

# REGULAR MEETING MINUTES OF THE MAYOR AND

## ALDERMEN OF THE CITY OF ROCK FALLS

December 2nd, 2014

The regular meeting of the Mayor and City Council of Rock Falls, Illinois was called to order at 5:30 p.m. December 2nd, 2014 in the Council Chambers of Rock Falls by Mayor William B. Wescott.

City Clerk Eric Arduini called the roll following the pledge of allegiance. A quorum was present including Mayor William B. Wescott, Aldermen Reitzel, Logan, Kuhlemier, Schuneman, Hand, and Watts. Alderman Snow and Alderman Folsom were absent. In addition City Attorney Jim Reese, and City Administrator Robbin Blackert were present.

### **Presentation to the Council**

Rock Falls Electrical Director Dick Simon introduced the Council to Kyle Hollifield Senior Vice President of Marketing and Business Development for Magellan Advisors. Mr. Hollifield gave a PowerPoint Presentation to the council explaining the current state of fiber in the City. He explained that they would advise the City to develop a business fiber service provider owned by the City to provide fiber broadband to businesses in Rock Falls and surrounding areas. He explained that the city would need to pass a referendum to form this department.

At 6:00pm Alderman Snow joined the meeting

At 6:15 pm Alderman Folsom joined the meeting

Mayor Wescott inquired about data centers, and asked what the selling points would be for this enterprise to acquire half of the businesses in the City as new customers. Mr. Hollifield explained that because there are connections here (meet points) to other fiber infrastructures, a data center would be an easy thing to implement. The City would offer businesses reliable and faster internet for less money than the competition.

Administrator Blackert mentioned that the referendum only has to pass in Rock Falls. Rock Falls could then expand to other markets such as Sterling or Dixon. Mr. Hollifield also explained that new businesses that will come and take advantage of these networks are clean, and higher paying jobs.

Alderman Kuhlemier asked about the capacity of fiber. Mr. Hollifield explained that one fiber can be split into 128 connections, and the most expensive part of building it out is opening up the ground.

### **Proclamation:**

A motion was made by Alderman Hand, and second by Reitzel to approve the proclamation designating December 2014 National Drunk and Drugged Driving (3D) Prevention Month.

**Viva Voce Vote, motion carried**

### **Audience Request:**

Robert Young from 1012 Kane St. explained to the council that the house at this address needs to go onto City water service. The deadline of October 1<sup>st</sup> has passed, and now the connection fee will be \$1100.00 instead of \$100 of \$500 as the expired ordinance stated. He explained that his mother had fallen, and the family has not much money for this installation fee. He requests that the Council allow them to go back to the discounted fee structure for this connection.

Mayor Wescott explained that Mr. Young and his Father have been very cordial when they have been in to the Mayor's office to talk about this. He stated that Mr. Young has already received a summons for the adjudication process. The Ordinance was extended to give a total of 3 years and 6 months to take advantage of the lower connection fee. He explained that the original costs

were absorbed by the city during this time to help people get along during the 3 years and 6 months hook up time.

Administrator Blackert stated that the city would have to re-pass an ordinance to make this possible.

### **Community Affairs**

Mayor Wescott stated that the Chamber of Commerce Board would like to host the City Council for a breakfast. It will be on December 8<sup>th</sup> at 9:00am.

### **Ordinance 1<sup>st</sup> Reading:**

1. Approval of Ordinance 2014-2187 Tax abatement for electric bond
2. Approval of Ordinance 2014-2188 Tax abatement for motor fuel tax bond
3. Approval of Ordinance 2014-2189 Adopting Building Valuation Data for Building Permit Fee Calculations

Alderman Reitzel questioned how the numbers were figured on the new valuation sheet in Ordinance 2014-2189. He is concerned that the county will use the valuations when assessing the new buildings. According to this table a 200 sq. foot home would have a value of \$300,000 which is possible around bigger cities, but not likely here. Building inspector Searing stated that these are the values from the ICC 2012 tables. The previous ones that the city was using were from 2006, and the County Assessor does not use these numbers for their assessments for property taxes.

Attorney Reese asked what the different categories represented, and Mr. Searing stated that it was different types of construction.

A motion to approve the first reading of these three ordinances was made by Alderman Snow, and second by Alderman Hand.

**Vote 8 Aye, motion carried**

### **Consent Agenda:**

1. Approve the Minutes of the November 18th, 2014 Council Meeting
2. Approval of bills as presented.
3. Approval for the installation of HVAC system in the Data Room - Loescher Heating and Air Conditioning 907 East 17th Street Rock Falls, IL in the amount of \$17,850
4. Approval for repairs and engineering for the Hydro Plant stop-logs and lift beam actuator bars - Simmers Crane Design and Services 415 31st Ave. Rock Island, IL 61201 in the amount of \$32,295
5. Approval of a revised Cash Management Agreement with Sauk Valley Bank.
6. Resolution 2014-700 release of lien for the property at 1613 4th Avenue as provided under the SFOOR Recapture Agreement.
7. Resolution 2014-701 Obligation Retirement Resolution for the 2012 General Obligation Bonds. Payback section #12-00003-00-GB in the amount of \$116,180.00 from MFT (Motor Fuel Tax) funds

Attorney Reese stated that item number 5 on the Consent Agenda is waiting for a revision from Sauk Valley Bank. He recommends that the Council not approve it until the change is made.

A motion to approve the consent agenda by omnibus designation upon the revisions to item number 5 was made by Alderman Hand, and second by Alderman Logan.

**Vote 8 aye, motion carried**

## **City Administrator Robbin D. Blackert:**

City Administrator Robbin Blackert asked the council for, and a motion was made by Alderman Kuhlemier to acceptance of the findings from Magellan Advisors, and to move forward with the next steps continue development of a broadband utility not to exceed \$60,200. Second by Alderman Hand.

Alderman Kuhlemier stated that the vision of the past leaders helped the city get to this point, and it would be untenable to go backwards.

Mayor Wescott mentioned that a referendum will be necessary in the future to go forward with the utility.

Alderman Hand stated that the City needs things like this in Rock Falls to survive in the marketplace.

Administrator Robbin Blackert gave a presentation to the Committee about the tax levy. Adm. Blackert stated to the committee:

-The EAV (equalized assessed value) is down 1.74% or \$1.3M and has dropped \$5.7M in the last 4 years.

- The Police Pension DOI actuarial suggested a funding of \$406,000 to be at 59% funded; (Tim W. Sharpe Actuarial) TWS Actuarial stated \$272,414 to be funded at 67.6% the city will levy \$281,064

- The Fire Pension Actuarial by TWS suggested funding at \$128,854, this will be the figure the city is to use, and it will be funded at 89.9%. The actuarial noted that the decreased funding percentage is due to higher salaries paid to employees, and a new retiree with 30 years in the Fire Department.

A motion to approve the levy at the 4.99% increase was made by Alderman Kuhlemier, and second by Alderman Schuneman.

Alderman Watts would like to avoid the perception that the city is avoiding openness, and raise the levy to 5% with a truth in taxation hearing.

Administrator Blackert explained that by funding the pensions correctly now, it will actually save taxpayers money rather than trying to make it up later.

Mayor Wescott informed the Council that the State passed a new law allowing Pension Boards to notify the state if they feel the city is not meeting its obligation to fund the pensions. This could then transfer LGDF (Local Government Distributive Fund) funds from the State to the pensions rather than the city.

Alderman Hand stated that we have always looked closely at the pensions, and we are in good shape.

**Vote 7 Aye, 1 Nay (Watts) motion carried**

Administrator Blackert asked for authorization to approve the payment of \$41,000.88 to the RFCDC (Rock Falls Community Development Corporation) to fulfill a memorandum of understanding for cost relating to a former project. This would be deposited into a capital account.

Attorney Reese stated that the MOU was tied to a redevelopment agreement that never happened. He also would like to see what the capital account would be used for. He states that the City should have a written agreement as to how this money will be spent.

Alderman Logan stated that the RFCDC does have the money to pursue economic developments. This money could be used to purchase a building, rent it out for some time, and then sell it to the renter. That money could then be rolled in to other economic developments.

A motion to table the approval of the MOU repayment until such time as the City is in receipt of an agreement stating the uses of the money in the capital account was made by Alderman Kuhlemier, and second by Alderman Schuneman

**Vote 8 Aye motion carried**

**Information/Correspondence:**

City Clerk Eric Arduini informed the council that the City had received a letter of thanks from Kenneth Stern. He was a recipient of a SFOOR Rehabilitation Grant from the city.

**Ward Reports:**

**Ward 4:**

Alderman Watts reminded everyone that winter is upon us, and he would like to remind residents, and business owners to clear snow off of sidewalks. Please think of school areas, and keep sidewalks accessible for everyone.

**Mayor's Report:**

Mayor Wescott reminded the Council that the Christmas Party will be held on December 20<sup>th</sup>, and to let the Clerk's office know if they plan on attending.

**Executive Session**

A motion to enter executive session for Section 2(c)(11) Threatened or pending litigation was made by Alderman Logan, and second by Alderman Hand

**Vote 8Aye, motion carried**

**City Council entered Executive Session at 7:11pm**

**City Council resumed regular session at 7:59pm**

**Adjournment**

With nothing else for the good of the Council a motion to adjourn was made by Alderman Folsom, and second by Alderman Logan at 8:00pm

**Viva Voce Vote motion carried**

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Eric Arduini, City Clerk