

**SUMMARY MINUTES OF THE
WORK SESSION CITY COUNCIL MEETING
PUBLISHED BY THE AUTHORITY OF THE CITY COUNCIL
OF BLOOMINGTON, ILLINOIS
MONDAY, JULY 11, 2016; 6:05 P.M.**

The Council convened in Work Session in the Council Chambers, City Hall Building, at 6:05 p.m., Monday, July 11, 2016.

1. CALL TO ORDER

The Meeting was called to order by Mayor Renner who directed the City Clerk to call the roll and the following members answered present:

2. ROLL CALL

Aldermen: Kevin Lower, David Sage, Mboka Mwilambwe, Amelia Buragas, Joni Painter, Karen Schmidt, Scott Black, Diana Hauman, Jim Fruin, and Mayor Tari Renner.

Staff Present: David Hales, City Manager; Steve Rasmussen, Assistant City Manager; Beth Oakley, Executive Secretary; Jay Tetzloff, Zoo Supervisor; Austin Grammer, Economic Development Coordinator; Nora Dukowitz, Communications Manager; Jeff Jurgens, Corporate Counsel; Nicole Albertson, Human Resources Director; Ken Bays, Assistant Police Chief of Administration; Scott Sprouls, Information Services Director; Jim Karch, Public Service Director; Tom Dabareiner, Plan/Code Enforcement Director; Alex Rosas, Human Resources Safety & Risk Coordinator; Melissa Hon, Assistant to the City Manager; Bob Yehl, Water Director; Brian Mohr, Fire Chief; Eric West, Deputy Fire Chief of Operations; Patti-Lynn Silva, Finance Director; and other City staff were present.

Staff absent: Cherry Lawson, City Clerk.

3. PUBLIC COMMENT

Mayor Renner opened the meeting to receive Public Comment. No individuals provided comments during the meeting.

4. PRESENTATION OF THE PRELIMINARY DRAFT OF THE FIVE YEAR CAPITAL IMPROVEMENT PLAN (CIP)

Mr. Hales, provided a brief overview. The City's Capital Improvement Plan (CIP) illustrated the capital needs over a five (5) year period based on various Master Plans, goals and community expectations. Capital projects were large-scale in nature and included items such as facility construction and expansion, major equipment purchases and significant maintenance and

repair. The Fiscal Year (FY) 2017-2021 CIP totaled approximately \$336.58 million, with \$59.90 million in secured funding projects and \$276.68 million in non-secured funding projects.

The CIP principal goals were: 1.) With anticipated resources provide a balanced strategy for capital improvements; 2.) Preserve/enhance existing facilities and infrastructure while providing new assets for community growth; and 3.) Illustrate currently unmet capital needs.

The CIP financial data was preliminary in nature and would change based on a variety of factors. Some excluded potential costs that would be associated with key economic development projects, which could be substantial. The CIP was a working and dynamic document aimed to place the City in a proactive stance.

Maintenance needs over the next five (5) years included: facilities; streets; sidewalks; Americans with Disabilities Act (ADA) facilities and improvements; sewer; storm water; and water and parks combined. Capital maintenance preventative care could save time and money. Some emergency repaired capital projects had been estimated to cost forty percent (40%) more. Emergency repairs cannot be planned, bid or scheduled at a fortuitous time or with cheaper materials.

Capital projects must meet at least one of the following to be included in the CIP: 1.) Contribute to the development or implementation of Council adopted plans and policies; 2.) Address health and safety needs or improve access to City facilities for those with disabilities; 3.) Maintain existing assets or improve operations; and 4.) Improve revenue potential or enhance existing programs.

Potential capital projects and their priorities were derived from a number of sources, including: 1.) Master Plans; 2.) Requests from citizens, neighborhood associations and community organizations; 3.) Requests from other governmental agencies; 4.) City departments; and 5.) City Committees and commissions.

The City's capital projects funding options were cash ("pay-as-you-go"), debt financing or a combination of both. Interest rates were at historic lows making now an attractive time to issue debt. Same would be discussed further in one of the next sessions in August, 2016.

Utility debt funded with user fees did not factor into debt ratios. Other areas not funded by user fees would be funded through general taxation or by creating a dedicated revenue stream.

Street resurfacing and ADA had dedicated revenues of approximately \$4.8 million per year, though annual street maintenance needs were estimated at \$10 million.

Rate studies provided possible funding options for Sewer, Storm Water and Water capital needs. Sewer and Storm had rate recommendations completed. Water would require a rate study after or simultaneously with their Master Planning.

Facilities, including Fire Stations and Parks, had no dedicated revenue source and would be considered through general taxation via sales, property tax or other viable general tax. A dedicated revenue source could be developed for any plan area.

Another funding option could be to utilize debt service savings to issue new debt or cap annual debt service at current levels and issue debt as needed without going over the current amount.

The City had a total of \$106.1 million in outstanding debt: 1.) \$75.4 million in General Obligation Bonds (GOB); 2.) \$22.1 million in Illinois Environmental Protection Loans (IEPA); and 3.) \$8.6 million in capital lease principal (includes Public Building Commission (PBC) leases). Much of the GOB debt was associated with Downtown improvements: the US Cellular Coliseum (USCC), Bloomington Center for the Performing Arts (BCPA), Pepsi Ice Center and Parking Garages. The capital lease debt had been used for needed replacement equipment.

The current debt service level could be maintained with the option to borrow an additional \$40 to \$50 million. Funding for street repairs; Sanitary, Sewer and Storm Water upgrades; Fire Stations; etc. was needed. Discussions would be continued in the next sessions.

Alderman Sage cited his appreciation for the preliminary plan development. Same was a major step forward. He questioned enterprise funds and general funds and how they would be used/identified with each project. Mr. Hales stated a future, written policy for each enterprise fund would be brought before Council to adopt.

Alderman Lower stated a thorough priorities review was required. Non-essential projects should be low priority with streets and sewers high. Mr. Hales stated staff would use a prioritization methodology to assist Council.

Alderman Black stated the CIP was a key way to prioritize projects in a way the public could actively engage with Council. He believed Council had devoted more resources to infrastructure than previous Councils. The CIP would be a welcome guide for Council. He suggested fees and property taxes be reviewed and defined so as to be fair and equitable.

5. PRESENTATION AND DISCUSSION OF CITY OWNED SURPLUS PROPERTY

Mr. Rasmussen provided a brief overview. Staff had compiled a comprehensive City owned property list. The City owned 302 properties. Same was referred to as the "A List".

Same was reviewed for surplus properties after all needed or in-use properties were removed. Eight (8) surplus properties became known as the "B List".

Staff requested Council authority to move forward to outline a process to dispose of the surplus properties. The process would be written and brought back to Council. He noted that

selling the surplus property would not reduce the budget by much. Same should address public concern with the City's land.

Alderman Fruin questioned whether some of the surplus property could be gifted to the adjacent property owners. Mr. Rasmussen stated he would be working with the Legal Department to determine what laws have to be followed in disposing of public property. This would be included in the process. Alderman Fruin stated advertising should be pursued on properties that were to be sold.

Mr. Rasmussen stated three (3) of the properties that were buildable lots were obtained due to building demolition on the sites. Same could be sold for lots to build on or entertain an economic development plan. Options would be vetted in the process.

Alderman Lower stated as long as someone owns these properties, they would be paying property taxes. Same was a positive fact.

Alderman Mwilambwe questioned whether Community Gardens were an option for any of the Parcels. Mr. Rasmussen stated this was an option Council could consider.

6. ADJOURNMENT

Mayor Renner asked for a motion to adjourn the meeting.

Motion by Alderman Hauman, seconded by Alderman Schmidt, that the meeting be adjourned. Time: 6:42 p.m.

Motion carried, (Viva Voce).

CITY OF BLOOMINGTON

ATTEST

Tari Renner, Mayor

Cherry L. Lawson, City Clerk