

Monday, November 16, 2015
City Council Meeting at 6:30 pm

CITY COUNCIL MEETING AGENDA
Council Chambers - First Floor
212 Third Avenue

1. Meeting Opening

Subject : A. Call to Order
Meeting : Nov 16, 2015 - City Council Meeting at 6:30 pm
Type : Procedural

1. Meeting Opening

Subject : B. Roll Call
Meeting : Nov 16, 2015 - City Council Meeting at 6:30 pm
Type : Procedural

1. Meeting Opening

Subject : C. Pledge of Allegiance
Meeting : Nov 16, 2015 - City Council Meeting at 6:30 pm
Type : Procedural

2. Communication from Visitors

Subject : A. Public Comment
Meeting : Nov 16, 2015 - City Council Meeting at 6:30 pm
Type : Information

File Attachments

[public comment policy.pdf \(75 KB\)](#)

3. Consent Agenda

Subject : A. Approval of Minutes
Meeting : Nov 16, 2015 - City Council Meeting at 6:30 pm
Type : Action (Consent)
Recommended Action : Approval of Minutes as presented

File Attachments

[cc110215.pdf \(123 KB\)](#)

Consent

Our adopted rules of Parliamentary Procedure, Robert's Rules, provide for a consent agenda listing several items for approval of the Board by a single motion. Most of the items listed under the consent agenda have gone through Board subcommittee review and recommendation. Documentation concerning these items has been provided to all Board members and the public in advance to assure an extensive and thorough review. Items may be removed from the consent agenda at the request of any board member.

3. Consent Agenda

Subject :	B. Approval of Bills and Payroll
Meeting :	Nov 16, 2015 - City Council Meeting at 6:30 pm
Type :	Action (Consent)
Recommended Action :	Approval of Bills and Payroll as presented

Public Content

File Attachments

[10-31-15 Budget Performance Report.pdf \(359 KB\)](#)

[11 16 15 gl dist rept.pdf \(204 KB\)](#)

[11 16 15 bills and payroll.pdf \(963 KB\)](#)

Consent

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3. Consent Agenda

Subject :	C. Approve Low Bid from Burke Excavating, Inc., in the amount of \$8,445.00 for Demolition of 1411 Third Avenue
Meeting :	Nov 16, 2015 - City Council Meeting at 6:30 pm
Type :	Action (Consent)
Recommended Action :	It is the recommendation of the Staff that the City Council award the contract to demolish 1411 3rd Avenue to Burke Excavating, Incorporated, of Tampico, Illinois in the amount of \$8,445.00

Public Content

The City of Sterling acquired the subject property by a Quit-Claim Deed on September 18, 2015. Bids were advertised for the demolition of the building on November 3, 2015, and three (3) were received. The bids were opened on Thursday, November 12, 2015.

The low bid received was from Burke Excavating, Inc., Tampico, Illinois, in the amount of \$8,445.00. The bid was found to be in accordance with the Bid Specifications.

Funding for this work is being provided through the Blight Reduction Program, a grant awarded to the City of Sterling by the Illinois Housing Development Authority.

File Attachments

[1411 3rd Ave bid results.pdf \(26 KB\)](#)

Consent

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3. Consent Agenda

Subject :	D. Petition from Home of Hope to hold a bucket brigade on November 28, 2015
Meeting :	Nov 16, 2015 - City Council Meeting at 6:30 pm
Type :	Action (Consent)
Recommended Action :	Approve the petition from Home of Hope to hold a bucket brigade on November 21, 2015

Public Content

Home of Hope Cancer Wellness Center offers complimentary services to local families that have been touched by cancer.

The funds raised from this bucket brigade will be used toward the organization's national celebration event Illinois Gives Big on Tuesday, December 1, 2015.

File Attachments

[Home of Hope Petition.pdf \(744 KB\)](#)

Consent

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6. Presentations and Awards

Subject :	A. Proclamation Declaring Saturday, November 28, 2015 as Small Business Saturday
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Meeting :	Nov 16, 2015 - City Council Meeting at 6:30 pm
Type :	Action
Recommended Action :	Approve Proclamation Declaring Saturday, November 28, 2015 as Small Business Saturday

Public Content

Women Impacting Public Policy (WIPP) and the Small Business Saturday Coalition are conducting a national effort to drive consumers to shop at local independently owned businesses on the Saturday after Thanksgiving, November 28, 2015. As Sterling supports our Shop Local Campaign, this is only fitting that we support this drive to preserve our neighborhoods that composethe landscape of our local economy and enrich our unique culture.

As a supporting community, Sterling will be listed on theSmallBusinessSaturday.com and ShopSmall.com websites.

File Attachments

[proc-small business Sat.pdf \(100 KB\)](#)
[small business fact sheet.pdf \(1.353 KB\)](#)

8. Business Items

Subject :	A. Tax Levy Estimate
Meeting :	Nov 16, 2015 - City Council Meeting at 6:30 pm
Type :	Action
Recommended Action :	Staff recommends approval of the Tax Levy Estimate

Public Content

Each year the City is required to prepare a Tax Levy Estimate prior to adopting the tax levy for the upcoming fiscal year in accordance with the Illinois Truth in Taxation law. The purpose of the tax levy estimate is to determine whether the estimated levy extension is 5% or greater than the previous years actual levy extension. If the upcoming levy extension is 5% or greater than the actual prior levy, the City must conduct a public hearing.

The projected EAV for the City will decline 1.04%. As such, any individual levies that are set at the maximum rate will decline 1.04% next year. Levies at the maximum rate include those for the fire protection, police protection and corporate levies.

The pension funds do not have levy rate caps under State Statutes. The pension funds tax levies continue to grow far faster than inflation and EAV growth, which is negative. For next year, the actuary recommends a minimum contribution to the fire pension fund of \$974,055 compared to \$616,086 for this year. This is a \$357,969 increase over last year, or a 58.1% increase. The amount represents 86.42%of payroll next year versus 59.84% of payroll this year.

The actuary recommends a minimum contribution to the police pension fund of \$978,830 next year versus \$672,068. This is a 45.6% increase over this year. It represents 57.63% of payroll versus the current 37.06% of payroll.

As you may have seen or heard in various news outlets, there are two significant factors contributing to the substantial growth in recommended contributions all across the State. The first is a new Government Accounting Standards Board

(GASB) reporting statement, commonly referred to as GASB 67. While GASB 67 doesn't require a government to fund or use certain assumptions, it does require detailed reporting, and that reporting is based on achieving a 100% funding ratio. The State requires cities to have their pension funds funded at a 90% ratio by 2040. If cities do not fund their plans accordingly, pension plans can have the State withhold payments to the cities to funnel the monies to the pension funds.

There are a few factors to consider when setting next year's levy, including: property tax rates to businesses and citizens, increasing funding ratios and statutory requirements. However, what may be of greatest concern are the discussions of a property tax freeze in Illinois as part of a budget deal. In past years, we have faced large increases and tried to split the cost over two years. This year, that strategy could come back to haunt us. If we meet minimum funding requirements, but fall below recommended levels, a future tax freeze could leave us severely underfunded the next two years and facing even greater increases as we have to make up for both the lack of contributions and the loss of the interest on those contributions. That is of course on top of other threats to cut or freeze local government funding as we are currently witnessing.

In the worst case scenario for the levy, fully funding the police and fire pensions, there is a staggering 18.76% increase to the levy, with the police levy increasing 43.93% and the fire pension increasing 47.55%. Fully funding them, the fire and police pension levies combined will make up 44.9% of the City's tax bill. By comparison, the General Fund gets 32.4% and IMRF (the pension for all the other employees) and Social Security combined, get 10%.

Staff is presenting the highest option to the Council at the Tax Levy Estimate as I am deeply concerned about the ramifications of not fully funding the pensions at the amount recommended by the actuary. Staff would be far more comfortable recommending a lower rate if there was confidence that the State would not either reduce our funding or freeze our property taxes. Unfortunately, given the discussions in Springfield, it is the recommendation of staff that the Council weigh the long-term interest of the City by considering the substantial increase presented. The proposed levy can be revised downward prior to adoption in December, but if the levy increase exceeds 5% increase, the tax estimate needs to reflect that so the City can conduct a hearing. The City can reduce pension levies in the future, particularly if reductions occur in the number of retirees, or investment rates increase. The sooner funds get invested, the faster the compounding interest will work in our favor to reduce pension levy increases into the long-term future and prevent the State from seizing our local funding in the event our fire and police pension funds are not adequately funded as State statute allows.

File Attachments

[2015 Tax Levy Estimate.pdf \(37 KB\)](#)

8. Business Items

Subject :	B. Ordinance#2015-11-17 Providing for Collection of Sex Offender Registration and Renewal Fee
Meeting :	Nov 16, 2015 - City Council Meeting at 6:30 pm
Type :	Action
Recommended Action :	Staff recommends approval of Ordinance #2015-11-17 providing for collection of sex offender registration and renewal fee

Public Content

The State of Illinois by statute requires sex offenders to register each year. They are mandated to pay a \$100 fee each time. A portion of the fee goes to the City to offset costs of registering. There is no enforcement provision in the statute, however.

Staff proposes this ordinance to allow a refusal to go to administrative hearing for disposition.

File Attachments

[2015-11-17 Sex Offender Registration.pdf \(111 KB\)](#)

[2015-11-17 Revised Sex Offender reg fees.pdf \(80 KB\)](#)

8. Business Items

Subject :	C. Resolution #R2015-11-27 Authorizing the Application to United States Environmental Protection Agency Brownfields Assessment Grant Program (FY2016)
Meeting :	Nov 16, 2015 - City Council Meeting at 6:30 pm
Type :	Action
Recommended Action :	Staff recommends approval of Resolution #R2015-11-27 authorizing application for Brownfields Assessment Grant Program.

Public Content

This resolution is required as a demonstration of support for the USEPA's Brownfields Assessment Grant Program. The City will once again apply for a \$400,000 Assessment grant, with the primary target being an environmental assessment of the former Lawrence Brothers manufacturing facility. The City has applied in each of the past several years without success, but is continuing to attempt to win the grant award. If awarded, the City could begin to investigate the site for all environmental cleanup concerns and perhaps even begin some of the cleanup work.

File Attachments

[SRG 15-924 - Sterling Brownfields Resolution.pdf \(157 KB\)](#)

8. Business Items

Subject :	D. Approve reimbursement request from Illinois American Water in the amount of \$141,785.55 for reconstruction work on West LeFevre
Meeting :	Nov 16, 2015 - City Council Meeting at 6:30 pm
Type :	Action (Consent)
Recommended Action :	Approve reimbursement request form ILAWC in the amount of \$141,785.55 per agreement for reconstruction work on West LeFevre.

Public Content

At the July 6th Council Meeting, the City Council approved a road reconstruction agreement in conjunction with Illinois American Water Company's (ILAWC) upgrade to the water main beneath West Lefevre Road. Typically, the repair is completed with a patch, but due to the overall condition of the road, it made more sense to resurface the entire stretch rather than just a 6 foot patch. 1,240' of West Lefevre was reconstructed from the west side of the intersection with Woodburn Avenue to the east side of the intersection with the north extension of Avenue K. Illinois American Water Company has billed us for the actual construction cost less the cost they would have otherwise spent constructing the patch per the agreement. Staff and our consultant engineer have reviewed and received a final lien waiver. Staff

recommends final payment to Illinois American Water in the amount of \$141,785.55 for improvements to W. Lefevre.

File Attachments

[ILAWC reimbursement request.pdf \(2.082 KB\)](#)

Consent

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11. Executive Session

Subject :	A. Adjourn to Closed Session for the purposes of discussing Personnel
Meeting :	Nov 16, 2015 - City Council Meeting at 6:30 pm
Type :	Action
Recommended Action :	Make a motion to adjourn to Closed Session as provided under 5 ILCS 120/2a for the purposes of discussing Personnel.

Public Content

5 ILCS 120/2 (c) provides the Governing Body with certain exceptions to the Open Meetings Act and allows for the conducting of a "Closed Session".

ILCS 5 Section 120/2a provides "A public body may hold a meeting closed to the public or close a portion of a meeting to the public, upon a majority vote of a quorum present, taken at a meeting open to the public for which notice has been given as required by this Act".

Therefore, the City Council should move by simple majority vote to go into a "Closed Session" for the purpose as stated above.