

PUBLIC WORKS COMMITTEE
MINUTES OF APRIL 12, 2011

#1 CALL TO ORDER

Chairman Mike Puhr called the meeting of the Public Works Committee to order at 6:02 p.m.

Roll Call was answered by Chairman Mike Puhr, Vice Chairman Steve Foster, Aldermen Dale Brandenburg, Jon Cooper, Sharon McMahon, Rick Strebing, and Rickey Williams, Jr. A quorum was present.

Others Present included Mayor Scott Eisenhauer, City Clerk Janet Myers, City Comptroller Gayle Lewis, City Engineer David Schnelle, Engineer III Sam Cole, Public Transportation Director Richard Brazda, Public Works Director Doug Ahrens, Risk Manager Kathy Courson, 12 audience members, and 3 news media.

#2 APPROVAL OF MINUTES

Chairman Puhr presented Minutes of the regular meeting of March 8, 2011. Alderman Brandenburg moved for approval as presented, seconded by Alderman McMahon. On the voice vote, all ayes, no nays; the motion so ordered.

#3 APPROVAL OF AGENDA

Chairman Puhr presented the agenda and removed Items #10-B, D, H, Q, S, and Y and included two resolutions as Items of Information, #DD-2 and #DD-3. Alderman Foster moved for approval as amended, seconded by Alderman Brandenburg. On the voice vote, all ayes, no nays; the motion so ordered.

#4 AUDIENCE COMMENTS – None

#5 CHAIRMAN'S COMMENTS

Chairman Puhr conveyed condolences to Alderman Williams at the recent death of his grandmother, Shiela Hughes.

Mayor Eisenhauer presented two awards on behalf of the Illinois Chapter of American Public Works Association (APWA). The first was a surprise to Engineer III Sam Cole on receiving "Engineer of the Year" and the second was to Representative Bill Black for "Legislator of the Year". Public Works Department and others sent nominations for both awards. It was announced that due to State Representative Black's efforts, \$9 million in Illinois Commerce Commission Funding for Fairchild Subway Reconstruction Project has been moved from fiscal year 2015 to fiscal year 2012, making it possible to start the reconstruction project in May 2012. Both will be recognized at the Illinois Chapter's annual awards ceremony on Friday, May 6, 2011, in Peoria.

#6 PAYROLL

Chairman Puhr presented Payroll for April 8, 2011, of \$473,124.67. Alderman Foster moved to dispense with the reading and asked for approval, seconded by Alderman J.Cooper. There being no questions, the roll call vote being:

Ayes: Aldermen Foster, McMahon, Strebing, Williams, Brandenburg, J.Cooper, Puhr

Nays: None

Motion carried 7 to 0.

#7 VOUCHERS PAYABLE

Chairman Puhr presented the Schedule of Vouchers Payable for April 12, 2011, of \$220,784.60.

Alderman Strebing moved to dispense with the reading and asked for approval, seconded by Alderman

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Brandenburg. There being no further questions, the roll call vote being:

Ayes: Aldermen McMahon, Strebing, Williams, Brandenburg, J.Cooper, Foster, Puhr

Nays: None

Motion carried 7 to 0.

#8 PUBLIC TRANSPORTATION – Dick Brazda, Director

A) Chairman Puhr presented a resolution authorizing an Amendment to extend the Agreement for Paratransit Service with CRIS Services, Inc. through December 31, 2011, with a 3% rate increase. Vice Chairman Foster moved for approval, seconded by Alderman Brandenburg. Director Brazda stated that the initial agreement from three years ago allowed for extension options, with this being the third and final extension, along with a 3% increase in rates. Alderman McMahon questioned the Fuel Deduction of \$2.87 per gallon and it was stated there is an allowance for this to be adjusted due to the cost of fuel. There being no further questions, the roll call vote being:

Ayes: Aldermen Strebing, Williams, Brandenburg, J.Cooper, Foster, McMahon, Puhr

Nays: None

Motion carried 7 to 0.

B) Chairman Puhr presented a resolution approving the Sale of Surplus Personal Property, being a 1992 Gillig Phantom bus, Fleet No. 9209, and a 1992 Gillig Phantom bus, Fleet No. 9211, on E-Bay.

Alderman Strebing moved for approval, seconded by Alderman McMahon. Director Brazda stated with the new buses having been received, these two 1992 buses having an excess of 600,000 miles are no longer needed. The last several buses sold on E-Bay brought between \$1,000 and \$2,000 each. There being no further questions, the roll call vote being:

Ayes: Aldermen Williams, Brandenburg, J.Cooper, Foster, McMahon, Strebing, Puhr

Nays: None

Motion carried 7 to 0.

C) Chairman Puhr presented a resolution approving the increase of a Contract with Gillig LLC for buses to include Extended Warranties for engines, body corrosion, and HVAC by \$29,400.00 for a total of \$1,050,186.00. Alderman Strebing moved for approval, seconded by Vice Chairman Foster. Director Brazda stated that the grant received for purchase of buses has about \$35,000.00 unspent and it is being recommended that these three additional warranty options be accepted. There being no questions, the roll call vote being:

Ayes: Aldermen Brandenburg, J.Cooper, Foster, McMahon, Strebing, Williams, Puhr

Nays: None

Motion carried 7 to 0.

D-1) Monthly Recap for March 2011

The Summary and Graph of Ridership by Month, a Table of Ridership by Route, Summaries of Total Revenue, Farebox and Ticket Revenue and Total Revenues for FY 2011, and a Summary of ADA Rides provided by CRIS were presented with no comments or questions.

#9 PUBLIC WORKS – Doug Ahrens, Director

A) Chairman Puhr presented a resolution awarding Bid #450 for 2011 Overlay Program to lower responsive bidder Open Road Paving Company, LLC, in the amount of \$676,908.10, to come from Infrastructure Development and Improvement Program funds. Alderman Strebing moved for approval, seconded by Alderman J.Cooper. Engineer Schnelle stated this is for improvements to North Gilbert, Park Haven, approaches to Denvale West and Old Ottawa Road, and portions of Lake Terrace. Vice Chairman Foster questioned previous work by the contractor and it was stated they did the improvements to Griffin Street and Bowman Avenue and the bid came in around the estimated cost. Work will begin as early as May and end in September. Gilbert Street will include milling the entire roadway and advance notice will be sent to all affected residents. It was stated millings will be recycled and used on City-owned



parking lots and alleyways and for repairs to sealcoat streets. There being no further questions, the roll call vote being:

Ayes: Aldermen J.Cooper, Foster, McMahon, Strebing, Williams, Brandenburg, Puhr

Nays: None

Motion carried 7 to 0.

B) Chairman Puhr presented a resolution appropriating MFT (Motor Fuel Tax) funds in the amount of \$204,520.00, Section #99-209-03-MS, for electrical utility relocations by Illinois Power Company dba AmerenIP as part of the Winter Avenue Reconstruction Project, to be paid over a four year period beginning in April 2011. Alderman Brandenburg moved for approval, seconded by Alderman J.Cooper. City Engineer stated the Council authorized MFT funds in 2006 for this portion of the project. However, AmerenIP did not invoice the City until now. Since the Winter Avenue Project has been completed and closed out, it is necessary to open another account and appropriate the funds to comply with the grant. Alderman McMahon voiced objection to the late invoice and spreading out the payment. Director Ahrens stated that due to the delay, the City was able to negotiate a \$40,000.00 reduction in the cost and have the ability to pay over four years, which will allow for flexibility of using MFT dollars for other projects if needed and have the benefit of interest on those funds. There being no further discussion, the roll call vote being:

Ayes: Aldermen Foster, Strebing, Brandenburg, J.Cooper, Puhr

Nays: Alderman McMahon, Williams

Motion carried 5 to 2.

C) Chairman Puhr presented an ordinance authorizing the Acquisition of Real Property known as 208-216 W. Main Street through a covenant not to sue regarding the condition of the property as consideration for the acquisition, to be used for revitalization and future development. Vice Chairman Foster moved for approval, seconded by Alderman Brandenburg. Director Ahrens stated this is the structure West of the Palmer Arena that was damaged beyond repair by a recent fire. The City will receive a clear Title in exchange for the demolition and clearing of sight. A Title search was performed by Legal Division and found to be clear. Upon approval by Council, the City will initiate a 10-day notice to IEPA (Illinois Environmental Protection Agency) and proceed with demolition by City staff in May. The cost of demolition will include dump fees, staff salaries, and the cost of hiring trucks for hauling material. A special rate has been negotiated with the landfill at an estimated cost of \$30,000.00 to \$35,000.00. Alderman J.Cooper asked if the Arena was asked to pay for some of the cost and Mayor Eisenhower stated that while the Arena will benefit due to the additional space for parking, this will be no different than any other property used for parking in which the City owns and has control. Vice Chairman Foster voiced support of acquiring the property due to long range plans for waterfront development. Vice Chairman Foster yielded time to Alderman-Elect Bill Black who voiced concern with asking taxpayers to demolish property owned by someone else and questioned asbestos abatement and the insurance settlement received by the owner for demolition. Director Ahrens stated the normal sampling requirements will not be required but the 10-day notice to IEPA will initiate the process and someone from NESHP (National Elimination Standard of Hazardous Pollutants) will be onsite during the demolition to make sure everything is removed in compliance. With regards to the insurance settlement by the current owner, Director Ahrens stated it was in the best interest of the City, and far more cost effective, to proceed with acquiring the property and performing demolition in-house, since demolition and cleanup of the property would be much higher causing the price to the City to increase in order for the owner to recoup his costs. There being no further discussion, the roll call vote being:


Ayes: Aldermen McMahon, Strebing, Williams, Brandenburg, J.Cooper, Foster, Puhr

Nays: None

Motion carried 7 to 0.

D-1) H & L Landfill Update

City Engineer Schnelle stated there was nothing to report.

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D) Items of Information

City Engineer Schnelle again reported confirmation has been received that a \$7million Capital Bill has been approved for the Fairchild Subway Improvement Project and has been moved from fiscal year 2015 to the 2012 budget making the \$20million project fully funded. Thanks were extended to former Representative Bill Black for all his work in making this possible.

#10 FINANCE – Gayle Lewis, Comptroller

During presentation of Item A, Alderman Williams voiced concern with receiving the paperwork for all the budget amendments this evening and not having time to review before a vote. Comptroller Lewis stated with this being the end of the fiscal year, there being a vacancy of the Finance Officer Manager's position that helped with accounting maintenance of the line items, and the desire to have the most up-to-date budget information available prior to action, it was necessary to use the extra time to get the documentation prepared. Mayor Eisenhower stated that final action would not take place on any of these items until Council meeting, giving everyone ample time to review. Chairman Puhr suggested taking all of the budget amendments on the agenda as items of information without formal action by the Committee and forward to full Council without recommendations. There being no objections, discussion continued on Items A – BB, with Items B, D, H, Q, S, and Y having been removed previously. Those items being:

- A) a resolution authorizing a budget amendment in various General Fund budgets in the amount of \$504,456.45 to accurately account for expenditures and revenues in the Health Insurance Fund and General Fund accounts, with \$295,600.00 coming from the General Fund Reserve and the remaining from transfers from the General Fund, employee contributions, and the Enterprise funds;
- C) a resolution authorizing a budget amendment in Public Affairs Division budget to increase Revenue and Expense line items Kids Can't Buy 'Em Here in the amount of \$1,830.00 each, to come from State grant funds for the program;
- E) a resolution authorizing a budget amendment in the General City Government budget to create line items Transfer to Fire Pension Fund in the amount of \$147,470.40 and Transfer to Police Pension Fund in the amount of \$111,447.19, to come from the General Fund Reserve;
- F) a resolution authorizing a budget amendment in the Legal Services Division budget to increase line item Legal Services by \$60,000.00, to come from General Fund Reserve;
- G) a resolution authorizing a budget amendment in the Office of Personnel & Human Relations Division budget to increase line item Advertising by \$5,900.00, to come from the General Fund Reserve;
- I) a resolution authorizing a budget amendment in the Police Division budget to increase Revenues and Expenses by \$224,618.19 and create line items for various grants, with \$210,618.19 to come from the General Fund Reserve and remainder from grant proceeds;
- J) a resolution authorizing a budget amendment in the Fire Division budget totaling \$127,000.00, to come from General Fund Reserve;
- K) a resolution authorizing a budget amendment in the Streets Division budget to increase Overtime by \$37,000.00, to come from General Fund Reserve;
- L) a resolution authorizing a budget amendment in the Parks & Public Property Division budget to increase Overtime by \$8,000.00, to come from General Fund Reserve;
- M) a resolution authorizing a budget amendment in the Fire Pension Retirement Fund budget to create line items Transfer from General Fund Reserve and General Fund Contribution both in the amount of \$111,447.19, to come from General Fund Reserve;
- N) a resolution authorizing a budget amendment in the Police Pension Retirement Fund budget to create line items Transfer from General Fund Reserve and General Fund Contribution both in the amount of \$147,470.40, to come from General Fund Reserve;
- O) a resolution authorizing a budget amendment in the Illinois Municipal Retirement Fund budget to increase line item Transfer to Operating Funds by \$10,000.00, to come from IMRF Fund Reserve;
- P) a resolution authorizing a budget amendment in the State Narcotic Forfeiture Fund budget to increase line item Miscellaneous by \$2,775.00, to come from auction revenue;
- R) authorizing a budget amendment in the Law Enforcement Grant Fund budget to increase line item Miscellaneous by \$21,686.00, to come from JAG (Edward Byrne Memorial Justice Grant) proceeds;

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- T) a resolution authorizing a budget amendment in the West Gate TIF Fund budget to create line item Real Estate Purchase in the amount of \$23,000.00, to come from West Gate TIF Fund Reserve;
- U) a resolution authorizing a budget amendment in the Bond & Interest Fund budget to increase line item 2001 Bonds-Interest & Cost by \$19,743.73, to come from the 2001 Bond Fund Reserve, and increase line items 2001 Sewer Bonds-Interest & Cost and Transfer from Sewer Fund by \$1,354.18 each, to come from Sanitary Sewer Fund;
- V) a resolution authorizing a budget amendment in the 2007 Debt Service Fund budget to increase line item Bonds-Interest & Costs by \$5,401.67, to come from 2007 Debt Service Fund Reserve;
- W) a resolution authorizing a budget amendment in the 2009 Debt Service Fund budget to increase line item Bonds-Interest & Cost by \$1,391.17, to come from the 2009 Debt Service Fund Reserve;
- X) a resolution authorizing a budget amendment in the Capital Improvements Fund budget to increase line item Improvements to Buildings by \$151,589.64, decrease Other Improvements by \$151,478.62, and create Danville Stadium Grant in the amount of \$71,083.56, with remaining funds to come from Capital Improvement Fund Reserve;
- Z) a resolution authorizing a budget amendment in the David S. Palmer Arena Fund budget to increase line items Electricity by \$1,500.00 and Miscellaneous by \$36,000.00, to come from David S. Palmer Arena Fund Reserve;
- AA) a resolution authorizing a budget amendment in the Police Division-ARRA Fund budget to increase Expenses totaling \$37,006.97, with \$27,606.97 to come from Grant proceeds and \$9,400.00 to come from General Fund Reserve;
- BB) a resolution authorizing a budget amendment in the CDBG (Community Development Block Grant) Fund budget to increase several Expense line items by \$24,767.00, to come from HUD (U.S. Department of Housing and Urban Development) grant proceeds;

It was stated that all budget amendments are reflected in the most current Cash Flow Report handed out at the beginning of the meeting, with \$756,139.00 being projected as the balance at the end of the fiscal year that will be moved to the General Fund Reserve. Comptroller Lewis then provided explanation of each of the budget amendments, with questions being addressed.

[Alderman Brandenburg left the meeting at 7:25 p.m.]

CC) Chairman Puhr presented an ordinance amending Chapter 116.13 Taxation to require that 4% of the total proceeds from City Home Rule Municipal Tax revenue be distributed to the Infrastructure Improvement Fund budget line item Economic Development in order to cash flow the Line of Credit for the North Vermilion Development Project on property formerly named K's Merchandise and for future development projects for discussion. Comptroller Lewis stated that these funds would be allocated towards the repayment of the loan for this project and then continue with the 4% thereafter to help with future economic development projects. It was stated that the City Comptroller would seek a \$1.2million Line of Credit, with dollars drawn down as needed. Alderman Williams suggested that after repayment is made, 4% of the Sales Tax revenue be allocated for General Fund Reserve. Mayor Eisenhower stated that in order to make sure dollars are spent on economic development, the funds need to be in a dedicated line item.

DD) Items of Information

1) Review of Preliminary 2011-2012 Budget

Mayor Eisenhower stated a Public Hearing was held last week for the proposed 2011-2012 Budget, at which time it was placed on Public Display. Final approval is expected next Tuesday. No additional public comments have been received to date.

2) Chairman Puhr presented a resolution authorizing a budget amendment in the Federal Narcotics Forfeiture Grant Fund budget to create line items State Aid Forfeited Funds in the amount of \$2,783.84 and Interest in the amount of \$0.92, to come from revenue received from Federal Government for discussion. Comptroller Lewis stated that the Police Division received grant dollars from a Federal

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settlement case, causing the need to create this line item.

3) Chairman Puhr presented a resolution authorizing a Loan of up to \$200,000.00 from the Working Cash Fund, not to exceed 9 months, and a Loan of up to \$100,000 from General Fund, not to exceed 6 months, both to pay for Health Insurance Premiums. Comptroller Lewis stated that the Health Insurance Fund continues to have a shortfall even after the budget amendments, causing the need for a loan from the General Fund. Repayment, to come from increased premiums paid by employees/retirees, will be made first to the General Fund, followed by the Working Cash Fund.

#11 CLOSED SESSION was not needed.

#12 COMMITTEE MEMBERS' COMMENTS

- Chairman Puhr thanked outgoing Alderman Brandenburg for his service to the Committee.
- Mayor Eisenhower announced *Mayor's Coffee Hour* will be held Thursday, April 21, and invited all to attend.

#13 ADJOURNMENT

There being no further items on the agenda, the meeting was adjourned at 7:35 p.m. by acclamation after a motion by Alderman Strebing and a second by Alderman Williams.

Approved: 05/10/11
Posted Publicly: 05/11/11


Janet K. Myers, City Clerk