

**COUNCIL PROCEEDINGS
PUBLISHED BY THE AUTHORITY OF THE CITY COUNCIL
OF BLOOMINGTON, ILLINOIS**

The Council convened in regular Session in the Council Chambers, City Hall Building, at 7:00 p.m., Monday, February 27, 2012.

The Meeting was opened by Pledging Allegiance to the Flag followed by moment of silent prayer.

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

Aldermen: Judy Stearns, Mboka Mwilambwe, Bernard Anderson, David Sage, Robert Fazzini, Jennifer McDade, Steven Purcell, Karen Schmidt, Jim Fruin and Mayor Stephen F. Stockton.

City Manager David Hales, City Clerk Tracey Covert, and Corporate Counsel Todd Greenburg were also present.

Alderman Fruin read the same statement that appeared on the August 23, 2010 Council meeting prior to voting.

The following was presented:

SUBJECT: Council Proceedings of February 13, 2012, and Minutes of Special Meeting of January 30, 2012 and Executive Session Meeting of January 23, 2012

RECOMMENDATION: That the reading of the minutes of the previous Council Proceedings of February 13, 2012, and Minutes of Special Meeting of January 30, 2012 and Executive Session Meeting of January 23, 2012 be dispensed with and the minutes approved as printed.

BACKGROUND: The Council Proceedings of February 13, 2012, and Minutes of Special Meeting of January 30, 2012 and Executive Session Meeting of January 23, 2012 have been reviewed and certified as correct and complete by the City Clerk.

In compliance with the Open Meetings Act, Council Proceedings must be approved within thirty (30) days after the meeting or at the Council's second subsequent regular meeting whichever is later.

In accordance with the Open Meetings Act, Council Proceedings are made available for public inspection and posted to the City's web site within ten (10) days after Council approval.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: Not applicable.

Respectfully submitted for Council consideration.

Prepared by:

Recommended by:

Tracey Covert
City Clerk

David A. Hales
City Manager

Motion by Alderman Mwilambwe, seconded by Alderman Fazzini that the reading of the minutes of the previous Council Proceedings of February 13, 2012, and Minutes of Special Meeting of January 30, 2012 and Executive Session Meeting of January 23, 2012 be dispensed with and the minutes approved as printed.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Anderson, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Bills and Payroll

RECOMMENDATION: That the bills and payroll be allowed and orders drawn on the Treasurer for the various amounts as funds are available.

BACKGROUND: The list of bills and payrolls will be posted on the City's website on Thursday, February 23, 2012 by posting via the City's web site.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: Total disbursements information will be provided via addendum.

Respectfully submitted for Council consideration.

Prepared by:

Recommended by:

Richard Hentschel
Interim Director of Finance

David A. Hales
City Manager

(ON FILE IN CLERK'S OFFICE)

Motion by Alderman Mwilambwe, seconded by Alderman Fazzini that the bills and payroll be allowed and orders drawn on the Treasurer for the various amounts as funds are available.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Anderson, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Appointment to the Library Board.

RECOMMENDATION: That the appointment be approved.

BACKGROUND: I ask your concurrence in the appointment of Janet Kibler of 2208 Berrywood Lane, Bloomington 61704 to the Library Board. Her 3 year term will begin February 27, 2012.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: Not applicable.

Respectfully submitted for Council consideration.

Prepared by:

Recommended by:

Kathryn Buydos
Executive Assistant

Stephen F. Stockton
Mayor

Mayor Stockton introduced Janet Kibler. Ms. Kibler has a Bachelor's Degree in Library Science and a Master's Degree in Information Media. She had recently retired from State Farm and was interested in the future of electronic communication. Ms. Kibler has cost benefit study experience. He believed Ms. Kibler would be a good fit. This would be her first experience on a community board. She welcomed the opportunity to serve. The Library was a reflection of the community and a growing organization. Mayor Stockton thanked Ms. Kibler for her willingness to serve.

Motion by Alderman Mwilambwe, seconded by Alderman Fazzini that the appointment be approved.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Anderson, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Addition to Direct Injection Carbon Dioxide Project at the Lake Bloomington Water Treatment Plant Contract Inc. for Installation of Two (2) Manholes

RECOMMENDATION: That the Addition to the contract with Johnston Contractor, Inc. for installation of two (2) manholes in the amount of \$19,589.83 be approved and the Resolution adopted.

BACKGROUND: The Water Treatment Plant uses lime to reduce the hardness of the water delivered to citizens. The addition of lime increases the pH of the water to levels where the water is very alkaline and not acceptable to regulators and customers. Therefore, the pH of the water must be lowered. This is accomplished through the use of Carbon Dioxide (CO₂) which forms a weak acid when injected into the water and thus lowers the pH. The proposed system takes CO₂ and directly injects it into the water in an efficient manner. This direct injection system, due to its efficiency, will reduce the amount of CO₂ used each year. As an added benefit, the use of this system is expected to reduce the incrustation of calcium compounds on the interior of some of the pipes in the water treatment facility. This will, in turn, increase the hydraulic capacity of the facility.

As part of pH monitoring, two (2) pH probes were inserted into the lines coming out of the basin, the effluent lines, from the recarbonation basin. The original design had these probes “directly buried” after being installed in the effluent lines, which was approved by the City during the review process. Due to the fact that these probes will eventually need to be replaced, it was decided that adding a manhole would be an option that would better serve the City in the future. The effluent lines are buried between ten and fifteen feet, (10 – 15’), deep and the installation of a manhole over each effluent line will make future maintenance safer with easier access to the probes. The contractor had already bid the project with the excavation to install the probes into the effluent lines. The City will incur a slight cost increase with the addition of the manholes.

Due to this change, the project will run longer than the contract specified. In order to keep the contractors insurance from expiring, an extension to the policy was needed in the amount of \$1,576. This dollar amount is included within the total cost for this addition.

The Direct Injection Carbon Dioxide Project was competitively bid and awarded to Johnston Contractors, Inc. on January 10, 2011 in the amount \$525,600.

Staff, in consultation with the contractor and design engineer, are recommending the additional materials and labor to install two (2) manholes at the site of pH probes.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: This addition will require the additional payment of \$19,589.83 from the Water Division, Purification Department, Capital Account, Water Plant Construction 50100130-72590. There is a positive fund balance. This addition will have little impact on the Water Department's overall budget.

Respectfully submitted for Council consideration.

Prepared by:

Craig M. Cummings
Director of Water

Financial review by:

Rich Hentschel
Interim Finance Director

Reviewed by:

Barbara J. Adkins
Deputy City Manager

Recommended by:

David A. Hales
City Manager

RESOLUTION NO. 2012 - 02

**A RESOLUTION AUTHORIZING AN ADDITION IN THE
AMOUNT OF \$19,589.83 TO THE CONTRACT BETWEEN
THE CITY OF BLOOMINGTON AND JOHNSTON CONTRACTORS**

WHEREAS, the City of Bloomington has previously entered into a contract with Johnston Contractors; and

WHEREAS, for the reasons set forth in a staff report dated February 27, 2012 it was necessary to install two (2) manholes at the Water Treatment Plant; and

WHEREAS, the Change Order costs includes \$18,013.83, plus \$1,576 for insurance; and

WHEREAS, it is the finding of the City Council that the decision to perform the work described in the February 27, 2012 memo was in the best interest of the citizens of the City of Bloomington.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BLOOMINGTON, ILLINOIS:

That a change order in the amount of \$19,589.83 in the contract between the City of Bloomington and Johnston Contractors be approved.

ADOPTED this 27th day of February, 2012.

APPROVED this 28th day of February, 2012.

APPROVED:

Stephen F. Stockton
Mayor

ATTEST:

Tracey Covert
City Clerk

Motion by Alderman Mwilambwe, seconded by Alderman Fazzini that the Addition to the contract with Johnston Contractor, Inc. for installation of two (2) manholes in the amount of \$19,589.83 be approved and the Resolution adopted.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Anderson, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Renewal of an Agreement with Starnet Technologies, Inc. for Preventive Maintenance and Support Service of the Water Department's Supervisory Control and Data Acquisition (SCADA) System

RECOMMENDATION: That the Agreement with Starnet Technologies in the amount of \$29,100 per year for preventative maintenance and support service of the Water Department's SCADA system be approved, the Mayor and City Clerk be authorized to execute the necessary documents, and the Resolution adopted.

BACKGROUND: The Water Department's SCADA system is over twenty (20) years old. The SCADA system provides the connectivity between various pump stations and the Water Treatment Plant. It controls various operating capabilities such as the ability to turn a pump on or off remotely. It also collects and archives data from the control system. Currently, the department utilizes our SCADA system integrator, Starnet Technologies, Inc., to provide maintenance on an as needed basis. Staff has purchased this service for several years and finds it to be more cost effective than purchasing support time on an emergency basis.

Starnet Technologies, Inc. has provided SCADA integration services for the City for over twenty (20) years and knows the system extremely well because they helped to design it. The City still utilizes Bristol Babcock control devices in certain areas of the control system and not all system integrators are familiar with Bristol control systems since they are largely obsolete. There are perhaps other SCADA integrators that could complete this work but a certain amount of time would be spent by a new integrator to learn the City's system. This would result in higher costs for the City in the long run. The Water Department intends to complete a SCADA Master Plan within a couple of years at which time the SCADA system integration services will be put out to bid.

If the SCADA system is not regularly maintained, it could lead to catastrophic failures of the control system for the water treatment plant and distribution pump stations, which conceivably could lead to treatment violations and water outages.

Starnet Technologies, Inc., at our request, has submitted a proposal for their preventive maintenance services to provide twenty-five (25) one (1) day preventative maintenance visits and ten (10) hours of telephone support for \$29,100 per year. Staff has reviewed this proposal and finds it to be in order.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: This service has been budgeted in the Fiscal Year 2012 Water Department budget. Payment for the service would be equally divided from funds in the Water Division, Purification Department, Operations and Maintenance accounts, Other Professional and Technical Services, account number 50100110 - 70220 and Water Department, Transmission and Distribution Division, Operations and Maintenance accounts, Other Professional and Technical Services, account number 50100110 - 70220. These accounts are budgeted at \$141,000 and \$100,000, respectively.

Respectfully submitted for Council consideration.

Prepared by:

Craig M. Cummings
Water Department Director

Reviewed by:

Barbara J. Adkins
Deputy City Manager

Financial review by:

Recommended by:

Rich Hentschel
Interim Director of Finance

David A. Hales
City Manager

RESOLUTION NO. 2012 - 03

**A RESOLUTION AUTHORIZING A CHANGE ORDER IN THE
AMOUNT OF \$29,100 IN THE CONTRACT BETWEEN THE CITY OF
BLOOMINGTON AND STARNET TECHNOLOGIES**

WHEREAS, the City of Bloomington has previously entered into a contract with Starnet Technologies; and

WHEREAS, for the reasons set forth in a staff report dated February 27, 2012 it was necessary to enter into an agreement with Starnet Technologies for preventative maintenance and support services; and

WHEREAS, it is the finding of the City Council that the decision to perform the work described in the February 27, 2012 memo was in the best interest of the citizens of the City of Bloomington.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BLOOMINGTON, ILLINOIS:

That a change order in the amount of \$29,100 in the contract between the City of Bloomington and Starnet Technologies be approved.

ADOPTED this 27th day of February, 2012.

APPROVED this 28th day of February, 2012.

APPROVED:

Stephen F. Stockton
Mayor

ATTEST:

Tracey Covert
City Clerk

Motion by Alderman Mwilambwe, seconded by Alderman Fazzini that the Agreement with Starnet Technologies in the amount of \$29,100 per year for preventative maintenance and support service of the Water Department's SCADA system be approved, the Mayor and City Clerk be authorized to execute the necessary documents, and the Resolution be adopted.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Anderson, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Purchase of an Upgrade to Hardware and Software for the existing FlowCAM System in use at the Water Treatment Plant

RECOMMENDATION: That the purchase of upgraded system software, including two (2) days of training, for the existing FlowCAM System in use at the Water Treatment Plant, from Fluid Imaging, Inc. in the amount of \$33,900 be approved, the Purchasing Agent authorized to issue a Purchase Order for same, and the Resolution adopted.

BACKGROUND: The Water Treatment Plant uses the FlowCAM system from Fluid Imaging Technologies, Inc. to monitor and identify algae and naturally occurring bacteria in our water supply, particularly those responsible for taste and odor problems. Algae and some species of naturally occurring bacteria are found in all Illinois surface water supplies and can be as simple as the kind that will give water a greenish tint in the summertime to those that coat shoreline rocks with a greenish covering. Others, particularly blue green algae, can impart tastes and odors into the water that are offensive at very small quantities. Early detection of increasing algae and bacteria in the source water from either the Lake Bloomington Reservoir or the Evergreen Lake Reservoir allows various treatment options

The FlowCAM system provides real time analyses of water samples and quickly detects various algal cells or species present, quantifies the amount present, and identifies the algal cells or species based upon the typical species found in our source waters. The system uses pattern recognition to become somewhat "intelligent" as to recognizing the kind of algae, bacteria and particulate matter found in our source waters. The system is like a powerful, real time microscope with video capabilities that is able to identify algae and bacteria in minutes in what would have taken hours, if not days, just a few years ago. Staff have used this equipment every summer for the last six (6) years and are well trained in its use. However, since the equipment will be upgraded, staff will need training on new features and software.

This equipment is proprietary and no other company manufactures or sells this type of equipment. Since FlowCAM is the exclusive manufacturer of this equipment, they are the only company that supplies the upgrades and training.

Requests for the upgrade to this proprietary equipment were requested from Fluid Imaging Technologies, Inc. and were received in the amount of \$33,900. Staff analyzed the quote and found it to be reasonable for the hardware, software and training provided.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: This project will require the payment of \$33,900 from the Water Department's Operating Fund, Account #72140 Capital Outlay Equipment Other than Office, budgeted at \$251,461. The operating fund and this individual account have positive balances. This project is part of the equipment to be purchased from the capital outlay account in the Fiscal Year 2012 budget for the Water Department.

Respectfully submitted for Council consideration.

Prepared by:

Craig M. Cummings
Director of Water

Financial review by:

Rich Hentschel
Interim Director of Finance

Reviewed by:

Barbara J. Adkins
Deputy City Manager

Recommended by:

David A. Hales
City Manager

RESOLUTION NO. 2012 - 04

A RESOLUTION WAIVING THE FORMAL BIDDING PROCESS AND AUTHORIZING THE PURCHASE OF AN UPGRADE TO HARDWARE AND SOFTWARE FOR THE EXISTING FLOWCAM SYSTEM IN USE AT THE WATER TREATMENT PLANT FROM FLUID IMAGING, INC. AT A PURCHASE PRICE OF \$33,900

Be It Resolved by the City Council of the City of Bloomington, Illinois,

1. That the bidding process be waived and the Purchasing Agent be authorized to Purchase an upgrade to hardware and software for the existing FlowCam System from Fluid Imaging, Inc. at a Purchase Price of \$33,900.

ADOPTED this 27th day of February, 2012.

APPROVED this 28th day of February, 2012.

APPROVED:

Stephen F. Stockton
Mayor

ATTEST:

Tracey Covert
City Clerk

Motion by Alderman Mwilambwe, seconded by Alderman Fazzini that the purchase of upgraded system software, including two (2) days of training, for the existing FlowCAM System in use at the Water Treatment Plant, from Fluid Imaging, Inc. in the amount of \$33,900 be approved, the Purchasing Agent authorized to issue a Purchase Order for same, and the Resolution adopted.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Anderson, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Amendment to the Contract with Illinois Prairie Electric, Inc. for the Removal of a Load Side Reactor discovered at the Lake Bloomington Water Treatment Plant

RECOMMENDATION: That the Amendment to the contract with Illinois Prairie Electric, Inc. for the removal of a load side reactor in the amount of \$901.70 be approved.

BACKGROUND: The Water Treatment Plant uses high service pumps to pump water from the Plant into the City's water distribution network. Some of these pumps operate at a fixed speed meaning their output cannot be controlled; the pump is operating at full capacity or it is not. A Variable Frequency Drive (VFD) can improve the usefulness of a pump by allowing it to be used in a much greater range of pumping volumes. This is due to the ability to control the power to the motor which drives the pump. By controlling the electrical output of the motor, the pump can be reduced in output to a given minimum or allowed to run at various outputs up to and including maximum output.

A load side reactor is an electrical control device that flattens the electricity that is coming into the VFD. It controls electrical wave variations and voltage spikes that can occur, particularly at installations like the Plant that are close to electrical substations.

In this case, the contractor came across a side load reactor that had been added previously, was not needed and had to be removed. The new VFD had a load side reactor already installed with the unit. Two (2) load side reactors are not needed and the add-on reactor from the old VFD was removed. This additional work cost \$901.70.

Staff, in consultation with the contractor and the design engineer, recommend the additional work to remove a load side reactor from the existing VFD. This minor change was needed to keep this project moving and involved both labor and materials.

The VFD installation project was competitively bid and awarded to Illinois Prairie Electric, Inc. on April 11, 2011 for \$48,850.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: This amendment will require the payment of an additional \$901.70 from the Water Department, X50200-72540. The fund has a positive balance. The cost will have little impact on the Water Department's overall budget.

Respectfully submitted for Council consideration.

Prepared by:

Reviewed by:

Craig M. Cummings
Director of Water

Barbara J. Adkins
Deputy City Manager

Financial review by:

Recommended by:

Rich Hentschel
Interim Director of Finance

David A. Hales
City Manager

Motion by Alderman Mwilambwe, seconded by Alderman Fazzini that the Amendment to the contract with Illinois Prairie Electric, Inc. for the removal of a load side reactor in the amount of \$901.70 be approved.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Anderson, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.**The following was presented:**

SUBJECT: Analysis of Bid for Front of House Digital Sound Control System at Bloomington Center for the Performing Arts (BCPA)

RECOMMENDATION: That the Front of House Digital Sound Control System at the BCPA be awarded to Advanced Audio and Lighting Systems, in the amount of \$56,279.29, and the Purchasing Agent be authorized to issue a Purchase Order.

BACKGROUND: The BCPA needs to replace its analog front of house sound control system to support public performances at the BCPA.

Sealed bids for a Front of House Digital Sound Control System were received in the office of the City Clerk until February 3, 2012 at 11:15 AM. At that time sealed bids were opened and publicly read. The results of the sealed bid are:

FIRM	LOCATION	PRICE
Advanced Audio and Lighting Systems	Peoria, IL	\$56,279
Seico, Inc.	Pekin, IL	\$67,890
Bennett Electrical Service Company	Pontiac, IL	\$69,673

The BCPA purchased used soundboards for its post renovation opening in 2006, a Midas Heritage 1000 at a cost of \$145,000 and a Crest Monitor Board at a cost of \$25,000, for a total of \$170,000. These boards were purchased at that time as they offered the best available technology within budget. The Heritage 1000 was later upgraded to the Heritage 3000 at no cost by the vendor after staff experienced technical difficulties with the original board.

Sound equipment technology has improved greatly since then and digital boards are now industry standard. In 2005, digital sound equipment was not settled and it was difficult to know what platforms would rise to the top and become the leader in operating systems. At this time, most touring artists expect a digital board when they arrive at a theater. Sound engineers will have their entire show saved on a thumb drive, which can simply be input to the board to have the show ready. It saves considerable time, and provides a better experience for artist and patrons as these mixes are created to provide the best results for each touring act.

The BCPA's current analog equipment does not allow for this technology which has led to financial implications. As an example, on January 19, 2012, a \$2,400 rental charge for digital equipment was incurred for Glen Campbell's performance.

The Crest Monitor Board is sixteen (16) years old. It was slated for replacement in Fiscal Year (FY) 2010. This mixer board was purchased for indoor use, but has been put into service to support the BCPA's outdoor concert series which began in 2009. It has been exposed to rain twice during this time and has required repair. The cost of repair over the last two (2) years has

been approximately \$2,000. Outdoor concerts pose a certain level of risk to the elements for these pieces of electronic equipment. The plan is to use this older piece of equipment for outdoor concerts. This action will mitigate the risk to the newer, up-to-date equipment. New protocols, including improved tents for summer concerts purchased in 2011 and revised rain date policies, will help protect BCPA equipment from further damage. The plan is to keep other equipment indoors as much as possible to extend its life expectancy.

Based on recent changes in the market, it is more practical to purchase new sound equipment. Digital Design just released a new midrange sound console, which created low range, midrange and premium range boards. The new midrange console has caused the company to revise their pricing, which lowered the price of the low range console. Staff had investigated the product line in order to create appropriate price differentials between the three (3) systems. The drop in price is advantageous to the BCPA in that it offers all of the features needed at a price that is competitive with much older used models. Staff does not believe the newer platforms offered by Digital Design offer advantages to the BCPA. The primary difference between the new midrange platform and staff's recommendation is a software feature. The midrange board includes Pro Tools, a program used in recording studios. This program is unnecessary as the BCPA does not record any of its events. This additional feature adds \$6,000 to the cost. The premier range board also offers features way beyond the BCPA's needs.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: An Invitation to Bid was placed in the Pantagraph on January 20, 2012 and was available on the City's web site. Six (6) bid packages were mailed to prospective bidders. Three (3) bids were received.

FINANCIAL IMPACT: Funds for this purchase are included in the BCPA's FY 2012 budget accounts X211101-72120 and X211101-72140

Respectfully submitted for Council consideration.

Prepared by:

Joel Aalberts
Performing Arts Manager

Reviewed by:

Barbara J. Adkins
Deputy City Manager

Reviewed by:

John R. Kennedy, Director
Parks, Recreation & Cultural Arts

Recommended by:

David A. Hales
City Manager

Motion by Alderman Mwilambwe, seconded by Alderman Fazzini that the Front of House Digital Sound Control System at the BCPA be awarded to Advanced Audio and Lighting Systems, in the amount of \$56,279.29, and the Purchasing Agent be authorized to issue a Purchase Order.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Anderson, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Annual Assessment for the City's Participation in the State Mandated Joint Utility Locating Information for Excavators (JULIE) System

RECOMMENDATION: That the payment be approved.

BACKGROUND: The City is required by law to be a member of the state wide one call system known as JULIE. The JULIE system started in 1974 in Will County. It was expanded, and in 1980, required all municipalities to join, specifically eliminating the home rule exemption, in 2002. As required, the City became a member in 2002. As part of participation in this system, member utilities must pay their pro rata share of system usage. The City's share has been calculated at \$17,347.79 based upon the number of utility locates requested for the utilities (water, storm water, sewer, sump pump lines, street lights, and traffic signals) that are the City's responsibility. The calculation is made annually based upon the number of JULIE locates from the previous year.

The City must investigate every request for utility locations of its utilities and of utilities that it is contracted to locate, (State of Illinois owned traffic signals and Bloomington & Normal Water Reclamation District's facilities). Some locate requests can be "cleared" without physically travelling to the site. Approximately fifty percent (50%) of all locate requests require travelling to the site and marking the City utilities within the requested work zone. The City must locate buried infrastructure to within eighteen inches, (18"), of the infrastructure, regardless of how deep the infrastructure is buried. In 2011, the City received approximately 16,500 JULIE requests. All of these requests are handled by Water Department staff.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: This expense will be equally divided between the Water Division, Distribution Department, Operations Account, Other Professional and Technical Services (50100110-50120-70220) and Sewer, Other Purchased Services (51101100-70690).

Respectfully submitted for Council consideration.

Prepared by:

Reviewed by:

Reviewed by:

Craig M. Cummings
Director of Water

Jim Karch
Director of Public Works

Barbara J. Adkins
Deputy City Manager

Financial review by:

Recommended by:

Rich Hentschel
Interim Director of Finance

David A. Hales
City Manager

Motion by Alderman Mwilambwe, seconded by Alderman Fazzini that the payment be approved.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Anderson, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Intergovernmental Agreement with Illinois Department of Transportation (IDOT) for the Veteran's Pkwy Traffic Signals with Uninterrupted Power Supply and the Resolution for the Appropriation of Motor Fuel Tax (MFT) Funds

RECOMMENDATION: That the Agreement be approved, the Mayor and City Clerk be authorized to execute the necessary documents and the Resolution adopted.

BACKGROUND: The Illinois Department of Transportation (IDOT) is in the final design and pre bidding stage of a project to install Uninterruptable Power Supplies (UPS) on all Traffic Signals along Veterans Pkwy. from Commerce Pkwy. in the City to the I - 55 ramp signals in Normal. The overall project cost of the work in the City is estimated to be \$223,975. The agreement obligates the City to pay for five percent (5%) of the UPS installation cost for the thirteen (13) traffic signals that serve cross streets along Veterans Pkwy.

The UPS's are a battery backup system that will allow the traffic signals to maintain operation for several hours during electric power outages. Actual run time will vary depending on the number of signal heads, age of the batteries and temperature. Some sections of Veterans Pkwy. carry over 50,000 cars per day making it the most heavily travelled roadway in Bloomington - Normal. This project is a significant safety enhancement that will keep traffic moving safely even during power outages.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: IDOT.

FINANCIAL IMPACT: The total estimated cost of the project is \$223,975. The City’s estimated share of this project is \$7,475 which will be paid for using Motor Fuel Tax (MFT) Funds (2030-20300300-72530). IDOT is funding the remaining cost of the project which is estimated to be \$216,500. If actual project costs are higher than the estimate, the City shall also pay its prorated share of this additional cost. This project was not previously budgeted and will affect the remaining balance available for future projects. The current unrestricted MFT balance is \$2,290,759.

Respectfully submitted for Council consideration.

Prepared by:

Budget reviewed by:

Financial reviewed by:

Jim Karch, PE CFM
Director of Public Works

Timothy Ervin
Performance Auditor/
Budget Manager

Rich Hentschel
Interim Director of Finance

Reviewed as to legal sufficiency:

Reviewed by:

Recommended by:

J. Todd Greenburg
Corporation Counsel

Barbara J. Adkins
Deputy City Manager

David A. Hales
City Manager

(RESOLUTION 2012 – 05 ON FILE IN CLERK’S OFFICE)

Motion by Alderman Mwilambwe, seconded by Alderman Fazzini that the Agreement be approved, the Mayor and City Clerk be authorized to execute the necessary documents, and the Resolution adopted.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Anderson, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Text Amendment to Chapter 17, Section 92 of the Bloomington City Code Relating to Emergency Medical Services

RECOMMENDATION: That the Text Amendment be approved and the Ordinance passed.

BACKGROUND: Medicare recently made a change to their rulings regarding the transport of incarcerated patients. Medicare has determined the entity that has incarcerated or is holding the patient in custody is responsible for all medical charges, (including transport), unless there is a policy or ordinance established stating otherwise.

AccuMed, Inc., the City's ambulance billing agency has brought this change to staff's attention and recommended a change to City Ordinance. Staff has received the ruling as well as recommended policies. These documents were forwarded to the City's Corporation Counsel and Police Department for review. Staff revised the existing ordinance to reflect the changes in the Medicare rules.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: Not applicable.

Respectfully submitted for Council consideration.

Prepared by:

Michael Kimmerling
Fire Department

Reviewed as to legal sufficiency:

J. Todd Greenburg
Corporation Counsel

Recommended by:

David A. Hales
City Manager

ORDINANCE 2012 - 09

AN ORDINANCE AMENDING SECTION 92 OF CHAPTER 17 OF THE BLOOMINGTON CITY CODE RELATING TO EMERGENCY MEDICAL SERVICES

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BLOOMINGTON, ILLINOIS:

SECTION 1. That Section 92 of Chapter 17 of the Bloomington City Code, 1960, as amended, be further amended as follows (additions are indicated by underlines; deletions indicated by strikeouts):

Chapter 17: Section 92: Emergency Medical Services.

(a) Definitions.

“Emergency Medical Services” shall mean pre-hospital and inter-hospital emergency care and non-emergency medical transports at a basic life support, intermediate life support or advanced life support level as defined by the Illinois Medical Services Systems Act (210 ILCS 50/1 *et seq.*).

“Medicare Allowable” means the dollar amount or dollar fee amount for the various types of emergency medical services and related transportation services as published from time to time by the United State Department of Health and Human Services Centers for Medicare and Medicaid Services.

(b) Fee for Emergency Medical Services and Transportation by the City of Bloomington. There are hereby established fees for emergency medical services, related transportation services and other emergency services provided by the City of Bloomington as follows:

a.	Basic Life Support Services (BLS)	\$500.00
b.	Advanced Life Support (ALS1)	\$600.00
c.	Advanced Life Support 2 (ALS2)	\$673.00
d.	Mileage	\$ 12.00/Mile
e.	Medical Treatment with No Transport	\$150.00
f.	Oxygen	\$ 15.45

The charges for the foregoing services shall be adjusted on January 1 of every year by multiplying the then current fee by 1.03 and the product shall be the new fee for such service.

(c) **Liability for Payment.** Any person transported or provided emergency medical services by the City of Bloomington shall be liable for and pay the City of Bloomington the fee then currently in effect pursuant to subsection (b) of this Section.

(d) **Failure to Pay.** All fees for services rendered pursuant to this division shall be due within 30 days of service. Any person failing to timely remit payment for such service shall be assessed a late fee of \$25.00 plus accruing interest as set forth in Chapter 16 of this Code.

(e) **Medical Treatment of Those Confined.** Any person held in custody, confined or incarcerated by the City or any other governmental entity, including, but not limited to, individuals who are 1) under arrest, 2) incarcerated, 3) imprisoned, 4) escaped from confinement, 5) under supervised release, 6) on medical furlough, 7) residing in a mental health facility or halfway house, 8) living under home detention, or 9) confined completely or partially in any way under a penal statute or rule shall be solely responsible for the payment of any medical services, including emergency medical services, rendered to and received by that person from the City during the course of his or her confinement, including, without limitation, transportation to and from a medical treatment facility and any treatment deemed necessary by his or her treating physician, whether or not requested by the person. Such person shall be required to reimburse the City, in full, for any fees or charges incurred for such services, if not paid directly to a medical facility or practitioner by the person or his or her insurance carrier.

SECTION 2. Except as provided herein, the Bloomington City Code, 1960, as amended shall remain in full force and effect.

SECTION 3. The City Clerk is hereby authorized to publish this ordinance in pamphlet form as provided by law.

SECTION 4. This ordinance shall be effective ten (10) days after the date of its publication.

SECTION 5. This ordinance is passed and approved pursuant to the home rule authority granted Article VII, Section 6 of the 1970 Illinois Constitution.

PASSED this 27th day of February, 2012.

APPROVED this 28th day of February, 2012.

APPROVED:

Stephen F. Stockton, Mayor

ATTEST:

Tracey Covert, City Clerk

Motion by Alderman Mwilambwe, seconded by Alderman Fazzini that the Text Amendment be approved and the Ordinance passed.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Anderson, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Intergovernmental Agreement between the City, County of McLean and Town of Normal Regulating Use of Police Range Facility

RECOMMENDATION: That the Intergovernmental Agreement between the City, County of McLean (County) and Town of Normal (Town) regulating the use of the Police Range Facility be approved and the Mayor and City Clerk be authorized to execute the necessary documents.

BACKGROUND: In July 1992, McLean County Board granted the City a special use permit to allow a privately owned outdoor shooting range and police training facility on land located fourteen (14) miles east of Bloomington on IL Route 9.

An intergovernmental agreement was signed in September 1994 detailing the policies and procedures to be adhered to in order to provide joint training with the Town and the County. This standardization of procedures was necessary to provide orderly and safe training at the facility and to comply with the rules of the McLean County Planning and Zoning Commission.

In 2002, a flat rate for the County and the Town was instituted. Each entity agreed to the contract amount, with a three percent (3%) increase per year. This was based on granting each agency twenty-five (25) shooting days per year. There is no rate increase for the current contract due to range conditions and our inability to make contractual promised repairs. The Police Range Facility is currently under a feasibility study. The fees will be adjusted appropriately once the study is completed.

The current intergovernmental agreement expired on June 30, 2011. A new agreement is being proposed. The rate for the Town is \$8,221.98 payable on January 1st of 2012 and represents payment for use from January 1, 2012 to December 31, 2012. The rate for the County is \$8,221.98 and represents payment for use from January 1, 2012 to December 31, 2012. These are one (1) year agreements.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: Not applicable.

Respectfully submitted for Council consideration.

Prepared by:

Reviewed as to legal sufficiency:

Recommended by:

Randall D. McKinley
Chief of Police

J. Todd Greenburg
Corporate Counsel

David A. Hales
City Manager

**INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF BLOOMINGTON
AND THE COUNTY OF MCLEAN REGULATING THE USE BY THE COUNTY OF
MCLEAN OF THE POLICE SHOOTING RANGE FACILITY OF THE CITY OF
BLOOMINGTON**

WHEREAS, under Article 7, Section 10, of the 1970 Illinois Constitution, units of local government may contract among themselves to obtain or share services and to exercise, combine, or transfer any power or function, in any manner not prohibited by law or ordinance; and

WHEREAS, the City of Bloomington is a home rule municipality under Article 7, section 6, of the 1970 Illinois Constitution; and

WHEREAS, the County of McLean is a unit of local government exercising power under the Illinois Counties Code (55 ILCS 5/1-1001, et seq.); and

WHEREAS, the City of Bloomington and the County of McLean desire to agree on the manner in which Law Enforcement Agencies use the Police Shooting Range owned by the City of Bloomington; and

WHEREAS, the McLean County Board and the Bloomington City Council have, by appropriate actions, authorized this Agreement,

I. STATEMENT OF PURPOSE

The shooting range owned by the City of Bloomington is intended to supply training supplemental to the training required by the Police Training Act (50 ILCS 705/1 et seq.) and the Firearms Training for Peace Officers Act (50 ILCS 710/1, et seq.). The facility is owned by the City of Bloomington and is located in Martin Township in unincorporated McLean County.

II. DEFINITIONS

When used in the Agreement, the following terms shall have the meaning indicated:

“Agency/Agencies”: The County of McLean Police Agency.

“Chief”: The City of Bloomington Chief of Police or his designee.

“Facility”: The City of Bloomington Police Shooting Range.

III. ADMINISTRATION

The facility shall be administered by the Chief.

IV. USE OF THE FACILITY

The City of Bloomington shall permit the agencies to use the facility under the following conditions.

A. Scheduling

The agency will submit requests to the Chief by May 1st for the following year. The Chief shall establish a master schedule each year for the use of the facility. The agency will be assigned 25 shooting dates for the year. A proposed schedule will be given to the agency for their review. The agency will be responsible for notifying the Chief of any problems with the scheduled dates. The Chief will issue a final schedule.

Should the agency be unable to use the range during a scheduled time after the final schedule has been issued, the Chief will assign that agency an alternate date if one is available and the agency requests one. Likewise, if the range becomes unavailable on a date scheduled for use by the agency, the Chief will schedule an alternate date if desired. The Chief will assign alternate dates only upon request. The Chief will make every effort to provide 25 shooting dates per year for the agency; however, the agency may receive fewer dates if scheduling problems occur that are beyond the control of the Chief.

The agency may schedule shooting dates in addition to those listed on the master schedule on an as needed basis by contacting the Chief. There shall be no limit on the number of times any agency may use the shooting range during a given year, but requests for use will be subject to range availability. The agency understands and agrees that rescheduling canceled dates from the master schedule shall take precedence over scheduling any additional shooting time.

B. Supervision

The agency shall comply with the conditions of the Special Use Permit for the range property issued by the McLean County Board, a copy of which has been previously supplied and is incorporated herein by reference.

The agency shall be required to provide a range officer who shall be present at all times the agency uses the facility. The use of the facility shall be conditioned on the agency providing the Chief a current list of approved range officers employed by the agency

using the range. Failing to provide the list or to keep it current, shall be grounds to refuse to allow the agency to use the facility.

C. Equipment

The agency using the shooting range shall provide their own ammunition, targets, and related equipment.

The indoor range will be limited to use of lead free ammunition only. Any agency using lead ammunition will be responsible for the cost of lead abatement at the facility as well as for any additional losses suffered by the City of Bloomington in relation to the use of lead ammunition, including loss of use of the facility during such time as needed to abate the property.

D. Damage

The agency using the shooting range shall be responsible for damages that were due to negligence, or misuse of site equipment. Damages associated with regular wear and tear of the equipment are the responsibility of the City of Bloomington.

The range master for the agency shall inspect the shooting range site for any damage at the beginning of each day the range is used by the requesting agency and shall notify the Bloomington Police Department as soon as reasonably possible for such damage. If such notification is not made, the agency shall be billed for any damage discovered at the shooting range site after such agency used the range.

E. Annual Range Preparation

The Bloomington Police Department seeks assistance from the agency in preparing the shooting ranges for annual use. The agency agrees to assign a minimum of one range officer, (if requested) and preferably each Department's head range instructor, for forty (40) hours per year to perform range preparation duties.

V. RANGE FEES/BILLING

The Agency will pay the City of Bloomington an annual fee of eight thousand two hundred twenty-one dollars and ninety-eight cents (\$8,221.98) for use of the facility for 2012. This fee shall be paid on January 1st of 2012 and shall represent payment for use from January 1, 2012 until December 31, 2012. The fee shall be the same regardless of the number of times the agency uses the facility during the year.

VI. MAINTENANCE

The City of Bloomington will maintain the current physical facility and upkeep of the property from January 1, 2012 to December 31, 2012. However, during the term of this Agreement, the City of Bloomington shall remove the gravel on the pistol shooting side and fill it in with

concrete, pour a concrete pad for a future “entry house,” and increase the size of the rifle range, if feasible. If the agency cannot use the facility because it is not in operating condition (defined as the ability to qualify by state standards) on a scheduled shooting date, the agency may receive a reduction in the annual fee, but only under the following conditions: there shall be no reduction in the fee if the agency receives 25 shooting dates during the year. If the agency receives fewer than 25 shooting dates a reduction shall be made only for those dates missed because of operational conditions with the facility. To receive a fee reduction under those circumstances the agency must contact the Chief or his designee immediately to report that the facility is not in operating condition and remain at the facility, if requested to do so, until the Chief or his designee can verify and document the problem. The agency entitled to reduction shall receive \$280.00 for each scheduled shooting date missed.

VII. LIABILITY

Each of the parties of this Agreement shall insure themselves or obtain insurance in an aggregate amount of \$1,000,000.00 (one million dollars) per incident for claims or judgments against them arising from the construction, management, operation, or maintenance of the Training Facility established by the agreement. Each party to this Agreement shall indemnify and hold harmless the other parties to this Agreement against all liability arising for injury to person or property resulting from the acts of each party’s own employees.

In the event an employee of any jurisdiction which is a party to this Agreement is injured in such a manner as to require the jurisdiction employing said officer to pay claims to said officer under the Worker’s Compensation Act, the expenses for such injury shall be borne by the jurisdiction employing the officer and shall not be subject to contribution from the other two jurisdictions entering into this Agreement.

Each party to the Agreement shall waive any claims for damages or injury which it may have a right to assert against any other party to this Agreement which arises from the management, operation, or maintenance of the Training Facility established by this Agreement, excepting claims for misappropriation of funds and claims for damages or injury resulting from willful or wanton conduct of an employee of a party to the Agreement.

Nothing in the Agreement is intended to modify or waive the protections each party has under the Local Governmental and Governmental Employees Tort Immunity Act (745 ILCS 10/1-101 et seq.).

VIII. AMENDMENT OF AGREEMENT

This Agreement may be amended from time to time as deemed appropriate by the parties to the Agreement. Any party wishing to withdraw is required to give thirty (30) days’ notice of such intention to the other parties to this Agreement before December 1st of any year effective January 1st of the following year.

IX. TERM

This Agreement shall remain in full force and effect for a period of one (1) year, beginning on January 1, 2012 and terminating on December 31, 2012. First payment is due January 1, 2012.

X. SEVERABILITY

In the event any portion of this Agreement is held by any court to be unconstitutional or in excess of the powers granted by law to the parties to this Agreement, such ruling or findings shall not void this Agreement, but shall instead be deemed to have severed such provisions from the remainder of this Agreement.

Date

COUNTY OF MCLEAN

By: _____
Chairman, McLean County Board

By: _____
Sheriff, McLean County

ATTEST:

By: _____
McLean County Clerk

Date: February 28, 2012

CITY OF BLOOMINGTON

By: Stephen F. Stockton
Mayor

ATTEST:

Tracey Covert
Bloomington City Clerk

**INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF BLOOMINGTON
AND THE TOWN OF NORMAL REGULATING THE USE BY THE TOWN OF
NORMAL OF THE POLICE SHOOTING RANGE FACILITY
OF THE CITY OF BLOOMINGTON**

WHEREAS, under Article 7, Section 10, of the 1970 Illinois Constitution, units of local government may contract among themselves to obtain or share services and to exercise, combine, or transfer any power or function, in any manner not prohibited by law or ordinance; and

WHEREAS, the City of Bloomington and the Town of Normal are home rule municipalities under article 7, section 6, of the 1970 Illinois Constitution; and

WHEREAS, the City of Bloomington and the Town of Normal desire to agree on the manner in which Law Enforcement Agencies use the Police Shooting Range owned by the City of Bloomington; and

WHEREAS, the Board of Trustees of the Town of Normal and the Bloomington City Council have, by appropriate actions, authorized this Agreement,

I. STATEMENT OF PURPOSE

The shooting range owned by the City of Bloomington is intended to supply training supplemental to the training required by the Police Training Act (50 ILCS 705/1 et seq.) and the Firearms Training for Peace Officers Act (50 ILCS 710/1, et seq.). The facility is owned by the City of Bloomington and is located in Martin Township in unincorporated McLean County.

II. DEFINITIONS

When used in the Agreement, the following terms shall have the meaning indicated:

“Agency/Agencies”: The Town of Normal.

“Chief”: The City of Bloomington Chief of Police or his designee.

“Facility”: The City of Bloomington Police Shooting Range.

III. ADMINISTRATION

The facility shall be administered by the Chief.

IV. USE OF THE FACILITY

The City of Bloomington shall permit the agencies to use the facility under the following conditions.

A. Scheduling

The agency will submit requests to the Chief by May 1st for the following year. The Chief shall establish a master schedule each year for the use of the facility. The agency will be assigned 25 shooting dates for the year. A proposed schedule will be given to the agency for their review. The agency will be responsible for notifying the Chief of any problems with the scheduled dates. The Chief will issue a final schedule.

Should the agency be unable to use the range during a scheduled time after the final schedule has been issued, the Chief will assign that agency an alternate date if one is

available and the agency requests one. Likewise, if the range becomes unavailable on a date scheduled for use by the agency, the Chief will schedule an alternate date if desired. The Chief will assign alternate dates only upon request. The Chief will make every effort to provide 25 shooting dates per year for the agency; however, the agency may receive fewer dates if scheduling problems occur that are beyond the control of the Chief.

The agency may schedule shooting dates in addition to those listed on the master schedule on an as needed basis by contacting the Chief. There shall be no limit on the number of times any agency may use the shooting range during a given year, but requests for use will be subject to range availability. The agency understands and agrees that rescheduling canceled dates from the master schedule shall take precedence over scheduling any additional shooting time.

B. Supervision

The agency shall comply with the conditions of the Special Use Permit for the range property issued by the McLean County Board, a copy of which has been previously supplied and is incorporated herein by reference.

The agency shall be required to provide a range officer who shall be present at all times the agency uses the facility. The use of the facility shall be conditioned on the agency providing the Chief a current list of approved range officers employed by the agency using the range. Failing to provide the list or to keep it current, shall be grounds to refuse to allow the agency to use the facility.

C. Equipment

The agency using the shooting range shall provide their own ammunition, targets, and related equipment.

The indoor range will be limited to use of lead free ammunition only. Any agency using lead ammunition will be responsible for the cost of lead abatement at the facility as well as for any additional losses suffered by the City of Bloomington in relation to the use of lead ammunition, including loss of use of the facility during such time as needed to abate the property.

D. Damage

The agency using the shooting range shall be responsible for damages that were due to negligence, or misuse of site equipment. Damages associated with regular wear and tear of the equipment are the responsibility of the City of Bloomington.

The range master for the agency shall inspect the shooting range site for any damage at the beginning of each day the range is used by the requesting agency and shall notify the Bloomington Police Department as soon as reasonably possible for such damage. If such

notification is not made, the agency shall be billed for any damage discovered at the shooting range site after such agency used the range.

E. Annual Range Preparation

The Bloomington Police Department seeks assistance from the agency in preparing the shooting ranges for annual use. The agency agrees to assign a minimum of one range officer, (if requested) and preferably each Department's head range instructor, for forty (40) hours per year to perform range preparation duties.

V. RANGE FEES/BILLING

The Agency will pay the City of Bloomington an annual fee of eight thousand two hundred twenty-one dollars and ninety-eight cents (\$8,221.98) for use of the facility for 2012. This fee shall be paid on January 1st of 2012 and shall represent payment for use from January 1, 2012 until December 31, 2012. The fee shall be the same regardless of the number of times the agency uses the facility during the year.

VI. MAINTENANCE

The City of Bloomington will maintain the current physical facility and upkeep of the property from January 1, 2012 to December 31, 2012. However, during the term of this Agreement, the City of Bloomington shall remove the gravel on the pistol shooting side and fill it in with concrete, pour a concrete pad for a future "entry house," and increase the size of the rifle range, if feasible. If the agency cannot use the facility because it is not in operating condition (defined as the ability to qualify by state standards) on a scheduled shooting date, the agency may receive a reduction in the annual fee, but only under the following conditions: there shall be no reduction in the fee if the agency receives 25 shooting dates during the year. If the agency receives fewer than 25 shooting dates a reduction shall be made only for those dates missed because of operational conditions with the facility. To receive a fee reduction under those circumstances the agency must contact the Chief or his designee immediately to report that the facility is not in operating condition and remain at the facility, if requested to do so, until the Chief or his designee can verify and document the problem. The agency entitled to reduction shall receive 1/25th of the annual fee for each scheduled shooting date missed.

VII. LIABILITY

Each of the parties of this Agreement shall insure themselves or obtain insurance in an aggregate amount of \$1,000,000.00 (one million dollars) per incident for claims or judgments against them arising from the construction, management, operation, or maintenance of the Training Facility established by the agreement. Each party to this Agreement shall indemnify and hold harmless the other parties to this Agreement against all liability arising for injury to person or property resulting from the acts of each party's own employees.

In the event an employee of any jurisdiction which is a party to this Agreement is injured in such a manner as to require the jurisdiction employing said officer to pay claims to said officer under

the Worker's Compensation Act, the expenses for such injury shall be borne by the jurisdiction employing the officer and shall not be subject to contribution from the other jurisdiction entering into this Agreement.

Each party to the Agreement shall waive any claims for damages or injury which it may have a right to assert against any other party to this Agreement which arises from the management, operation, or maintenance of the Training Facility established by this Agreement, excepting claims for misappropriation of funds and claims for damages or injury resulting from willful or wanton conduct of an employee of a party to the Agreement.

Nothing in the Agreement is intended to modify or waive the protections each party has under the Local Governmental and Governmental Employees Tort Immunity Act (745 ILCS 10/1-101 et seq.).

VIII. AMENDMENT OF AGREEMENT

This Agreement may be amended from time to time as deemed appropriate by the parties to the Agreement. Any party wishing to withdraw is required to give thirty (30) days' notice of such intention to the other parties to this Agreement before December 1st of any year effective January 1st of the following year.

IX. TERM

This Agreement shall remain in full force and effect for a period of one (1) year, beginning on January 1, 2012 and terminating on December 31, 2012. First payment is due January 1, 2012.

X. SEVERABILITY

In the event any portion of this Agreement is held by any court to be unconstitutional or in excess of the powers granted by law to the parties to this Agreement, such ruling or findings shall not void this Agreement, but shall instead be deemed to have severed such provisions from the remainder of this Agreement.

Date: March 12, 2012

TOWN OF NORMAL

By: Christopher Koos
Mayor

ATTEST:

Wendellyn J. Briggs
Normal Town Clerk

CITY OF BLOOMINGTON

Date: February 28, 2012

By: Stephen F. Stockton
Mayor

ATTEST:

Tracey Covert
Bloomington City Clerk

Motion by Alderman Mwilambwe, seconded by Alderman Fazzini that the Intergovernmental Agreement between the City, County of McLean and Town of Normal regulating the use of the Police Range Facility be approved and the Mayor and City Clerk be authorized to execute the necessary documents.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Anderson, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Intergovernmental Agreement Regarding the Clinton Landfill Permit Application to Accept Polychlorinated Biphenyls

RECOMMENDATION: That the Intergovernmental Agreement be approved and the Mayor and City Clerk be authorized to execute the necessary documents.

BACKGROUND: On February 13, 2012, a Work Session was held regarding this Intergovernmental Agreement. At the conclusion, Council directed staff to place this item on their March 12, 2012 meeting agenda.

On November 15, 2011, the City was contacted by Steve Carter, Champaign City Manager, regarding an intergovernmental agreement that would create a consortium to share expenses of a legal challenge to any grant of a permit issued by the United States Environmental Protection Agency (USEPA) of authority to dispose of Polychlorinated Biphenyl (PCB) wastes into the Clinton Landfill #3 located in DeWitt County. The original members of this consortium include: Normal, Champaign, Urbana, Savoy and Champaign County.

PCB have been used as dielectric and coolant fluids, for example in electrical transformers, capacitors and electric motors. Due to their toxicity and classification as a persistent organic pollutant, PCB production was banned by the US Congress in 1979. PCB molecules are heavy, minimally water soluble, persistent organic molecules, and as such, do not generally leach or migrate from where they settle or are disposed.

In 2007, Clinton Landfill, Inc. of Peoria applied for a permit to build a new disposal cell at the currently operating Clinton Landfill #3 site located two (2) miles south of the City of Clinton on state Rt. 51. The landfill cell design and larger facility are located directly over the Mahomet Aquifer which underlies virtually all of DeWitt County and serves fifteen (15) counties' water needs. In January 2010, the new retention cell was permitted by the Illinois EPA (IEPA) to hold PCB waste based on findings that the technical specifications and design met and/or exceeded the Toxic Substances Control Act's (TSCA) storage requirements. Final approval of this permit must also be granted by the USEPA, which is currently reviewing the details of this case and a decision is expected in the very near future.

The Mahomet Aquifer Consortium (MAC) is comprised of seventy (70) individuals, organizations and municipalities dedicated to the study of the Mahomet Aquifer. On behalf of the MAC, George Roadcap, an experienced groundwater engineer with the ISWS and Technical Advisor to the MAC, submitted comments on the proposal to build the new landfill. He pointed out some inconsistencies in the water table elevation data used by USEPA stating that the PCB landfill will meet necessary regulations. He concluded that if the correct data are used, the permit would not be acceptable according to the regulations as stated in the permit. The City of Clinton and Dewitt County will be differing to the EPA's decision on whether or not a permit should be issued and does not plan to join the proposed intergovernmental agreement.

The consortium's current strategy for defense against potential PCB permitting at the landfill site is to challenge some procedural issues not met by the IEPA and to seek Sole Source Aquifer (SSA) dedication status for the Mahomet Aquifer from the USEPA. SSA dedication would not allow PCB disposal on the aquifer but is accompanied with other stringent regulations that would need to be extensively reviewed by the MAC and other entities before they would support such a dedication. MAC declined to join the Intergovernmental Agreement at their February 14, 2012 meeting citing their mission to study the Mahomet Aquifer with stated goals of education and sustainable use for all users, (municipal, industrial and irrigation being the largest users). The MAC Board believed they needed more insight into the SSA dedication issue. In particular, if and when they would take a position on the landfill issue. The MAC Board did state that it would develop a subcommittee to study the SSA issue, particularly any unintended consequences of such a designation. They also approved hiring a consultant to be chosen by the subcommittee, to head this effort and provide a product in short order since time is of the essence. Craig Cummings, City Director of Water, will chair this subcommittee. The MAC Board anticipates the consultant's report will take approximately thirty to sixty, (30 – 60), days to complete.

Special Notes:

- Craig Cummings, Director of Water, prepared a “pro’s and con’s” list of participation in this intergovernmental agreement which provides insight into both decisions.

- In June 2011, Mayor of Champaign issued a letter to the EPA urging the agency to utilize its discretion and deny any future permits in this location.
- On January 9, 2012, City staff attended a work session regarding the Clinton Landfill in Champaign City Hall with all consortium members present. Seventeen (17) organizations were represented at the meeting.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Town of Normal, City of Champaign, City of Urbana, City of Savoy, Champaign County, and WATCH (We're Against Toxic Chemicals).

FINANCIAL IMPACT: The proposed Intergovernmental Agreement seeks financial participation based on population size. If the City joins the consortium, the City's financial responsibility would represent 23.2% of all expenses consistent with contractual services retained in efforts to thwart potential permitting on the Clinton Landfill location. The financial obligations are broken in two (2) phases. Phase One commitment, not to exceed \$13,750, represents funding for the legal services of Albert Ettinger and David Wentworth for preliminary research and case development. Phase Two commitment, not to exceed \$49,500, is for legal services due to an issuance of a permit for PCB disposal. Smaller communities in the surrounding area are currently being recruited by WATCH, DeWitt County group. Additional membership from smaller communities is not expected to dramatically affect the cost sharing percentages.

MUNICIPALITY	POPULATION	% OF TOTAL POPULATION	SHARE OF FEE SCHED.	SHARE OF ROUGH EST.
Normal	52,497	15.90	\$2,186.13	\$7,870.07
Champaign	81,055	24.59	\$3,375.37	\$12,151.33
Urbana	41,250	12.93	\$1,717.77	\$6,183.98
Savoy	7,280	2.20	\$303.16	\$1,091.37
Champaign County	71,496	21.65	\$2,977.30	\$10,718.29
Bloomington	76,610	23.20	\$3,190.27	\$11,484.96
Total	330,188	*100.47	**\$13,750.00	\$49,500.00

*Rounding yields more than 100%

**Includes ten percent (10%) lead agency administrative fee

FINANCIAL IMPACT: This Intergovernmental Agreement will require the payment of \$3,190.27 from the Water Department Fund, 50100110-79990. The current fund balance is \$5,694.84. This represents sufficient funding for Phase One in the amount of \$3,190.27. Staff will monitor the progress of the USEPA permitting decision on the site and adjust the fund accordingly to accommodate the \$11,484.96 for Phase Two funding if a permit is granted.

Respectfully submitted for Council consideration.

Prepared by:

Reviewed by:

Reviewed as to legal sufficiency:

Alex McElroy
Asst. to City ManagerCraig Cummings
Director of WaterJ. Todd Greenburg
Corporation Counsel

Recommended by:

David A. Hales
City Manager

Motion by Alderman Mwilambwe, seconded by Alderman Fazzini that the Intergovernmental Agreement be approved and the Mayor and City Clerk be authorized to execute the necessary documents

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Anderson, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Lake Bloomington Lease Transfer Petition for Lot 15, Block 3 in Camp Kickapoo from Robert J. and Julie Printz to Jeff and Tracy Barth

RECOMMENDATION: That the Lake Lease be approved and the Mayor and City Clerk be authorized to execute the necessary documents.

BACKGROUND: Staff has reviewed the Lake Bloomington Lease Transfer Petition for Lot 15, Block 3 in Camp Kickapoo from Robert J. and Julie Printz to Jeff and Tracy Barth. The sewage disposal system inspection was completed in January of 2012 and the septic system was functioning properly. The lake lease transfer paperwork is in order as well.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: This petition will have a neutral financial impact in that the lease is at the current formula of \$0.40 per \$100 of Equalized Assessed Value. The current lease rate is \$885. The closing has not been scheduled. This lake lease income will be posted to Lake Lease revenue account 50100140-57590.

It should be noted that the term of this lease is until December 31, 2131, the same term as other lease renewals since 1998.

Respectfully submitted for Council consideration.

Prepared by:

Reviewed as to legal sufficiency:

Reviewed by:

Craig M. Cummings
Water Director

J. Todd Greenburg
Corporation Counsel

Barbara J. Adkins
Deputy City Manager

Financial review by:

Recommended by:

Rich Hentschel
Interim Finance Director

David A. Hales
City Manager

Motion by Alderman Mwilambwe, seconded by Alderman Fazzini that the Lake Lease be approved and the Mayor and City Clerk be authorized to execute the necessary documents.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Anderson, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Addition to Lake Bloomington Lease Lot 7, Block 3 in Camp Kickapoo

RECOMMENDATION: That the current lease be modified to add the additional leased property for Lot 7, Block 3 in Camp Kickapoo.

BACKGROUND: The lease for Lot 7, Block 3 of Camp Kickapoo was transferred on August 9, 2010. When the owner of the property applied for a building permit from McLean County to enclose an existing porch, it was discovered that the porch extended over land owned by the City. This was not noted in the description of the lease for the property. In addition, although other parts of the house did not encroach upon land owned by the City, the overhang of the roof was in fact beyond the original legally described boundaries of the lease. These encroachments have apparently existed for some time. In order for any permits to be issued, the County Building and Zoning Department requires that the home and all of its appurtenances be within

the legally described leased property. This lease addition, amounting to approximately 650 square feet does not materially add to the property already leased from the City. The entire building needs to be within the legally described lease so the building permits can be issued.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: This petition will have a neutral financial impact in that the lease is at the current formula of \$0.40 per \$100 of Equalized Assessed Value. The current lease rate is about \$885 per year. This addition is approximately 650 square feet and does not add materially to this leased property. This lake lease income will be posted to Lake Lease revenue account 50100140-57590.

Respectfully submitted for Council consideration.

Prepared by:

Reviewed as to legal sufficiency:

Reviewed by:

Craig M. Cummings
Water Director

J. Todd Greenburg
Corporation Counsel

Barbara J. Adkins
Deputy City Manager

Financial review by:

Recommended by:

Rich Hentschel
Interim Director of Finance

David A. Hales
City Manager

Motion by Alderman Mwilambwe, seconded by Alderman Fazzini that the current lease be modified to add the additional leased property for Lot 7, Block 3 in Camp Kickapoo.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Anderson, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Approval and Authorization to submit the Community Development Block Grant (CDBG) Program Year 2012 - 13 Application and Action Plan

RECOMMENDATION: That the revised CDBG Program Year 2012 - 13 Application and Action Plan be approved, the Mayor and City Clerk be authorized to execute the necessary documents, and the Resolution adopted.

BACKGROUND: On February 13, 2012, Council held a Public Hearing on the 2012 - 13 CDBG Action Plan. As part of the discussion, Council laid this item over until its February 27, 2012 meeting. The item was referred back to staff for additional information based upon Council and citizen's questions and comments.

Staff has reviewed comments and questions received. A report was prepared regarding the proposed new construction of the Labyrinth Project located at 604 W. Washington St.

As staff discussed and reviewed this Project with other agencies, it was discovered that further collaboration should be explored. Discussion with other agencies will be held over the next twelve to twenty-four (12 – 24) months, which may result in further collaboration on this Project.

At this time, staff is recommending the \$300,000 proposed in the initial February 13, 2012, Budget Summary for the Labyrinth Project be revised. Funding has been reallocated to include a \$10,000 Public Service activity for operating support for Labyrinth's transitional housing program in collaboration with Mid Central Community Action's Mayor's Manor for 2012 - 13. The remaining \$290,000 has been redistributed to include additional dollars for Housing Rehabilitation and Demolition, and new dollars for a Sidewalk Infrastructure project within the Low/Moderate income targeted area. The revised Budget Summary includes additional detailed information.

Note: The demolition of the existing 604 W. Washington St. property was included in the approved 2011 - 12 budget. It is scheduled to take place before the end of the current fiscal year at an estimated cost between \$30,000 - \$40,000.

Staff recommends that Council adopt the Resolution authorizing the filing of the CDBG Application for 2012 – 13 and approve the proposed budget and activities listed in the 2012 - 13 revised Action Plan.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Staff contacted HUD representatives for additional guidance and has met with Mid Central Community Action staff and Labyrinth organizers.

Copies of the draft Action Plan were made available for public viewing on the City's web site, at the City Clerk's Office, the Planning and Code Enforcement Office and the Public Library.

The public notice and proposed activity list was mailed to over fifty (50) local churches and neighborhood associations located in the low/moderate income areas of the community. In addition, notification of the availability of the draft Action Plan and February 13th Public Hearing was published in the January 14, 2012 Pantagraph and the January 16, 2012 issue of the PATH-O-GRAM, which is emailed out to over 400 individuals and/or local agencies.

FINANCIAL IMPACT: The Action Plan must be approved, submitted and received by HUD on or before March 15, 2012. Any additional delays could result in the loss of approximately \$600,000 in federal grant funds used for several programs benefiting low to moderate income families within the City.

Respectfully submitted for Council consideration.

Prepared by:

Sharon A. Walker,
Code Enforcement Division Manager

Reviewed by:

Barbara J. Adkins
Deputy City Manager

Prepared by:

Mark R. Huber,
Director of PACE

Recommended by:

David A. Hales
City Manager

RESOLUTION NO. 2012 - 06

RESOLUTION AUTHORIZING THE FILING OF A COMMUNITY DEVELOPMENT PROGRAM APPLICATION FOR PROGRAM YEAR THIRTY-EIGHT (38) (May 1, 2012-April 30, 2013)

WHEREAS, it is necessary and in the public interest that the City of Bloomington, otherwise known as the Local Public Agency, avail itself of the financial assistance provided by Title I of the Housing and Community Development Act of 1987, to continue a Community Development Program.

WHEREAS, it is necessary for the Local Public Agency to certify that it will carry out the provisions of the Housing and Community Development Act of 1974, regulations.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BLOOMINGTON:

That an application on behalf of the City of Bloomington for a grant under said Title I in the amount of \$556,748 (estimated) as the full amount available for undertaking and financing the thirty-eighth (38th) increment of such program is hereby approved, and

1. The City Manager is hereby authorized and directed to execute and to file such application with the Department of Housing and Urban Development; to act as the certifying officer and assure the status of a responsible Federal Official under the National Environmental Protection Act of 1969; to act as the assuring officer for the City of Bloomington that the Local Public Agency shall comply with those items listed on HUD application forms.

2. The Counsel for the Code Enforcement Division is hereby authorized and directed to file legal certification.
3. The Director of Planning and Code Enforcement, Code Enforcement Division, is hereby authorized and directed to provide such additional information and to furnish such documents as may be required on behalf of the Department of Housing and Urban Development, and to act as the authorized correspondent of the City of Bloomington.
4. The City Clerk is hereby authorized and directed to certify such documents as needed by the Department of Housing and Urban Development on behalf of the City of Bloomington.

ADOPTED this 27th day of February, 2012.

APPROVED this 28th day of February, 2012.

APPROVED:

Steve Stockton
Mayor

ATTEST:

Tracey Covert
City Clerk

Mayor Stockton introduced this item.

David Hales, City Manager, addressed the Council. An additional Public Hearing would be held to hear any public comments. The budget has seen significant revision. He noted the budget total: \$587,748. He referred to the Council's February 13, 2012 meeting and the comments regarding the Labyrinth Project. Funding for this Project has been reduced to \$10,000.

Sharon Walker, Code Enforcement Division Manager, addressed the Council. She noted the changes made to the Action Plan and reallocation of funds. Activities had been revised. She thanked the Council for their questions regarding the Labyrinth Project. She noted the public support for this Project. There were a number of agencies which have expressed an interest in collaborating with the Labyrinth Group. At this time, there were no solid agreements. Time will be taken in the coming year to develop a final construction plan. \$10,000 of public service activity dollars will be budgeted for Labyrinth. These dollars can be used to cover the cost of rent, maintenance and client services.

Community Development Block Grant, (CDBG), funds will be directed towards housing rehabilitation, building demolition and sidewalks. The Public Works Department had prepared a sidewalks list with a map.

Ms. Walker welcomed the Council's comments and/or questions.

Alderman Fazzini questioned coordination with McLean County. Ms. Walker noted that the agreement with the Labyrinth Project covered women from the City. If the Project was not sustainable, the CDBG funds would be returned to the City.

Alderman Mwilambwe questioned how many women would be served. Ms. Walker noted that the number served would be dependent upon the facility chosen. She cited issues such as the number of units available, the cost of rent and maintenance costs. The \$10,000 figure was due to the fifteen percent (15%) cap on public services activity.

Alderman Mwilambwe questioned if City staff had spoken with the Group and if \$10,000 would meet the need. Ms. Walker noted that the Group had some funds. The \$10,000 was in line with the CDBG budget.

Alderman Purcell questioned the amount budgeted for the Labyrinth Group in the next fiscal year. Ms. Walker expressed her hope that the Project would move forward. The following agencies had expressed interest to become involved with this Project: YouthBuild, Habitat for Humanity and the YWCA. City staff would continue to look at 606 W. Washington St. A new goal for this project was to obtain donated labor.

Mayor Stockton restated that there would be \$10,000 for services.

Mayor Stockton opened the Public Hearing.

Mary Campbell, 2219 Mabel Rd., Normal, addressed the Council. She thanked City staff who had been amazing to work with. Since 2005, the Labyrinth Group had been a private non for profit, 501 (3) (c). This was a difficult population, (formerly incarcerated women), to talk about. The Group was developing partnerships. She addressed the Mayor's Manor located at 504 W. Washington St. The Group had been diligent and met with Mid Central Community Action staff, visited the facility, and explored the possibility of merging these two (2) populations. It would not be a good mix. Housing these women in this facility would be detrimental. She noted the women's history and that the fact that men were permanently housed at Mayor's Manor. Some of these women have children. Children were not allowed at this facility. The Group would explore building a facility. Habitat for Humanity might be a possible partner. Funds would need to be raised. She noted conversations with the YWCA. This agency also served women. Possibilities were being explored. She hoped that there would be future discussions with the City regarding additional funding.

Alderman Mwilambwe questioned who would be served with \$10,000. Ms. Campbell informed the Council that the Project could not obtain grant funding without a

program. There were grants available. The facility would be part home and part office. The Group hoped to serve forty (40) plus women. She noted the cost to house a person per month at \$600. The Group hoped to use these dollars as effectively as possible. She cited the need for Master's level staff. The Group would do the best that it was able to. The Council was provided with a brochure regarding Labyrinth.

Mayor Stockton noted that the funding change was not a reflection on the organization. There was additional work to be done.

Felicitas Sebastian, 2414 Anchor Dr., addressed the Council. She was a twenty-three (23) year resident of the City. She spoke in support of the Labyrinth Project. She noted the budgetary challenges. The current formerly incarcerated female population within McLean County was seventy (70). She requested that the Council consider this project and its contribution to health and safety of the community. She presented the Council with a flyer regarding the Labyrinth Project. The Project would reduce foster care costs.

Jane Chamberlain, YWCA President/CEO, 1201 N. Hershey Rd., addressed the Council. The YWCA was pleased to work with the Labyrinth Group. She noted the YWCA's dual mission: eliminating racism and empowering women. The time has come for the Labyrinth Project. She described the Project as unique. It would address unfulfilled needs. The YWCA was committed to collaboration. CDBG dollars would help the Group prepare for the next level – operational sustainability. She offered the YWCA's support both formally and informally. The YWCA was over 100 years old. This Project needed to start somewhere. The Labyrinth Group and the YWCA were a good match. There were opportunities for growth, collaboration and partnership. The Project would address this female population at a transitional time in their lives.

Loree Adams, 410 E. Washington St., #602, addressed the Board. She was a former Labyrinth board member. She addressed service information. Services would be comprehensive and long term. The state has grown prisons. She had worked for the Department of Corrections for over ten (10) years. She had operated the substance abuse program at Dwight Prison. Women need a sense of ownership. If society wanted better success with this population, then these women needed to be in a separate facility with group support. These women have a significant history of trauma. Structure and support leads to success.

Ms. Adams also taught at Illinois Wesleyan University. She wanted to see the City do the right thing. This was a long term problem which would require a long term solution.

Alderman Fazzini noted that the Project only addressed the City. He expressed his interest in a coordinated approach with the Town of Normal and McLean County. Ms. Adams noted that there were sixty to seventy (60 – 70) women here in the City. This Project would have an impact. The Project would be offered County wide. Generally, these women were paroled to the City.

Alderman Purcell questioned the recidivism rate. Ms. Adams stated statewide the rate was fifty-one percent (51%). She believed that the Project would achieve lower rates than anticipated. The first six to nine (6 – 9) months were critical. She addressed child custody. The law allows for parental rights to be terminated at year two. These women needed a support system, employment, housing, etc. The Project would provide the resources.

Alderman Purcell expressed his surprise at the funding decline. Ms. Adams responded affirmatively. She saw this funding level as a band aid. The amount of money could not address the need. She hoped that the Group would work with Habitat to achieve what was needed.

Alderman Anderson expressed his interest in the City working with the Town and the County. The location was not important. The key was to fulfill the needs of these women. He needed more facts and the details for an ongoing plan for the program. Ms. Adams cited her five (5) years of service on the City's Planning Commission. She reminded the Council that lives were at stake.

Alderman Stearns restated that there were sixty to seventy (60 – 70) women in the community. She questioned the number of formerly incarcerated males. She questioned if there was another organization to assist this population. Ms. Adams noted that there were only three (3) female prisons in the state. The Joy Care group worked with males who were former offenders. She believed that the City needed to start somewhere. If you go too broad, then you accomplish nothing.

Mayor Stockton noted that this was a complex issue. There were a number of organizations which were interested in collaborating. The Council was interested in a universal approach which included outreach to the Town and County.

Mayor Stockton closed the Public Hearing.

Alderman Mwilambwe had a few questions for City staff. He specifically cited the possibility of a collaborative project with the Town and the County. David Hales, City Manager, expressed his willingness to reach out to Mark Peterson, City Manager and Bill Wasson, County Administrator. Mayor Stockton offered to contact Mayor Koos and County Board Chair Sorensen. This conversation needed to start at the highest level.

Alderman Mwilambwe questioned impact. Mr. Hales added that there would be written and verbal outreach to verify if there was support for this Project. He defined support as financial, staff level, location, administration, etc. He believed that this was a good starting point. The Town also received CDBG funds which were dedicated to economic development. He did not know if the County received any CDBG funds.

Alderman Schmidt expressed her appreciation to the YWCA for its support. She also believed that the time had come for this Project. She acknowledged that \$10,000 was not a lot of money. She also cited the time crunch. She noted the cap for public service

activity. A rich conversation had been opened this evening. She noted the support of the City's west side residents. She thanked Ms. Walker for her efforts.

Alderman Purcell noted the activities listed. City staff had researched the issue. Additional information had been provided by the Group. The drop in funding was disappointing. He did not believe that these seventy (70) women would be given assistance at this funding level.

Ms. Walker stated that the amount could be change. Money could be budgeted under public facility. There was no percentage limit placed on public facility by HUD, (Housing and Urban Development). The City would need to develop and enter into an agreement with the YWCA and Habitat for Humanity. If unsuccessful, the dollars would be transferred to other activities. She cited HUD's March 15, 2012 deadline.

Alderman Schmidt added that the budget could be amended contingent upon an executable plan by spring.

Mr. Hales stated that the City was not there yet. There needed to be additional discussions. Financial support for the Project was unknown. Currently, the City was the only sponsor. He believed that the City and the Group should try to engage the private sector. Staff had more homework and research to do prior to any policy action being taken by the Council.

Alderman McDade expressed her appreciation for all of the hard work that had been done. She planned to vote no due to the insignificant level of funding for the Project. She believed that this Project would fulfill a real need. The City needed to hand this over to the experts. The Labyrinth Group was a private entity. This Project involved a partnership. The Group has a plan. This was not a City project. She was bothered by the discussion. She believed that there would be private support for this Project. The City was asked to facilitate the start up.

Alderman Schmidt expressed her appreciation for Alderman McDade's comments. She also was concerned about this Project. She believed that the dollar amount was limited to \$10,000 due to HUD guidelines. She believed that this could happen. She also planned to vote no.

Alderman Anderson expressed his support for the Project. He noted the recommended funding level change from \$300,000 to \$10,000. The City had additional homework to do. The City needed to obtain buy in from the Town, the County and private entities.

Alderman Stearns expressed her concern. She noted the Council's discussion to provide additional dollars to fund a facility. The premise of this evening's Public Hearing was that the Labyrinth Project was budgeted at the \$10,000 level. She believed that the Council was discussing a different course of action. She had a number of questions: funding a facility had not been presented, CDBG funds were limited, would dollars be

taken away from those in need, rehabilitation grants, etc. She believed that a facility was also needed for formerly incarcerated males. There were other non for profits which had needs. She cited Peace Meals, Boys & Girls Club and Old House Society as examples. She would support the Labyrinth at the \$10,000 funding level.

Alderman Mwilambwe repeated his concern regarding the funding decrease. He believed that the need was great and urgent. The revised budget included \$74,000 for sidewalks. He questioned the message and the importance of people.

Alderman Fruin expressed his appreciation of the discussion. The Council learned from others. He planned to support staff's position. Additional research was needed to make this Project right. He believed in its cause. The Council had recently been informed about this Project. If the City plans to endorse same, it must be done properly and correctly. He questioned the role of the City Township.

Alderman Fazzini stated that after the Council's February 13, 2012 meeting, he had planned to vote no. There was a \$36,000 proposal. He had spoken with two (2) possible investors who believed that there would be a reasonable return. He believed that there were various alternatives.

Alderman Sage stated his plan to vote for this item. There was a new plan which included collaboration with other groups. City staff would contact the Town and County. At this time, there was not a solid plan on the table but he had a clear line of sight. CDBG funds would be directed in various neighborhoods.

Mr. Hales noted that the Project was tied to the City. He noted the Continuum of Care as an example of collaboration. The nexus for these funds was to meet City residents' needs. There was a percentage of City residents that supported this Project. It appeared that the Group has the ability to coordinate/collaborate with other agencies. One concern was compliance with HUD guidelines.

Motion by Alderman Anderson, seconded by Alderman Schmidt that the CDBG Program Year 2012 - 13 Application and Action Plan be approved and the Resolution adopted.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Anderson, Fazzini, Sage and Fruin.

Nays: Aldermen McDade, Schmidt, Purcell and Mwilambwe.

Motion carried.

The following was presented:

SUBJECT: Lake Bloomington Lease Transfer Petition for Lot 10, Block 28 in Camp Potawatomie from the Edward Oehler Trust and Frances Oehler Trust, Petitioners, to John and Lisa Larkin, Purchasers

RECOMMENDATION: That the Lake Lease be approved and the Mayor and City Clerk be authorized to execute the necessary documents.

BACKGROUND: The sewage disposal system inspection was completed in February of 2012. The septic system is approximately fifty-five (55) years old and the McLean County Health Department estimates the life expectancy of septic systems to be twenty to twenty-five (20 - 25) years. The septic system was found to have water standing in the trenches in the seepage field. The septic field is installed too deep and is 350 square feet too small to meet current code requirements. As a condition of this lake lease transfer the City will require, that the septic system leach field and the inlet baffle be replaced with one that meets current code. This must be done by June 1, 2012. The lake lease transfer paperwork is in order.

The petitioners in this matter is looking to sell this home and transfer the lease to a party that already owns a home at Lake Bloomington and thus already leases property from the City. City Code, Chapter 23, Section 60.1 specifically prohibits a person from leasing two (2) lots at Lake Bloomington with the exception of four (4) exemptions which are not relevant to the current transfer. The proposed purchaser of this property has provided staff with an accompanying letter stating their intentions to purchase this property while their current property is on the market.

With the letter stating their intentions, staff respectfully recommends Council approve this transfer. However, there are other actions Council could take concerning this petition. These are:

1. Council could deny the petition based upon the prohibition contained in the current Ordinance.
2. Council could provide for additional specific conditions to be included in the lake lease transfer (e.g. a date certain sale of the proposed purchaser's current property).
3. Council could change the Ordinance to allow for leasing of two lots at Lake Bloomington.

Concerning the first two options, staff views these as rather straight forward. The third option is a fundamental change in the way Lake Lease transfers have been handled for decades. Staff offers the following discussion. Staff has learned, from discussions with various Lake Bloomington residents or individuals familiar with lake lease transfers, that there are instances where two (2) lots are currently leased by the same individual or at least persons with common interests such as a husband and wife or an individual leases one lot with another lot leased in the individual's business name. There are several instances whereby two (2) or more lots at Lake Bloomington are currently leased by an individual. This has not caused any undo problems at the Lake. Therefore, staff offers the addition of the proposed purchaser's letter is sufficient to identify their intentions and that the lake lease transfer should be allowed to proceed.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: This petition will have a positive financial impact in that the lease will move from the previous formula of \$0.15 per \$100 of Equalized Assessed Value (EAV) to the current formula of \$0.40 per \$100 for determining the Lake Lease Fee. The current lease rate is about \$187. This will increase to about \$500 next year. The closing has been scheduled for late February 2012. This lake lease income will be posted to Lake Lease revenue account 50100140-57590.

It should be noted that the term of this lease is until December 31, 2131, the same term as other lease renewals since 1998.

Respectfully submitted for Council consideration.

Prepared by:

Craig M. Cummings
Director of Water

Reviewed as to legal sufficiency:

J. Todd Greenburg
Corporation Counsel

Reviewed by:

Barbara J. Adkins
Deputy City Manager

Financial review by:

Rich Hentschel
Interim Director of Finance

Recommended by:

David A. Hales
City Manager

Alderman Purcell noted that the Larkins current Lake Lease property was for sale. He recommended that the Council give the lease holders one (1) year to sell the home.

David Hales, City Manager, expressed his support for Alderman Purcell's recommendation. He believed that the time limit was viable and reasonable. He expressed his concern that the situation could go on indefinitely.

Todd Greenburg, Corporation Counsel, was not prepared to address the issue of voiding a Lake Lease and taking the property this evening. He believed that the property would revert back to the City and this would include the home.

Mr. Hales noted that the Larkins, (buyer), had submitted a letter to the City. He believed that a time limit should be applied to their current Lake Lease.

Craig Cummings, Director of Water, addressed the Council. There was not a time line for the sale of this property. It was currently on the market and actively being offered for sale.

Mr. Hales recommended that this item be laid over until the Council's March 12, 2012 meeting. Mr. Cummings informed the Council that the closing was set for the end of February 2012. Mr. Hales believed that the buyer was present.

Alderman Fruin cited past Council memorandums. He believed that there were several instances of individuals holding more than one (1) lot at Lake Bloomington. He questioned the City's philosophy regarding Lake Leases. He also questioned if the Council supported placing conditions upon Lake Lease Transfers.

Mr. Greenburg addressed the Council. John Larkin, buyer, was willing to agree to the one (1) year condition upon the existing Lake Lease. If the property was not sold, then it would revert back to the City.

Mr. Hales noted that City ordinance prohibited an individual from leasing more than one (1) lot. He added that there had been some exceptions.

Alderman Mwilambwe addressed the one (1) year condition. He questioned the current market conditions and the Larkins' ability to sell this property. Mr. Hales expressed his belief that if the property was priced correctly, then the real estate market was good. The City was providing the Larkins with enough time.

Alderman Anderson noted that the Council has allowed individuals to hold more than one (1) lot in the past. The proposed option was for the City to take the home if the property was not sold. He questioned if the property was being realistically marketed.

Alderman Purcell believed that the Larkins wanted their property sold. He added that this evening the City had given away 650' of land on another Lake Lease request. He described that Lake Lease amendment as an exception.

Mr. Greenburg readdressed the Council. If the property was not sold, then the Council would have to make a decision, terminate the lease or extend the lease to allow additional time for the property to sell.

Alderman Sage stated that the City might end up owning the property.

Alderman McDade stated her intention to vote no. The Council was setting policy on the fly. There were multiple dual Lake Lease holders. This issue was not a priority. The Council was making policy at this evening's meeting. She restated her intention to vote no.

Mayor Stockton noted that City ordinance may need to be reviewed.

Alderman Fruin questioned what would happen until a new policy was drafted. He supported a comprehensive review by the City's Corporation Counsel Office. He recommended that this issue be returned to the Council after the legal research was

completed. A Lake Lease policy would be another item added to City staff's to do list. A comprehensive review of Lake Bloomington policies was a good idea.

Mayor Stockton restated that if after one (1) year that property had not sold, the Larkins would appear before the Council to determine further action.

Motion by Alderman Purcell, seconded by Alderman Fazzini that the Lake Lease be approved and the Mayor and City Clerk be authorized to execute the necessary documents with the condition that if Larkins' current Lake Lease (Lot 2, Block 15, Camp Potawatomie) was not sold within one (1) year, this issue would be returned to the Council for review.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Schmidt, Anderson, Fazzini, and Purcell.

Nays: Aldermen McDade, Fruin, Sage and Mwilambwe.

Motion carried.

The following was presented:

SUBJECT: Amendment to Contract with Alternative Service Concepts, Inc., (ASC), Third Party Administrator

RECOMMENDATION: That the amendment to the contract with ASC for a dedicated Safety Director be approved, at an additional cost of \$150,625.67, the Mayor and City Clerk be authorized to execute the necessary documents, and the Resolution be adopted.

BACKGROUND: In May 2009, the City terminated its agreement with Risk Insurance Management Company, (RIMCO). This agreement called for claims adjusting, administration of the City's insurance coverage and safety and training services.

With the assistance of Mike Nugent, the City's Insurance Consultant, Council approved a contract through the Request for Proposal (RFP) process with ASC to provide claims adjusting and nurse triage services. Insurance administration was brought in-house and is handled through City Manager's Office. As the City continues to look at managed competition and outsourcing, the Safety Director position would be an ideal outsourcing opportunity while having safety resources available. In 2010, the Council approved a contract with Cannon Cochran Management Services, (CCSMI), to complete a safety audit. No additional safety resources have been utilized since the termination of the RIMCO agreement.

The City has seen great success in lowering its casualty insurance cost over the last three (3) years:

Worker's Compensation Claims:

- Injured employees returning to work sooner.
- Effective claim management is being done by monitoring and strictly adhering to follow-up procedures.
- Casualty Insurance budget has been decreased by two percent (2%) from Fiscal Year (FY) 2011.
- Quarterly reports.
- Quarterly claims review with City staff, ASC's claims adjusters and Mr. Nugent.
- ASC staff available to attend executive session meetings to discuss individual claims.
- Quarterly Nurse Triage Reports to City Manager's Office Staff.
- Annual Accountability Report, (formerly known as the "Dashboard Report"), to Council.

General Liability:

- ASC's knowledge of Illinois law as it pertains to the "Local Government and Governmental Employees Tort Immunity Act" has allowed the City to reasonably take action to respond to a City defect and/or it has been found that the City is not legally responsible for all liability, (an example would be injuries resulting from weather conditions).

A "dedicated" ASC Safety Director would ensure additional savings through immediate accident investigations, (by correcting the safety risk), regular reporting to City Manager's Office, regular meetings and updates on issues, and training and resources that employees need to perform duties efficiently and safely.

The Safety Director position would be assigned to the City and would perform accident investigation, including photographs and reports; overall safety training that would include Occupational Safety and Health Administration, (OSHA) required training and reporting; facility audits; safety policy and practices audits; safety committee development; and claim trend analysis and reports. The \$150,625.67 has been broken down and includes a salary of \$70,000 plus telephone, supplies, printing, mileage reimbursement and computer support. ASC has provided the City with a detailed cost breakdown. The additional cost for the Safety Director would increase ASC's contract with the City for a total of cost of \$438,314.64, starting May 1, 2012 – through April 30, 2013. (FY 2013).

ASC has submitted a proposal for your consideration for the Safety Director's position with detail costs. The Safety Director would be housed in ASC's office, which is located at the Government Center on the third floor.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: City taxpayers would benefit from this amendment. The Casualty Insurance budget for FY 2013 will be presented to the Council in April 2012.

FINANCIAL IMPACT: Currently, the City annually budgets approximately \$2.5 million for all types of claims. In FY 2008 – 2009, the City spent \$3.5 million for insurance services and claims under the agreement with RIMCO. Due to the decrease in claims, no new additional dollars will be needed. Dollars will be budgeted in FY 2013, Line Item: Casualty Insurance, 60159-70720.

Respectfully submitted for Council consideration.

Prepared by:

Reviewed by:

Financial review by:

Barbara J. Adkins
Deputy City Manager

Emily Bell, IPMA-CP
Human Resources Director

Timothy Ervin
Performance Auditor/Budget Mngr.

Reviewed as to legal sufficiency:

Recommended by:

J. Todd Greenburg
Corporation Counsel

David A. Hales
City Manager

RESOLUTION NO. 2012 - 07

A RESOLUTION AUTHORIZING A CHANGE ORDER IN THE AMOUNT OF \$150,625.67 IN THE CONTRACT BETWEEN THE CITY OF BLOOMINGTON AND ALTERNATIVE SERVICE CONCEPTS

WHEREAS, the City of Bloomington has previously entered into a contract with Alternative Service Concepts, (ASC); and

WHEREAS, for the reasons set forth in a staff report dated February 27, 2012 it was necessary to add a Safety Director; and

WHEREAS, it is the finding of the City Council that the decision to perform the work described in the February 27, 2012 memo was in the best interest of the citizens of the City of Bloomington.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BLOOMINGTON, ILLINOIS:

That a change order in the amount of \$150,625.67 in the contract between the City of Bloomington and ASC be approved.

ADOPTED this 27th day of February, 2012.

APPROVED this 28th day of February, 2012.

APPROVED:

Stephen F. Stockton, Mayor

ATTEST:

Tracey Covert, City Clerk

Mayor Stockton introduced this item. This contract amendment would address safety engineering analysis.

Barb Adkins, Deputy City Manager, addressed the Council. She presented a brief recap. She cited the City's relationship with RIMCO, (Risk Insurance Management Company). RIMCO provided the City with claims processing, safety and risk management services. The City made a quick change over regarding insurance broker. The City has a new third party administrator. Mike Nugent, City's insurance consultant, recommended that the City undertake a Safety Audit/Study. The City's Human Resources Department insured that the City complied with all OSHA, (Occupational Safety and Health Administration), required training. She cited the recent addition of the Nurse Triage program. The next step was a dedicated Safety Coordinator/Director. This individual would not be a City employee but an employee of ASC, City's third party administrator. City staff would work with ASC to develop a job description and also participate in the interview process. The total cost increase was \$150,000. ASC had provided the City with a cost breakdown. This individual would act as the City's eyes and conduct investigations. The goal was to insure that the City's employees were acting safely when on the job. The City's management staff would implement discipline if necessary. This individual would also provide training resources. Current supervisors were not trained in the safety area including accident investigation. She noted that Mr. Nugent was present at this evening's meeting.

Alderman Stearns stated that insurance was a complicated subject. She expressed her support for safety. She questioned parameters and methods of measurement. She cited Workers' Compensation expenses as an example. She questioned the amount that would be spent on safety.

Mike Nugent, Nugent Consulting Group, Northbrook, IL, addressed the Council. He cited the \$2.5 million that was budgeted for claims. He noted that accidents had increased. There would be ways to measure the impact of this position. Parameters would be set. He cited lowering the number of accidents and reducing the cost of Workers' Compensation. In addition, the cost of claims should be lower.

Alderman Mwilambwe questioned how the City could be sure that this individual would be dedicated to the City. Mr. Nugent restated that the position would be monitored. The City was ASC's only customer in the area.

Alderman Purcell questioned RIMCO's equipment. Mr. Nugent stated that the materials had been reviewed. There was some value found.

Ms. Adkins addressed the driving stimulator. It was currently housed at the water tower. She believed that it was outdated. The City had purchased the truck and trailer. RIMCO had purchased the stimulator.

Alderman Stearns believed that the City had a safety program. Mr. Nugent noted that safety was involved in a number of areas. The City's current program was examined. There needed to be an overall City policy.

Alderman Sage expressed his opinion that this request seemed reasonable. This was an evolutionary step. The position was being outsourced. He expressed his appreciation to City staff for their efforts.

Mayor Stockton noted that claims would be tracked by frequency and severity.

Mr. Nugent informed the Council that the goal was to have an individual hired by May 1, 2012. At one (1) year a comparison would be made.

Mayor Stockton believed that this position would be a managed competition experiment. The City would be able to gauge the value of this expenditure.

Alderman Purcell addressed the value of eye witness observation. Mr. Nugent cited the importance of hiring the right person. Eye witness observation would be a part of the job.

Motion by Alderman Fruin, seconded by Alderman Fazzini that the amendment to the contract with ASC for a dedicated Safety Director be approved, at an additional cost of \$150,625.67, the Mayor and City Clerk be authorized to execute the necessary documents, and the Resolution be adopted.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Anderson, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Early Retirement of \$1.2 Million of Variable Bond Debt

RECOMMENDATION: That Council authorize staff to retire \$1.2 million of Variable Bond Debt.

BACKGROUND: In October 2004, the City issued \$15,600,000 in General Obligation Variable Debt. The bond issue was allocated for the following purposes: 1.) \$3,198,000 for Bloomington Center Performing Arts, (BCPA), Remodeling; 2.) \$3,333,300 for construction of the Pepsi Ice Center Parking Garage; 3.) \$5,768,700 for construction of the Pepsi Ice Center; and 4.) \$3,300,000 to refund the Series 1994 Bonds which were issued for the Market Street TIF project. **This memo focuses on the \$3,300,000 portion for the refunding of the Series 1994 bonds.**

On October 12, 2009, Council voted to amend the ordinance and take advantage of a provision established in House Bill 760, passed into law on August 7, 2001, to add language which allowed the City to continue to collect state sales tax until December 13, 2013 for the Market Square TIF. The ordinance was permitted due to the fact the City still had \$2 million in outstanding debt obligations issued, (refinanced in the 2004 Variable Debt Issuance), for this project to construct improvements in the area of the Pilot Truck Stop. If the ordinance was not extended, the City's General Fund would have had to directly fund approximately \$471,000 to retire these bonds. With the extension of the ordinance, no General Funds were used or needed to be used to directly retire the debt.

Since the issuance of the bonds, the City has elected not to convert the 2004 Bonds from the variable rate mode to the fixed rate mode. Per the bond ordinance and the official statement for the 2004 Bonds, while these bonds are in a variable rate mode, the 2004 bonds are subject to optional redemption by the City in whole or in part on any interest payment date, (first business day of each month), at the redemption price of par plus accrued interest, upon sixty (60) days' notice.

As of Fiscal Year (FY) 2011, the City has retired \$2.1 million or sixty-three percent (63%) of the bonds issued to refinance the Series 1994 Bonds. The City is scheduled to retire the balance, \$1.2 million, over the next three (3) fiscal years in equal installments of \$400,000 every June. With the completion of the FY 2011 audit, the Market Square TIF Bond Redemption Fund has an audited fund balance of \$1,502,074. Staff recommends the City provide notice to the Trustee, US Bank, to optionally redeem the \$1.2 million bond that remains outstanding. The City would use the fund balance in the Market Square TIF Bond Redemption Fund to pay off these bonds. Additionally, staff and in conjunction with the City's TIF attorney plan to move forward to close the Market Street Sales Tax TIF.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Chapman & Cutler, City's Bond Counsel; US Bank, 2004 Variable Bond Trustee; Kathleen Field Orr & Associates, TIF attorney; and Mesirow Financial, City's financial advisor.

FINANCIAL IMPACT: As of April 30, 2011, the City had approximately \$73,215,000 in fixed and variable long term General Obligation debt. Of this debt, the City has \$12,700,000 in variable debt which represents seventeen percent (17%) of total long term debt. The early redemption of these bonds in addition to the regularly scheduled retirements would lower the City's variable debt exposure to fifteen percent (15%) at the end of FY 2012. This City will incur annual direct cost savings from interest rate savings, remarketing agent fees, and liquidity provider fees which are estimated at \$15,000 - \$20,000. With indirect cost, the City will no longer have to contribute the annual \$34,476 municipal share of the real property tax increment

revenue nor the annual matching portion of the state sales tax which has averaged \$144,382 per year. The direct and indirect cost would be incurred in FY 2012 and FY 2013.

Respectfully submitted for Council consideration.

Prepared by:

Reviewed by:

Recommended by:

Timothy L Ervin
Performance Auditor/
Budget Manager

Rich Hentschel
Interim Director of Finance

David A. Hales
City Manager

Mayor Stockton introduced this item. He cited the potential savings.

Tim Ervin, Performance Auditor/Budget Manager, addressed the Council. He presented a brief overview. He noted the City's debt portfolio which consisted of fixed and variable bonds. The City had refinanced the Market St. TIF, (Tax Increment Financing), Bond. This action extended the sales tax portion of this TIF. This action was taken as there was outstanding bond debt. At this time, the City has money available in the Market St. TIF fund to retire this debt. City staff would work with Kathleen Field Orr Associates, outside TIF Counsel, to disburse any remaining dollars.

Motions by Alderman Schmidt, seconded by Alderman Fazzini that Council authorize staff to retire \$1.2 million of Variable Bond Debt.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Anderson, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Issuance of \$8.9 Million Taxable General Obligation Bonds, Series 2012

RECOMMENDATION: That \$8.9 Million in Taxable General Obligation Bonds be issued, the Mayor and City Clerk be authorized to execute the necessary documents and the Ordinance be passed.

BACKGROUND: On April 14, 2008, the Council adopted Resolution No. 2008 – 28, A Resolution to Adopt IMRF Early Retirement Incentive, (ERI). This program was offered from April 30, 2008 until April 30, 2009, for eligible employees through the Illinois Municipal

Retirement Fund (IMRF). For an employee to be eligible to retire under this plan, the individual must have attained age fifty (50) and have at least twenty (20) years of creditable service by his or her retirement age. Sixty-seven (67) City employees accepted the early retirement agreement. Under the agreement, the City and the employee were required to contribute an additional five (5) years of contributions to the plan which gave eligible employees five (5) additional years of creditable service. The cost of the program excluding interest to the City was \$8,906,340.

On November 23, 2009, the Council elected to amortize this additional contribution over a six (6) year period. The ERI is projected to be paid off in December 2015 or the City's 2016 Fiscal Year. These additional contributions are made through monthly contributions to IMRF. As of February 10, 2012, the City's remaining contributions due under this program are \$7,874,121.60. In accordance with Governmental Accounting Standards Board Statement, (GASB), 47, this liability is not reported as a liability on the City's financial statements and is recorded through the IMRF plan under the rules prescribed in GASB Statement 27.

With the City's strong credit rating, (Standard & Poor's AA minus – two levels below a AAA), and with interest rates at historically low levels, staff recommends the City issue Taxable General Obligation Debt to pay off the ERI balance with IMRF. The Internal Revenue Service classifies this type of bond issuance as an issuance of working capital rather than for capital projects. Therefore, the City is ineligible to issue tax-exempt debt. The taxable bond financing could be obtained at an estimated rate between 0.80% and 1.5% as compared to the current rate of 7.5% with IMRF. The bonds would be paid off in the same time period as designated by the Council at the November 23, 2009 meeting. The estimated present value savings with this bond financing is conservatively approximated at \$572,000. This equates to 7.12% of present value savings as a percentage of ERI liability refunded. The Government Finance Officers Association recommends, as a best practice, a City consider refinancing a bond issuance if the total present value savings exceeds three percent (3%) of the total issuance.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Chapman & Cutler, bond counsel; Mesirow Financial, financial advisor; Sikich, LLP, outside auditor; and IMRF. As part of the issuance of the Taxable Bonds, the City will be contacted by the rating agencies to reexamine the City's creditworthiness.

FINANCIAL IMPACT: As of April 30, 2011, the City had approximately \$73,215,000 in fixed and variable long-term general obligation debt. As mentioned above, the City does not report the \$7,874,121.60 liability on the financial statements in accordance with GASB standards. GASB is in deliberations to consider the possibility of improvements to the existing standards of accounting and financial reporting for postemployment benefits - including pension benefits and other postemployment benefits, (OPEB), by state and local governmental employers and by trustees, administrators, or sponsors of pension or OPEB plans. Part of this standard would require the City to report this liability on financial statements. *Essentially, by taking this action, the City is extinguishing a higher cost liability (in terms of the 7.5% interest rate) for a lower cost liability (between 0.80% and 1.5% interest rate).* Another benefit which will be achieved from this action is the funding ratio for the IMRF will significantly increase in the coming years. It is difficult to predict the future funding ratio of this fund. If the City had paid off the ERI

before December 31, 2010, the City's funding ratio would have been 40.38% rather than the 21.23% for this time period. Staff views this action as financially and fiscally sound.

Respectfully submitted for Council consideration.

Prepared by:

Financial reviewed by:

Recommended by:

Timothy L. Ervin
Performance Auditor/
Budget Manager

Rich Hentschel
Interim Director of Finance

David A. Hales
City Manager

(ORDINANCE NO. 2012 – 10 ON FILE IN CLERK'S OFFICE)

Mayor Stockton introduced this item.

David Hales, City Manager, addressed the Council. This item was exciting news. The City would issue taxable bonds which would result in dollar savings.

Tim Ervin, Performance Auditor/Budget Manager, addressed the Council. In 2008, the Council adopted the IMRF's, (Illinois Municipal Retirement Fund), ERI, (Early Retirement Incentive), program. The Council selected a six (6) year amortization at an interest rate of 7.25%. The total cost was \$8.9 million excluding interest. He noted the City's current bond rating. Interest rates were at historic lows. The bonds were taxable. Under IRS (Internal Revenue Service) rules, the City was prohibited from issuing tax exempt bonds. He conservatively estimated the savings at \$570,000. Todd Krzyskowski, Mesirow Financial, (financial advisor), and Lynda Givens, Chapman & Cutler, (bond counsel), were present at this evening's meeting.

Lynda Given, Chapman & Cutler, LLP, (bond counsel), Chicago, IL, addressed the Council. She commented on the ordinance which would authorize the bond issuance. It was a parameter ordinance which stated that the maximum amount was \$8.9 million. It also listed a maximum interest rate, a maximum number of years and a maximum annual payment. The final approval of the terms after the bond sale would be delegated to the Mayor and/or Finance Director.

Alderman Fazzini had recently visited a City of Champaign council meeting. The city council voted down a bond issue. He believed that the Council had faith in David Hales, City Manager, Tim Ervin, Performance Auditor/Budget Manager, Chapman & Cutler, bond counsel, and Mesirow Financial, (financial advisor). These individuals/firms have the expertise and the City can save money by approving this item.

Alderman Purcell noted that if approved final decisions would be made by the Mayor and Finance Director. Ms. Givens directed the Council to Section 16 of the ordinance. It provided for six (6) months for this bond issue to proceed. The actual bond documents would be executed after the bond sale.

Motion by Alderman Fazzini, seconded by Alderman Schmidt that \$8.9 million in Taxable General Obligation Bonds be issued, the Mayor and City Clerk be authorized to execute the necessary documents, and the Ordinance be passed.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Anderson, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: General Obligation Debt Policy

RECOMMENDATION: That the General Obligation Debt Policy be approved and the Resolution adopted.

BACKGROUND: To establish the City in an optimal position to establish a long-term financial plan, Council and staff have begun to establish clear, concise financial policies. In March 2010, the Council approved a revised, updated Investment Policy. In November 2010, the Council approved a Reserve Policy. A key trait of a financially stable organization is the establishment and maintenance of an appropriate General Obligation Debt Policy. The adoption by Council of a strong Debt Policy can send a clear message of fiscal sustainability to all City stakeholders. While the City has unofficially addressed the Debt Policy through conservative issuance of General Obligation Debt, the City does not have a clear delineated policy to govern decision making and fiscal actions by its officials. This is essential, especially as the City strives to strengthen its financial position and restore trust among all City stakeholders.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Mesirov Financial, financial advisors, and Chapman & Cutler, bond counsel.

FINANCIAL IMPACT: For the period of April 30, 2011, the City has approximately \$73,215,000 in fixed and variable long-term general obligation debt. The Government Finance Officers Association, (GFOA), recommends local governments adopt comprehensive written debt management policies. These policies should be reviewed annually and revised as necessary. The credit rating agencies review of financial policies includes the City's debt policies such as debt guidelines and revision frequency, which are included within this policy.

Respectfully submitted for Council consideration.

Prepared by:

Reviewed by:

Recommended by:

Timothy L Ervin
Performance Auditor/
Budget Officer

Rich Hentschel
Interim Director of Finance

David A. Hales
City Manager

CITY OF BLOOMINGTON DEBT SERVICE POLICY

This policy establishes guidelines for the use of debt financing that will allow the City to minimize financing cost and retain and improve its ‘Aa2’ stable bond rating from Moody’s Investors Service (or an equivalent rating from a similar firm). It is the ultimate goal of the City to achieve and retain an ‘A’ rating which is the highest rating a City can achieve with Moody’s (or an equivalent rating from a similar firm).

1. GENERAL PRINCIPALS

- a. Financing Options. The City will use the following criteria to determine which type of financing to use (pay-as-you-go financing or debt financing):
 - (i) Pay-as-you-go financing – pays for capital projects and acquisitions from sources other than debt such as current taxes and revenue funds from capital reserves, special assessments, impact fees, etc. Factors favoring pay-as-you-go financing include: current revenues and/or adequate fund balances are available to finance the project; phasing in portions of the project would allow the City to finance the project over time without debt; additional debt would adversely affect the City’s credit rating; and market conditions are unstable or the project presents marketing difficulties.
 - (ii) Debt financing – money obtained by incurring debt. Factors favoring debt financing include: revenues available for debt service are sufficient and reliable; issuance of debt will not jeopardize the City’s credit rating being lowered; market conditions present favorable interest rates and good demand for municipal financing; a project is mandated by State or Federal requirements and current revenues and fund balances are insufficient to pay project cost; a project is immediately required to meet or relieve infrastructure capital needs and current revenues and fund balances are not sufficient to finance the project; and the life of the project or asset financed is longer than the debt service payments.
- b. Use of Debt Financing. The City may consider the use of debt financing for: (i) one-time capital improvement projects and unusual equipment purchases; (ii) when the project’s useful life, or the projected life of the equipment, will exceed the term of financing; and

(iii) when the City has identified revenues sufficient to service the debt, either from revenues which exist or increased taxes or fees restricted to service the debt.

- c. Debt Financing Not Used. The City will not use debt for any recurring purpose such as current operating and infrastructure maintenance expenditures, nor will the City use short-term debt, except under exigent circumstances.

2. DEBT ISSUANCE GUIDELINES

- a. General Obligation versus Revenue Bonds. When the City has the option to use General Obligation (GO) Bonds, secured by its full faith, credit and taxing powers, or Revenue Bonds, secured by the revenues of the project being financed, the City will consider the benefits of reduced debt expense and flexibility achieved through GO debt versus reserving the City's GO debt capacity by issuing revenue debt.
- b. General Obligation Bonds. The City may use GO bonds in lieu of revenue bonds if debt expense can be significantly reduced (as compared to financing with revenue debt) and if special or enterprise fund revenue is sufficient and reliable to fund debt service cost. In such cases, the City Council will adopt ordinances to abate the debt tax levies and direct staff to pay debt service with alternative revenues.
- c. Competitive versus Negotiated Debt Issuances. The City will generally conduct financing on a competitive basis; however, negotiated financing may be used where market volatility or the use of an unusual or complex financing or security structure causes a concern with regards to marketability.
- d. Credit Enhancements. The City will seek credit enhancements such as letters of credit or bond insurance when necessary for marketing purposes or to make debt financing more cost-effective.
- e. Professional Services. To provide assistance in debt issuances, the City will select a financial advisor and/or investment banker and bond counsel. These advisors will be retained for several years to provide continuity and allow these professionals to develop an understanding of the City's needs.
- f. Inter-Fund Loans. The City may use inter-fund loans, in lieu of borrowing from private parties, to minimize the expense and administrative effort associated with external borrowing. Inter-fund loans are typically made for relatively short periods of time (under five years) and relatively low amounts (under three million). Inter-fund loans will be considered to finance high priority needs on a case-by-case basis, only when other planned expenditures in the funds making the loan would not be affected. Inter-fund loans are generally made by the City's pooled cash account located at the Illinois Funds and shall be limited to 10% of the total cash balance. Inter-fund loans from the pooled cash account shall be repaid with an interest rate equivalent to the average rate of interest earned by the pooled cash account. All multi-year inter-fund loans will be documented with a resolution that outlines the terms of the loan.

3. DEBT MATURITY STRUCTURE GUIDELINES

In general, for debt issued after 2009, the City will strive to maintain debt structure under which 50% of the outstanding principal will be repaid within ten years, but acknowledges in some cases this may be impractical. The term of financing (final bond maturity) will not exceed the expected useful life of the project or equipment financed by the debt. If the City plans to pay debt service expenses from a specific revenue source, the City will use conservative assumptions or models in its revenue projections.

4. DEBT ADMINISTRATION

- a. Financial Disclosure. The City will follow a policy of full disclosure on every financial report and bond prospectus (Official Statement), using as a guide the disclosure guidelines provided by the Governmental Finance Officers Association.
- b. Monitor Outstanding Debt. The City will monitor all forms of debt annually and include an analysis in the City's Financial Plan. Concerns and recommended remedies will be reported to the City Council as necessary. The City will monitor bond covenants and Federal regulations concerning debt, and adhere to those covenants and regulations at all times. The City will invest bond proceeds in accordance with the City's adopted investment policy and Federal arbitrage regulations.
- c. Monitor Overlapping Debt. The City will monitor levels of overlapping debt and communicate debt plans with public entities that may issue overlapping debt. The City will take into account overlapping debt in considering both the amount of debt the City will issue, and the timing of City bond proceeds.
- d. Maintenance of Specific Credit Ratings. The City will seek to maintain or improve its current 'Aa2' bond rating and will specifically discuss with the City Council any proposal which might cause that rating to be lowered. An analysis will be prepared by City staff for each proposed financing. Such analysis will assess the impact of debt issuance on current and future operating and capital budgets and address the reliability of revenues to support debt service payments.

5. DEBT CAPACITY GUIDELINES FOR GENERAL OBLIGATION DEBT

- a. Debt Limits. To maintain a sound fiscal condition and improve the 'Aa2' Moody's debt rating, the City will limit the amount of debt it will issue and its annual debt service expenses in accordance with the guidelines stated below.
- b. Debt Limit Guidelines. The guidelines are ranges for measure of debt capacity. Debt within the lower limits of the measures would be considered a low debt level given the City's fiscal, demographic, and economic characteristics, while debt in the higher limits of the measures would be considered a moderate debt level. Generally, the City will maintain its debt below the seventy-five percentile of the ranges (stated below). These guidelines will be published within the monthly City Manager's report.

c. Guidelines for Direct Debt.

- (i) Outstanding Debt as a Percent of the Actual Taxable Value of Taxable Property
 - i. Guideline: 1 to 2.5%
 - ii. 75% of Guideline 1.875%
 - 1. Maximum - $\$5,397,493,677 * .01875 = \$101,203,006$
 - 2. Current - $\$71,590,000$
- (ii) Debt Service Expenditures per Capita
 - i. Guideline: \$500 to \$1,500, will increase at the rate of inflation of the Consumer Price Index for the Midwest beginning in calendar year 2012.
 - ii. 75% of Guideline: \$1,125
 - 1. Maximum - $\$86,186,250 / 76,610 = \$1,125$
 - 2. Current - $\$71,590,000 / 76,610 = \934
- (iii) Annual Debt Service Expenditures as a Percent of General Fund Expenditures (including net transfers).
 - i. Guideline: 5 to 15%
 - ii. 75% of Guideline 11.25%
 - 1. Maximum - $\$74,689,258 * 11.25\% = \$8,402,541$
 - 2. Current - $\$1,465,000$

d. Higher Level Debt Limits. The City may issue debt at higher levels of the ranges under certain circumstances such as the following:

- (i) The outstanding debt is GO debt, but the City is not using property taxes to pay debt service cost.
- (ii) The City's debt is at the lower end of the limits for two of the measures, but above the 75% for the third.
- (iii) The City anticipates that while the amount of debt and/or debt service expenditures might be above the 75% level for a few years, debt will fall below that level after that.
- (iv) Current and anticipated overlapping debt levels are relatively low.
- (v) The City is extinguishing one liability for a lower cost liability in terms of a differential in the interest rate or amortization period.

6. REVIEW OF THE DEBT SERVICE POLICY

The City Manager or his or her designee shall review this policy at least annually, examining its effectiveness and determining whether any modifications are warranted. This will ensure the policy remains current with general accounting and sound business practices as well as any regulatory and standard changes that may emerge over time.

It is recommended that as a manner of policy, any changes, deletions, and additions to this policy be reviewed and approved by the City Council. The City Council shall review this policy and recommend any proposed changes every three years.

7. OBJECTIVES

The primary objectives of investment activities shall be Safety, Liquidity, and Total Return:

A. Safety

Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.

1. Credit Risk

The City will minimize credit risk which is defined as the risk of loss due to the failure of the security issuer or backer by:

- * Limit investments to the safest types of securities*
- * Pre-qualify financial institutions, brokers, intermediaries and advisers with which the City will do business,*
- * Diversify the investment portfolio so potential losses on individual securities will be minimized.*

2. Interest Rate Risk

The City will minimize the risk that the market value of the securities in the portfolio will fall due to changes in general interest rates by:

- * Structure the investment portfolio so securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity,*
- * Invest operating funds primarily in shorter-term securities or in investment pools.*

B. Liquidity

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so securities mature concurrent with cash needs to meet anticipated demands. A portion of the portfolio may be placed in local government investment pools which offer same-day liquidity for short-term funds.

C. Total Return

The investment portfolio shall be designed with the objective to attain a market rate of return throughout budgetary and economic cycles, by taking into account the investment risk constraints and liquidity needs of the City. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed.

8. PRUDENCE

The standard of prudence to be used by investment officials shall be the “prudent person,” which states, “Investments shall be made with judgment and care, under circumstances then prevailing,

which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived” and shall be applied in the context of the management of the entire portfolio.

Investment officers who act in accordance with written procedures and exercises due diligence shall be relieved of personal responsibility for a security’s credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

(Sections 7 and 8 are found in the City’s Investment Policy, see items III. Objectives and IV. Prudence)

RESOLUTION NO. 2012 - 08

A RESOLUTION ADOPTING A DEBT SERVICE POLICY

WHEREAS, a capital financing strategy is essential for any local government to effectively plan for major projects and expenditures; and

WHEREAS, the use of debt is one tool within an overall capital financing strategy that should reflect a balance program of pay-as-you-go, debt financing and other revenue sources; and

WHEREAS, the Government Finance Officers Association (GFOA) encourages municipalities to establish a formal, comprehensive written debt policy; and

WHEREAS, this policy should establish guidelines for the use of debt, specifying: 1.) the maximum amount of debt that can be used, 2.) purposes for which debt can be issued, 3.) types of debt that can be issued, and 4.) the debt maturity structure; and

WHEREAS, the City of Bloomington has determined that the attached policy is in the best interest of the municipality and its citizens.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BLOOMINGTON, ILLINOIS, that:

The City of Bloomington Debt Service Policy, attached, is hereby adopted and approved; and be it further.

RESOLVED, that the City Clerk of Bloomington shall attest the same after signature of the Mayor.

ADOPTED this 27th day of February, 2012.

APPROVED this 28th day of February, 2012.

APPROVED:

Stephen F. Stockton
Mayor

ATTEST:

Tracey Covert
City Clerk

Mayor Stockton introduced this item and recognized City staff's efforts.

David Hales, City Manager, addressed the Council. He cited staff's efforts to upgrade the City's credit rating. He noted the recently adopted Investment Policy and Reserve Policy. The next round of discussions with the credit ratings addressed the need for a Debt Policy. This policy addressed best practices and contained critical elements. This would be the City's third major financial policy. It addressed General Obligation debt. He recommended Council's approval. He cited the efforts of Tim Ervin, Performance Auditor/Budget Manager, and Todd Krzyskowski, Mesirow Financial.

Alderman Fazzini stated that he planned to vote against this item. He believed that two (2) additional sections were needed. He addressed the City Budget – Safety, Liquidity and Return and Prudence. This policy contained information regarding bond purchases.

Todd Krzyskowski, Mesirow Financial, (financial advisor), Chicago, IL, addressed the Council. The adoption of a Debt Policy was a good practice. A key issue was affordability. The City could refine this policy. The policy must be reasonable.

Alderman Sage expressed his support for Alderman Fazzini's comments. He questioned what the City needed to do to improve its credit rating. Mr. Krzyskowski noted that each credit rating agency had individual preferences. Execution of the City's financial policies was the key.

Alderman Purcell noted that actions speak louder than words. Mr. Krzyskowski noted that this was prudence. He noted the Council's action this evening regarding the ERI (Early Retirement Incentive) debt. The Council took action to reduce the interest rate upon this debt.

Mr. Hales expressed his support of Alderman Fazzini's comments.

Motion by Alderman Fazzini, seconded by Alderman Purcell that the amended General Obligation Debt Policy be approved and the Resolution adopted.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Anderson, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

CITY MANAGER'S DISCUSSION: None.

MAYOR'S DISCUSSION: None.

CITY ALDERMEN'S DISCUSSION: Alderman Schmidt reminded the Council that hearings regarding the Miller Park Zoo Plan were scheduled for tomorrow evening, Tuesday, February 28, 2012, at the Miller Park Pavilion.

She noted the financial issues that had been addressed at this evening's meeting.

Alderman Fazzini commented on streamlining the Consent Agenda and Aldermen's Discussion.

He also stated his intention to attend the Town of Normal's Special Meeting which would be held tomorrow evening.

Alderman Purcell cited the topic of that meeting: the relocation of an automobile dealership from the City to Normal. He noted that in 2003 the City spent \$400,000 to assist this business with its expansion plans.

Alderman Sage commented positively on the Council Memorandum regarding the Debt Policy. He noted the action to date on policy statements. He placed a high value on improvement of the City's credit rating. Progress had been made. He expressed his appreciation to the City's Finance Department.

Motion by Alderman Anderson, seconded by Alderman Purcell, that the meeting be adjourned. Time: 9:09 p.m.

Motion carried.

**Tracey Covert
City Clerk**

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