be annually. Manager Milliken responded there would be an opportunity for input each year as there is an Annual Action Plan created each year. He also stated projects in the proposed plan will have more of a community wide benefit and housing project bids follow the City and HUD required bid processes. The contractors have prior approval and once they are bid out follow up inspections are done not only by what was Community Development staff but also City inspection staff which going forward with the changes will be combined into one. Chairman Nichols asked if emphasis is being shifted and Manager Milliken responded in the past there has been a line item devoted to particular housing rehabilitation in particular neighborhoods and we are proposing that still continues because there were prior commitments made, but it would be at a reduced level and the housing rehabilitation would be primarily focused on the exterior of those properties for this first year of the annual action plan. The Vermilion Heights area will be continued for one more year to finish the south side of that neighborhood. There has also been accessibility modifications program for homes of those occupied with disabilities and that will be continued. Neighborhood impact program will continue which provide emergency grants for individuals when something fails on the exterior. The change in focus would be instead of focusing on a few houses in a particular neighborhood to find projects that would have more of a community benefit such as the East Main Street Corridor Study and Planning Process. Chairman Nichols asked if there were formula requirements and Manager Milliken stated "yes" there

are several formula requirements and one of those is 70% of the funds have to be spent on activities that benefit low to moderate income population. Alderman McMahon stated she noticed the accessibility modifications were decreased \$40,000.00, so how many will that do and Manager Milliken stated three, perhaps four, depending on what is done and whether it includes exterior or interior work. Alderman Stone asked if applications are being taken for these grants and Manager Milliken responded for the current year "yes", but not for the proposed plan. As far as what is available there are still plenty of applications to fill the need for the current year. There being no further audience or Committee member comments, the Public Hearing was closed at 6:15 p.m.

#4 AUDIENCE COMMENTS

Cyril Ostiguy of Danville spoke concern of a payment made to Supreme Radio Communications, Inc. for \$7,003.02 for tower repair. Director Thomason stated the repair was needed due to lightning strike damage to the communication tower and Manager Courson stated the City will be reimbursed by the insurance company.

#5 CHAIRMAN'S COMMENTS

Chairman Nichols yielded time to Mayor Eisenhower to update the Committee on Governor Rauner's budget address. Mayor Eisenhower commented there were two things that were mentioned during the budget address that affect municipalities and those are 1) a 50% reduction in Local Government Distributive Fund (LGDF) which the City currently receives \$3.2 million so cut that in half and it would be \$1.6 million dollars that the City would lose beginning July 1, 2015. Mayors around the State and through the Illinois Municipal League (IML) have begun lobbying in mass to stop the 50% reduction. Mayor Eisenhower added he and Comptroller Lewis have already started looking at the budget and will be coming back to you, if in fact, that is the direction we are headed. This item has caused the most concerned because it would be an immediate impact to the City. The second item that has not gotten a lot of play in the media is 2) implementation of property tax cap so what the State would do is cap whatever your property tax rate was at the 2014 number. The State has not said for how long they will cap that but certainly the indication would be at least one year, possibly two to five years. The concern with this is because 65% of our property tax today goes towards the downstate fire and police pension payment and what that means is if we are capped at the 2014 level when that pension goes up that is another \$600,000.00 that will have to come out of the budget. It won't be able to come out of the property tax because we are going to be capped at the 2014 amount, if in fact, that legislation passed. If both of these items pass through the legislative process there could be a potential loss of \$2.2 million. Mayor Eisenhower also believes there will be discussion as it relates to revenue generation and would like to see the gaming expansion bill be brought back as an opportunity for the State to generate funds. The Governor has also talked about the tax on services and the unknown there is whether or not municipalities would receive any of that as we do on sales tax currently and there is still discussion about the income tax being increased again and if so at what level will municipalities get any of that increase. Mayor Eisenhower is working with Representative Chad Hays and State Senator Scott Bennett to decide what they can and cannot support. Vice Chairman Foster stated the City needs to seriously look at making cuts or revenue increases and start discussions right now. Mayor Eisenhower hopes the State recognizes local governments have been dealing with the burden of the State for a long time with unfunded mandates and every reduction in funding. There is some belief that the LGDF is a hand out from the State to local governments and in fact it is statutorily guaranteed because in the 1970 redrafting of the constitution when they changed the formulation of the income tax they took away the ability for local government to impose an income tax and part of that guarantee is they would build into the State income tax formula a percentage for local governments so it is not like local governments were getting hand-outs from the State and yet because it goes though the coffers of the State they believe they have the capability to diminish that amount that was once guaranteed. He also thought it was misleading that the Governor referenced \$15 billion in local government cash reserves when school districts are included in this figure. School district funds have so many different funds and some of those funds are well funded in their capital development fund and they are not reserves that can be used for operations.

Mayor Eisenhower reported on a few other items as follows:

- The City is getting ready to go out for bid on a couple of items and one is the Request for Proposal for the bids for two fire trucks and the other one is the bid for the Council Chambers Sound System.
- Staff is rewriting the ordinance as it pertains to food trucks and ice cream trucks.

- The City has been approached by several different venues around the City who would like to see the implementation of a venue liquor license as they do not want to be a bar nor a package liquor store, but host events at their venue and during those events want to have the ability to sell alcohol so staff have been looking at what other municipalities around the State do for venue liquor licenses. There are temporary liquor licenses, but there are great restrictions on those temporary liquor licenses.

#6 FINANCE – Gayle Lewis, Comptroller

Chairman Nichols presented Items A & B for a single vote. There being no objections, Alderman Stone moved to dispense with the readings and asked for approval of both, seconded by Alderman Gilbert. Those items being:

#6-A) Payroll for February 20, 2015 of \$510,272.16; and

#6-B) Schedule of Vouchers Payable, having been published, posted, and distributed, for February 24, 2015, of \$91,071.84;

There being no questions, the roll call vote being:

Ayes: Aldermen Stone, Davis, Foster, Gilbert, McMahon, Nichols

Nays: None

Absent: Alderman Hoskins

Motion carried 6 to 0 with 1 absent.

#6-C-1) Human Resources Monthly Report – Bill Westphal, Human Resources Administrator

The Personnel Report was presented as of February 24, 2015, stating 242 fulltime and 12 part-time/seasonal employees, with no new hires, three separations, and no transfers. Applications are being accepted for Engineer I, DMT Mechanic, DMT Operations Superintendent, and Extra Board Bus Drivers are on-going. There will be two job fairs on Saturday, March 7, 2015 from 9:00 a.m. to 12:00 p.m. held at the Public Works facility and the Danville Mass Transit facility.

#6-C-2) Risk Management Monthly Report – Kathy Courson, Risk Manager

January 2015 Statistics were presented stating Health Alliance Insurance Premiums for employees totaled \$351,481.00, for retirees \$41,477.60, and an overpayment for COBRA participant of -\$8,518.00; January claims for Worker's Compensation totaled three and there were four Liability claims submitted. Manager Courson stated during open enrollment 53 members added, dropped, or made changes to their plans, 21 members added or dropped their dependents, and nine retirees left the City plan and went to the open market for less expensive coverage.

#6-C-3) Additional Items of Information - None

#7 CITY CLERK'S REPORT – Lisa Monson, City Clerk

Staff is gearing up for annual Business License renewals and a busy season of Event Licenses and working on revising and updating application forms to place on the City website in regular PDF format and fill in the blank PDF format.

#8 FIRE – Larry Thomason, Public Safety Director

The Monthly Incident Report for January 22, 2015, through February 22, 2015, was presented, stating total incidents were 185, total estimated loss in fires were \$27,202.00. During this period there were 6 building fires, 2 cooking fires, 1 fuel burner/boiler malfunction, fire confined, 1 trash or rubbish fire, contained, 2 brush or brush and grass mixture fires, 1 outside rubbish fire (other), and 64% of the calls were related to Rescue & Emergency Medical Service Incidents. Chairman Nichols asked what type of financing will be worked out on the Fire Trucks and Mayor Eisenhower responded there are various options such as loans, bonds, grants, and new financing he and Comptroller Lewis have been made aware of, but the financing will be based upon who and for how much the bids will be awarded. Mayor Eisenhower stated the bid packet will be sent to the Federal government as Fire Division Sustainability Committee member Vince Koers identified a way in which local governments can purchase Fire Trucks through the Federal government.

#9 HUMAN RELATIONS – Sandra Houston, Administrator

- Administrator Houston presented the Status Report of Complaints for period January 26, 2015, through February 16, 2015, that stated the office handled 44 complaints, which consisted of a total of 30 Police, 13 Employment, and 1 Housing complaint.
- Administrator Houston thanked Vice Chairman Foster for suggesting the 2015 Martin Luther King Jr. scholarship winner to read her essay at the February 17 Council meeting.

#10 INFORMATION TECHNOLOGY – Agnel DSilva, Administrator

- Completed sewer truck upgrade project;
- Working on new technology and upgrading Public Safety server with plans to complete in three weeks;
- Comcast issues are on and off; working with them on ways to improve response times; and
- Working on network security and phone system upgrade information for the next budget year.

#11 POLICE – Larry Thomason, Public Safety Director

The Monthly Calls for Service Report for January 15, 2015, through February 20, 2015, was presented stating 3,262 total Calls for Service by Grid, with arrests of 369 adults and 42 juveniles, and a total of 310 actual reported offenses. The largest category within the offenses was Tows/ID, Equipment, Insurance followed by Disorderly Conduct, and Domestic Battery. There were 310 Traffic Citations by Offense issued with the majority of those issued for operating uninsured motor vehicles and there were 881 reported offenses with activity that went to the States Attorney's office for referral.

#12 LEGAL – Dave Wesner, Corporation Counsel

#12-A) Chairman Nichols presented a resolution authorizing Execution of a Service Agreement for Electric Aggregation Supply. Vice Chairman Foster moved to dispense with the reading and asked for approval, seconded by Alderman Davis. Mayor Eisenhauer stated Good Energy was chosen as the City's consultant two years ago and had a successful bid day with a bid of .4333 per kWh and over the course of 18 months approximately \$300,000.00 was saved for Danville citizens who chose to go on the Homefield Energy plan versus if they had stayed with Ameren and opted out of the Homefield Energy plan. The contract ends in June 2015 so the City needs to go through the bid process again and since the City was satisfied with Good Energy as the consultants the proposal this evening would allow them to again establish a bid day which they would like to do on March 12. The proposal also allows Mayor Eisenhauer to enter into an agreement on bid day with a supplier. Ameren will be in the .6 per kWh range and the anticipated rate on bid day to be somewhere between .53 per kWh and .55 per kWh. The consultant's will go out and identify suppliers that would have the ability to bid. There are a total of 41 communities on the Good Energy bid which should aid in receiving a better bid. Mayor Eisenhauer stated he or Jerod McMorris, Good Energy Consultant can answer questions from the Committee. Alderman Stone asked if at any time the Ameren rate drops below the City's supplier rate, can the citizen opt out of the program and Mr. McMorris responded any resident has the option to switch to another third party supplier or can go back on to Ameren at any point free of charge, but it is not an option for the City as a whole to opt out. Mr. McMorris stated various term lengths will be taken into account and all 41 communities will communicate and pick the lowest supply that is going to give longevity of savings over the term length. Alderman McMahan asked what happens if a resident is currently with another third party supplier and Mr. McMorris responded that resident will not receive an opt out letter so they would remain with their third party supplier until that contract expires and if they go back to Ameren, then Good Energy will send an opt out letter which is called perpetual opt out. Vice Chairman Foster asked if County comes back with a lower bid, can communities in Vermilion County opt in to that one and opt out of the City plan and Mr. McMorris stated the plan is for Danville City residents only so if a Danville resident wants to participate in the County's program they would have to be a resident of the unincorporated areas of Vermilion County. Alderman Stone asked for the Ameren transmission charge and Mr. McMorris stated transmission and capacity and all of those things go into the supply charge and those costs have increased around 400% since the last bid so there are other components that make up supply that cause it to increase. The delivery charge is not included in the supply rate. There being no further discussion or questions, the roll call vote being:

Ayes: Aldermen Davis, Foster, Gilbert, McMahan, Stone, Nichols

Nays: None

Absent: Alderman Hoskins

Motion carried 6 to 0 with 1 absent.

#12-B) Items of Information - None

#13 CLOSED SESSION was not needed.

#14 COMMITTEE MEMBERS' COMMENTS - None

#15 ADJOURNMENT

There being no further business to discuss, the meeting was adjourned by Chairman Nichols at 6:55 p.m. following a motion by Alderman Gilbert and a second by Alderman Stone.



Lisa K. Monson, City Clerk

Approved: 03/24/15

Posted Publicly: 03/25/15

