

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

The Council convened in regular Session in the County Board Meeting Room, Government Center, 115 E. Washington Street at 7:42 p.m., Monday, April 11, 2011.

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, Bernie Anderson, David Sage, John Hanson, 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.

PUBLIC COMMENT: Mayor Stockton opened the Public Comment section of the meeting. He added that there would not be a response from the City under the Public Comment portion of the meeting.

Carl Woodward, 3009 Thornwood, addressed the Council. He provided them with a hand out. He was a thirty-five (35) year resident of the City. He owned a small business. He challenged the Mayor, Council and City Manager regarding a couple of financial areas: the US Cellular Coliseum, (USCC), and pensions. He addressed the USCC's financial reports. He noted local media reports which have stated that the USCC had operated at a profit and the management team was on track. These financial reports have not included interest payments and/or depreciation. He stated that losses were in the millions. He cited the \$30 million of unpaid bonds. To date, there has not been a payment made on these bonds. He closed by stating that he was a season ticket holder.

Mr. Woodward also addressed employee benefits. He cited the City's payments for various pension funds. He cited the City's unfunded liability, (\$130 million). The City was not putting funds aside for pensions. The City would be out of cash if it paid its bills. There were not any surplus funds. In his opinion, the City was robbing Peter to pay Paul. He thanked the Mayor and Council for the time to address them.

Alton Franklin, 5 Andy Court, Unit 1, addressed the Council. He believed that one should praise in public and criticize in private. He expressed his concern regarding the City's leadership. He addressed the appointment of Alderman Mwilambwe which he described as a debacle. The Mayor had requested the Council's input and then disregarded same. He requested that the Council pass an ordinance which would allow for a recall process. He also requested that Mayor Stockton retire.

Ron Schultz, 1208 E. Oakland Ave., addressed the Council. He addressed a big issue for the City – refuse and recycling collection. He cited the Illinois Sustainable Living Wellness Expo which had been held at Illinois Wesleyan University’s Shirk Center on Saturday, April 9, 2011. He supported a pay as you throw program which in his opinion would result in a level playing field. He cited the return for recyclables - \$40 per ton. He questioned the landfill’s tipping fees. The City had made a good start. He encouraged the City to continue working on this issue. There should be continued discussions regarding recycling. He provided the Council with a hand out, Pay-As-You-Throw, A Fact Sheet for Elected Officials from the Environmental Protection Agency.

Alderman Fruin read the same statement that appeared on the August 23, 2010 Council meeting prior to voting. He added that it only applied to the Consent Agenda.

Motion by Alderman Hanson, seconded by Alderman Purcell to amend the Agenda by placing the Text Amendment to Chapter 21, Section 301.6, (Refuse Fee) after the Public Hearing on the Fiscal Year (FY) 2012 Budget Ordinance but prior to voting on same.

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

Nays: None.

Motion carried, (viva voce).

The following was presented:

SUBJECT: Council Proceedings of March 28, 2011 and Work Session Minutes of March 14, 2011

RECOMMENDATION: That the reading of the minutes of the previous Council Proceedings of March 28, 2011 and Work Session Minutes of March 14, 2011 be dispensed with and the minutes approved as printed.

BACKGROUND: The Council Proceedings of March 28, 2011 and Work Session Minutes of March 14, 2011 have been reviewed and certified as correct and complete by the City Clerk.

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

Alderman Sage commented positively on the City Clerk's Office's efforts on the Council Proceedings.

Motion by Alderman Fruin, seconded by Alderman Schmidt that the reading of the minutes of the previous Council Meeting of March 28, 2011 and Work Session Minutes of March 14, 2011 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, Hanson, 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.

FINANCIAL IMPACT: Total disbursements to be approved \$3,120,387.31, (Payroll total \$1,516,808.79, and Accounts Payable total \$1,603,578.52).

Respectfully submitted for Council consideration.

Prepared by:

Recommended by:

Timothy Ervin
Director of Finance

David A. Hales
City Manager

(ON FILE IN CLERK'S OFFICE)

Motion by Alderman Fruin, seconded by Alderman Schmidt 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, Hanson, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Rejection of bids for Two (2) Hydraulic Shoring Shields and an Associated Trailer

RECOMMENDATION: That the bids be rejected.

BACKGROUND: Bids for two (2) Hydraulic Shoring Shields and a Trailer for hauling same were received by the City Clerk until Wednesday August 18, 2010 at 11:00 AM and 11:15 AM, respectively. Staff analyzed the bids and determined other equipment may be more suitable for protecting the crews while they perform sewer repair work.

Staff has been field testing other equipment which will protect the crews and be more suitable for the environment in which the work is performed. The size of the trailer needed will be dependent upon the type of shoring shield selected. Additionally, staff is researching the possibility of purchasing this equipment "used" further reducing costs.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: Not applicable.

Respectfully submitted for Council consideration.

Prepared by:

Financial review by:

Recommended by:

Jim Karch, P.E., CFM
Director of Public Works

Timothy Ervin
Director of Finance

David A. Hales
City Manager

Motion by Alderman Fruin, seconded by Alderman Schmidt that the bids be rejected.

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

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

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Analysis of Bid for the Purchase and Installation of a Variable Frequency Drive (VFD) for a High Service Pump at the Water Treatment Plant

RECOMMENDATION: That the bid for the Purchase and Installation of a Variable Frequency Drive (VFD) for a High Service Pump at the Water Treatment Plant be awarded to Illinois Prairie Electric in the amount of \$48,850 and the Purchasing Agent be authorized to issue a Purchase Order for same.

BACKGROUND: The Water Treatment Plant uses “high service” pumps to pump water from the Plant into the water distribution network. Some of these pumps operate at a fixed speed meaning their output cannot be controlled. A VFD can improve the usefulness of a pump from the ability to control the power to the motor which gives it a much greater range of pumping volumes. Much like a dimmer switch can work in a range of settings to increase or decrease the overall output of a light bulb, a VFD performs a similar task with an electric motor that drives a 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.

The water needs of the City vary from day to day. The increased flexibility in pumping capacities is critical. This is especially important in today’s economic climate where water demands have declined along with decreased business activity. Pumps operated in a fixed speed mode that were sized for certain output needs of several years ago, may be too large for the pumping capacity needs today. A VFD on a pump motor will enhance the capabilities of that pump.

Requests for bids were advertised in the Pantagraph on March 18 and 25, 2011. Sealed bids were publicly opened and read on April 5, 2011 at 2:00 p.m. Six (6) companies had picked up the project manual. Two (2) bids were received and are as follows:

Illinois Prairie Electric, Inc.	\$48,850 *
Anderson Electric, Inc.	\$67,000

* Lowest qualified bid

Staff and AECOM, Inc., the design engineering firm, analyzed the bids and found them to be in order. The engineer’s estimate for this project was \$50,000. Staff requests that the Council accept the least cost, qualified bid and award the bid to Illinois Prairie Electric, Inc. in the amount of \$48,850.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Public notice was published in the Pantagraph on March 18, and 25, 2011, six (6) companies and a plan holder's room requested a bid package. Two (2) bid submittals were received.

FINANCIAL IMPACT: This project will require the payment of \$48,850 from the Water Department Operating fund, account #72140 capital outlay equipment other than office, budgeted at \$395,000. The operating fund and this individual account has a positive balance. This project was part of the equipment to be purchased from the Capital Outlay account in the FY 2011 budget for the Water Department.

Respectfully submitted for Council consideration.

Prepared by:

Financial review by:

Recommended by:

Craig M. Cummings
Director of Water

Timothy Ervin
Director of Finance

David A. Hales
City Manager

Motion by Alderman Fruin, seconded by Alderman Schmidt that the bid for the Purchase and Installation of a Variable Frequency (VFD) for a High Service Pump at the Water Treatment Plant be awarded to Illinois Prairie Electric in the amount of \$48,850 and the Purchasing Agent be authorized to issue a Purchase Order for same.

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

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

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Analysis of Bid for the Removal of Existing Lime Dust Collection System and Installation of New Dust Collection Equipment

RECOMMENDATION: That the bid be awarded to A & R Mechanical Contractors, Inc. for removal and installation of Lime Dust Collection System/Equipment in the amount of \$107,000, and the Mayor and City Clerk be authorized to execute the necessary documents.

BACKGROUND: The Water Treatment Plant uses lime to reduce the hardness of the water it delivers to citizens. The lime dust collector system is used when lime is unloaded at the Water Treatment Plant. Lime is unloaded several times a week. The current system was experiencing

operational problems including difficulty in changing the filter bags, obsolescence of the filter bags and a general decline in the overall capability of the system to remove dust.

Requests for bids were advertised in the Pantagraph on March 18 and 25, 2011. Sealed bids were publicly opened and read on April 5, 2011 at 2:00 p.m. Five (5) companies had picked up the project manual. Two (2) bids were received and are as follows:

A & R Mechanical Contractors, Inc.	\$107,000 *
G.A. Rich and Sons, Inc.	\$130,500

* Lowest qualified bid

Staff and AECOM, Inc., the design engineering firm, analyzed the bids and found them to be in order. The engineer's estimate for this project was \$100,000. Staff requests that the Council accept the least cost, qualified bid and award the contract to A & R Mechanical Contractors, Inc. in the amount of \$107,000.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Public notice was published in the Pantagraph on March 18, and 25, 2011, five (5) companies and a plan holder's room requested a bid package. Two (2) bid submittals were received.

FINANCIAL IMPACT: This project will require the payment of \$107,000 from the Water Department Operating fund. The fund has a positive balance. This project was not included in the FY 2011 capital budget for the Water Department. It is anticipated that at least two (2) projects planned for this fiscal year at the Water Treatment Plant will not expend their respective total budgeted amount by at least \$500,000. These projects include the completion of filter design in the amount of \$200,000 and the completion of the Administration Building improvements design, including the electrical system upgrades, in the amount of \$300,000. These dollars can be utilized to cover the cost of this project while still meeting this FY's budget commitments.

Respectfully submitted for Council consideration.

Prepared by:	Financial review by:	Recommended by:
Craig M. Cummings Director of Water	Tim Ervin Director of Finance	David A. Hales City Manager

Motion by Alderman Fruin, seconded by Alderman Schmidt that the bid be awarded to A & R Mechanical Contractors, Inc. for removal and installation of Lime Dust Collection System/Equipment in the amount of \$107,000, 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, Hanson, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Replacement Server Hardware for Voice Over IP Telephone System

RECOMMENDATION: That a replacement voice over IP (VoIP) telephone system server hardware and professional implementation services be purchased from Sentinel Technologies in the amount of \$51,769, and the Purchasing Agent be authorized to issue a Purchase Order for same.

BACKGROUND: In late 2005, Council approved the replacement of the current telephone system with a Cisco VoIP telephone system. At that time the new system replaced a hosted system from Verizon called CentraNet. Initial cost for the VoIP implementation was \$487,776.57. After the up front costs to install the new system, it began paying for itself right away. Average monthly costs were approximately \$11,000 to \$12,000 less per month than the CentraNet system had been. Staff believes a conservative estimate is that the new system paid for itself within forty-five (45) months, if not a few months sooner.

The VoIP system consists not only of the telephone handsets in use throughout the City, but also of network servers on the “backend” that support call routing, voicemail, call center processes and 911 call handling. These servers are now more than five (5) years old and are in need of replacement. The hardware has experienced failures over the two (2) years. Although the failures experienced to date have not resulted in system downtime, it is a possibility if future failures occur. The current server hardware is also incompatible with the latest version of the VoIP software.

Staff has researched replacement possibilities for this hardware and has received proposals from multiple vendors for the hardware and professional services necessary to implement the new servers with minimal disruption to the phone system. Staff received a list of possible vendors from Cisco Systems, Inc., as only certified vendors are able to sell and install this equipment. If approved by Council, the new servers will also become part of the current virtualized environment. With this type of implementation, all of the VoIP servers will be fully redundant so a failure within one (1) server will result in that service failing over to the second of two (2) redundant physical servers.

Staff received the following proposals:

Sentinel Technologies	Springfield, IL	\$51,769.00	*** recommended
Netech Corporation	Peoria, IL	\$54,315.00	
AOS Solutions	Springfield, IL	\$92,281.76	

The cost listed above includes one year of hardware and software support. Yearly maintenance costs are similar to the hardware being replaced (\$4,000 to \$5,000) and is included in the FY 2012 proposed budget. Staff respectfully requests Council approval to purchase the replacement VoIP server hardware and necessary professional services from Sentinel Technologies.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: Funds for this VoIP server hardware refresh have been budgeted within the Information Services Capital Outlay Computer Equipment account (G11610-72120).

Respectfully submitted for Council consideration.

Prepared by:

Scott A. Sprouls
Director of Information Services

Reviewed by:

Barbara J. Adkins
Deputy City Manager

Financial review by:

Timothy Ervin
Director of Finance

Recommended by:

David A. Hales
City Manager

Motion by Alderman Fruin, seconded by Alderman Schmidt that a replacement voice over IP (VoIP) telephone system server, hardware, and professional implementation services be purchased from Sentinel Technologies in the amount of \$51,769, and the Purchasing Agent be authorized to issue a Purchase Order for same.

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

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

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Contract Services for the Early Retiree Reinsurance Program (ERRP)

RECOMMENDATION: That the Contract with RDS Services, LLC for ERRP be approved in the amount of \$48,000, the Mayor and City Clerk be authorized to execute the necessary documents, and the Resolution adopted.

BACKGROUND: In June 2010 the City applied to participate in the Early Retiree Reinsurance Program (ERRP), a Federal program created under section 1102 of the Patient Protection and Affordable Care Act. Staff received notice in August 2010 that the application was approved and is intended to cover the City's self-insured Preferred Provider Organization (PPO) plan. The ERRP is a temporary program under which Congress has appropriated \$5 billion for reimbursement to participating employment-based health plans for a portion of the cost for early retirees and their dependents. The purpose of the reimbursement is to make health benefits more affordable for plan participants and sponsors and to address the erosion in the number of employers providing health coverage to early retirees.

Under this program employers can receive eighty percent (80%) reimbursement for certain health claims between \$15,000 and \$90,000 calculated per individual. The first period for which the reimbursement can be received is June 1, 2010 through December 31, 2010. Reimbursements can be sought quarterly up to the point at which the program's funds are exhausted. It is estimated that funding will be available into 2012.

POTENTIAL REIMBURSEMENTS AND RESTRICTIONS ON THEIR USE: Staff estimates that the City may receive approximately \$160,000 in reimbursements for this initial period. Although most claims for this period have already been paid, reimbursement also depends on whether each individual claim meets the criteria established for reimbursement and that is determined by medical coding. Staff believes that the vast majority of the City's claims will meet the program's requirement for reimbursement after having reviewed the list of excluded services and items. Generally, the services and items excluded by the ERRP program are also excluded from the City's health plan coverage. As reimbursements from the program depend on paid claims, potential reimbursement amounts for calendar quarters after December 31, 2010 have yet to be determined. After reviewing data from prior years, staff believes that the claim experience of the early retiree group in the last half of 2010 was typical.

The ERRP program requires that the reimbursements from the program go back to the plan as an offset to retiree and employer expenses and they cannot be placed in a general fund. The reimbursements will help the City financially because the City self insures its PPO plan and the has incurred a liability for retiree healthcare expenses known as Other Post Employment Benefits (OPEB) liability under General Accounting Standards Board (GASB) regulations. Under Illinois law (215 ILCS 5/367f, 215 ILCS 5/367g and 215 ILCS 5/367j within Article XX), municipal retirees must have the same full premiums for health insurance as active employees. Thus, the premiums for active employees and retirees are developed by blending the experience of the two (2) groups. Premiums are calculated by actuaries for the health plan.

The result of blending the retiree costs with those of the active employee costs are premiums which are higher than would be expected for the active employees alone. Since municipalities, like most other employers, contribute toward the cost of their active employee health insurance, the municipality ends up incurring additional expense for their active employees due to the overall increased costs resulting from the retiree costs. This additional employer cost is known as an “implied subsidy” or OPEB liability and must be reported as a liability by the City. Hence, even though a retiree pays the full premium as calculated under Illinois law, the City still retains a liability for retiree health insurance. The ERRP subsidy will help offset some of this liability.

NEED FOR EXTERNAL SERVICES: The process for requesting reimbursement under ERRP is complex. For the City to receive reimbursement from the program, data must be combined from three (3) sources; medical claim data held by Blue Cross/Blue Shield of Illinois (BCBS), pharmacy claim data from Walgreen’s Health Initiative (WHI) and a listing of early retirees whose claims are eligible for reimbursement. Claim data must be submitted in a specific format and be net of discounts and rebates per claim which is information held by BCBS and WHI. The early retiree list must be kept current and match the period for which reimbursement is being sought. Finally, claim data must be resubmitted if claims are reprocessed and payments are either increased or decreased. The City does not have ready access to all the required data, the software required to properly combine and track the required data, or the staff time to build such a system. For these reasons and because time is of the essence to obtain the limited funds available, staff recommends that Council authorize a contract with a firm that specializes in these services. Such firms are known as “data aggregators” and there are relatively few firms that provide these services. Staff had difficulty locating many alternatives. Some of the very large consulting firms provide the service and staff attempted to contact one without success in locating one who understood what was being requested. The City was contacted by one (1) small firm and found RDS Services, LLC through an Internet search. It was discovered later that RDS Services had initially contacted the City several months prior through a mailing. RDS Services was far less expensive than the other firm. Staff is basing their recommendation on cost and references. These references noted that through their research, RDS Services provides an excellent price.

RDS Services has been in business since 2005. It was started to assist employers who seek reimbursement through another Federal program known as the Retiree Drug Subsidy Program. This program operates in a similar manner but reimburses employer health plans for certain pharmacy expenses for Medicare eligible retirees. Staff has contacted four (4) references for RDS Services. The references all reported having already obtained ERRP funds with RDS’s assistance; RDS’s staff being very knowledgeable about the ERRP program, and providing good customer service.

RDS Services’ data aggregation services are priced either according to the percent of the total amount reimbursed each plan year or on a fixed fee schedule. The City has approximately ninety-five (95) eligible members for the ERRP program. It is anticipated that the reimbursements per plan year will fall in the \$100,001 to \$500,000 bracket. For 2010 the City anticipates receiving about \$160,000. The amount for 2011 is currently unknown but staff expects it to be at least \$160,000. Under these scenarios it is less expensive to enter into a contract based upon a fixed fee schedule.

RDS Services LLC Costs - Percent Recovery Fee Schedule	
Subsidy Recovered	Sliding
First \$0 to \$100,000	20%
Next \$100,001 to \$500,000	10%
Next \$500,001 to \$2,000,000	5%
Over \$2,000,000	2%

RDS Services LLC Costs - Fixed Fee Schedule	
ERRP Eligible Members	Fee
1 to 250	\$24,000
251 to 500	\$25,000 to \$50,000
501 to 1000	\$51,000 to \$75,000
Over 1,000	\$90,000

The City will need to obtain data files from BC/BS and WHI, with whom we already have service contracts, to obtain the ERRP funds. The total for the three (3) agreements for the 2010 and 2011 contract years are:

	<u>2010</u>	<u>2011</u>
RDS Services LLC	\$24,000	\$24,000
Blue Cross/Blue Shield	\$ 6,000	\$ 3,000
Walgreens Health Initiative	\$ 800	\$ 800
Total	\$30,800	\$27,800

Staff has signed a Letter of Intent Retainer Agreement with RDS Services LLC, to begin preliminary work on obtaining the reimbursement. Staff believed such action was necessary in order to begin this project as soon as possible to balance staff time needed for the ERRP reimbursement project, and for implementation of the Enterprise Resource Planning system, and due to the urgency to begin requesting ERRP funds. Under the non binding agreement, the City has paid RDS Services \$5,000 which will be returned if this contract is not approved. The \$5,000 will be offset against the price quoted above.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: The financial impact of this program is difficult to estimate since it is based largely on claims yet to be incurred. If the estimate of \$160,000 for the June 1, 2010 to December 2010 period is correct, the City would spend \$30,800 to obtain the reimbursement and therefore net approximately \$129,000. If, in 2011 the City had \$200,000 of reimbursable claims, the net reimbursement would be approximately \$172,000.

Respectfully submitted for Council consideration.

Prepared by:

Laurie Wollrab
Manager of Comp. & Benefits

Reviewed as to legal sufficiency:

Rosalee Dodson
Corporation Counsel

Reviewed by:

Emily Bell, IPMA-CP
Director of Human Resources

Recommended by:

David A. Hales
City Manager

RESOLUTION NO. 2011 - 12

**A RESOLUTION WAIVING THE FORMAL BIDDING PROCESS AND
AUTHORIZING AN AGREEMENT WITH RDS SERVICES, LLC FOR THE EARLY
RETIREE REINSURANCE PROGRAM**

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

1. That the bidding process be waived and an agreement with RDS Services, LLC for the Early Retiree Reinsurance Program in the amount of \$48,000 be approved.

ADOPTED this 11th day of April, 2011.

APPROVED this 12th day of April, 2011.

APPROVED:

Stephen F. Stockton
Mayor

ATTEST:

Tracey Covert
City Clerk

**RDS SERVICES, LLC
AGREEMENT FOR EARLY RETIREE REINSURANCE PROGRAM SERVICES**

THIS AGREEMENT FOR EARLY RETIREE REINSURANCE PROGRAM SERVICES (“Agreement”) is entered into by and between RDS Services, LLC, a Michigan

limited liability company (“RDS”) and City of Bloomington (“Plan Sponsor”) and shall be effective as of _____,2011 (“Effective Date”).

Plan Sponsor maintains a group health program (hereinafter referred to as the “Plan”) under which eligible individuals are able to obtain certain retiree health care benefits. Plan Sponsor desires to engage RDS to assist Plan Sponsor with certain requirements and opportunities with respect to the Early Retiree Reinsurance Program (“Reinsurance Program”) under the Patient Protection and Affordable Care Act of 2010 (“PPACA of 2010”), and RDS desires to provide such assistance, all on the terms and subject to the conditions set forth in this Agreement.

NOW THEREFORE, the parties agree as follows:

SECTION 1 SERVICES AND RESPONSIBILITIES

1.01 RDS Services. During the term of this Agreement, RDS shall provide to Plan Sponsor the services described on **Exhibit A** to this Agreement (collectively, “RDS Services”). In performance of the RDS Services, RDS shall rely on any communication and/or data reasonably believed by it to be genuine, including necessary information received from Plan Sponsor in a timely manner and in good order. For purposes hereof, “timely manner” means a reasonable period of time as may be necessary for sorting, processing, analyzing, entering and/or posting of information received.

1.02 Responsibilities of Plan Sponsor. Plan Sponsor (or its designee(s) other than RDS) shall serve as the administrator, fiduciary and primary decision maker for the Plan, with all of the rights and responsibilities for administering the Plan in connection with the Reinsurance Program, and RDS shall have no such authority or responsibility except as may be specifically provided in this Agreement. During the term of this Agreement, and as a condition to RDS’ obligation to provide the RDS Services, Plan Sponsor’s responsibilities shall include the responsibilities set forth on **Exhibit B** to this Agreement.

1.03 Compensation. The fees for the RDS Services are set forth on **Exhibit C** to this Agreement. RDS shall send an invoice to Plan Sponsor for the fees. Payment shall be due 15 days after receipt of invoice. Accounts and invoices not paid by the later of the end of the month, or within 30 days of billing, are considered delinquent and are subject to a monthly service charge of 1.5 percent (1.5%) of the delinquent amount. Late fees and charges shall not apply where there is a bona fide dispute as to the amount owed.

1.04 Caveats. By its execution of this Agreement, Plan Sponsor is acknowledging its knowledge, understanding and agreement to the specific items set forth on **Exhibit D** to this Agreement regarding the RDS Services.

1.05 Disclaimer. EXCEPT AS OTHERWISE EXPRESSLY STATED HEREIN, RDS DISCLAIMS TO THE FULLEST EXTENT PERMISSIBLE BY LAW ALL WARRANTIES, EXPRESS OR IMPLIED, AS TO THE NATURE OR STANDARD OF THE RDS SERVICES

HEREUNDER, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AGREEMENT, IN NO EVENT WILL RDS BE LIABLE FOR SPECIAL, CONSEQUENTIAL OR INDIRECT DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OF PROFITS OR LOSS OF USE.

SECTION 2 RELATIONSHIP OF THE PARTIES

2.01 Independent Contractor. In performing services under this Agreement, RDS performs all acts as an independent contractor and not as an officer, employee or agent of the Plan. Nothing in this Agreement shall be construed to mean that Plan Sponsor (or any of its agents) retains any control over the manner and means of how RDS performs the services provided for herein, but only a right to review the results of the work performed.

2.02 Not a Fiduciary or Insurer. Plan Sponsor is the named fiduciary and/or primary decision maker of the Plan. As fiduciary and/or decision maker, Plan Sponsor maintains discretionary authority and responsibility in the administration and operation of the Plan, including, but not limited to, the determination of covered services, interpretation of the terms of the Plan, and the determination of eligibility for and entitlement to benefits under the Plan in accordance with the terms of the Plan. RDS does not assume any responsibility for any act, omission or breach by any fiduciary.

SECTION 3 TERM AND TERMINATION

3.01 Term. This Agreement shall be in effect for a period of one two (2) year term starting on the effective date, with the option to extend the term for two (2) one-year periods, which shall be automatically renewed unless otherwise terminated in accordance with Section 3.02.

3.02 Termination. Subject to continuing obligations under Section 3.03, this Agreement may be terminated as specified below:

- a) By either party as of the date the other voluntarily or involuntarily files for bankruptcy protection for any or all portion of its business operations;
- (b) By mutual written agreement of the parties;
- (c) Upon termination of the Reinsurance Program by the Department of Health & Human Services (“HHS”); or
- (d) By Plan Sponsor if RDS breaches this Agreement in any material respect and fails to cure such breach within thirty (30) days following written notice of such breach from Plan Sponsor;

- (e) By either party upon delivery of written notice of non-renewal of this Agreement not less than ninety (90) days prior to the end of the then current term.

3.03 Obligations After Contract Termination; Survival. All responsibilities of either party under this Agreement shall terminate upon the termination of this Agreement, except that the following rights and liabilities of the parties shall survive the termination of this Agreement for the specified time period as provided below or as otherwise agreed by the parties hereto:

- (a) Plan Sponsor's duty to pay RDS for amounts due to RDS hereunder, until such amounts are paid in full, specifically including all payments with respect to all Reinsurance Subsidies paid to Plan Sponsor as a result of the a "claim reimbursements" made by RDS to HHS.
- (b) Plan Sponsor's and RDS' respective duties hereunder that are predicated on, or reasonably contemplate continuation beyond, the termination of this Agreement, including, but not limited to, this Section 3.03 and Sections 3.04, 3.05, 3.06, and 5.02. Notwithstanding the foregoing, such duties shall not survive beyond the duration of any applicable statute of limitations.
- (c) Plan Sponsor's and RDS' indemnification duties and liabilities under Section 4 hereof with respect to events and claims arising before the termination of the Agreement, until the appropriate statute of limitations has run.

3.04 Outstanding Fees; Records. Upon termination of this Agreement, Plan Sponsor agrees to remit to RDS any outstanding balances due (or which, under Section 3.03(a), becomes due) under this Agreement. Without limiting other available remedies, RDS shall have the right to retain all records in its possession with regard to its services pursuant to this Agreement until receipt of all outstanding monies due.

3.05 Cooperation with Successor. In the event Plan Sponsor appoints a successor to RDS for any or all of RDS' services described herein, RDS shall cooperate as reasonably necessary in transferring files, records, reports and the like, and RDS shall be entitled to reasonable compensation for its services in connection therewith. Notwithstanding any provision of this Agreement (including any exhibit or addendum hereto), to the contrary, RDS shall not, without prior written agreement with Plan Sponsor, be obligated to assist a successor to RDS or otherwise take or continue any action following termination of the Agreement if and to the extent such assistance or action may reasonably be viewed as causing RDS to become a fiduciary with respect to the Plan in any manner.

3.06 Access to Information. Plan Sponsor shall have the right, upon providing reasonable notice, to periodically review, at its own expense, any records of RDS relating to the services provided herein; any examination of such records shall be carried out in a manner mutually agreeable to RDS and Plan Sponsor and to the extent permitted by applicable law.

SECTION 4 INDEMNIFICATION

4.01 Indemnification by Plan Sponsor. Plan Sponsor agrees to indemnify RDS, its officers, directors, employees and agents for and hold them harmless from any claim, liability, cost, loss, expense or damage (including reasonable attorney fees) which may be paid or incurred by RDS resulting from or in connection with a material breach by Plan Sponsor of its responsibilities and duties outlined under this Agreement.

4.02 Indemnification by RDS. RDS agrees to indemnify Plan Sponsor, its officers, directors, employees and agents for and hold them harmless from any claim, liability, cost, loss, expense or damage (including reasonable attorney fees) which may be paid or incurred by Plan Sponsor resulting from or in connection with a material breach by RDS of its responsibilities and duties outlined under this Agreement. Deleted “cure” language

SECTION 5 GENERAL PROVISIONS

5.01 Amendment; Assignment. This Agreement may not be amended without the express written consent of both parties. No assignment by either party pertaining to this Agreement shall be valid without the express written consent of the other party, which consent will not be unreasonably withheld.

5.02 Confidentiality. RDS recognizes that it shall be provided with personal information regarding Members of Plan in the course of providing services under this Agreement. RDS shall safeguard such information to ensure that no person who does not need to know such information has access to such information. To the extent required by law, RDS will enter into a “Business Associate Agreement” with the Plan and/or Plan Sponsor.

5.03 Entire Agreement. This Agreement (including any exhibits or addenda hereto) constitutes the complete and exclusive statement of the terms of the agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements, understandings, promises, and arrangements, oral or written, between the parties with respect to the subject matter hereof.

5.04 Governing Law. To the extent not preempted by federal law, including ERISA, this Agreement shall be governed by and construed in accordance with the laws of the State of Michigan without regard to conflicts-of-law principles that would require the application of any other law..

5.05 Headings. The headings of this Agreement are solely for the convenience of the parties and do not affect the meaning or interpretation of any provision of this Agreement.

5.06 Notice. Any notice required to be given hereunder between the parties shall be written, effective upon receipt and shall be served by facsimile or by personal delivery or certified mail, return receipt requested to the address cited in the signature block of this Agreement or to such other address as shall be specified by like notice by either party.

5.07 Other Service Providers; No Legal or Tax Advice. RDS may seek the services of others in performing its duties and obligations under this Agreement. Such service providers shall not have access to personal health information of Plan Sponsor's Members unless such service providers sign a business associate agreement with RDS which is substantially the same as the business associate agreement executed between RDS and the Plan and/or Plan Sponsor. Plan Sponsor acknowledges and agrees that RDS' services pursuant to this Agreement are in the nature of consulting, logistical and non-discretionary ministerial services and are not intended, and shall not be construed or characterized as, the provision of legal or tax advice or professional fiduciary services.

5.08 Successor and Assigns; Waiver. Subject to the provisions of Section 5.01 above, this Agreement shall be binding upon and inure to the benefit of and be enforceable against the parties hereto and their respective successors and assigns. Failure to enforce any provision of this Agreement shall not affect the rights of the parties to enforce such provision in another circumstance or their right to enforce any other provision of this Agreement at any time. If any provision of this Agreement is determined to be unenforceable or invalid, such determination shall not affect the validity of the other provisions contained in this Agreement.

5.09 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original and all of which together shall constitute a single agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed, effective as of the Effective Date, by their duly authorized officers.

RDS Services, LLC

City of Bloomington **(Plan Sponsor)**

By:

By: Stephen F. Stockton

Title:

Title: Mayor

Address:

Address: 109 E. Olive St.
PO BOX 3157
Bloomington, IL 61702-3157

Date:

Date: April 12, 2011

EXHIBIT A

RDS SERVICES

1. RDS Services – Generally. During the term of this Agreement, RDS shall provide the following services, as more specifically detailed in Sections 2 through 4 below:

- (a) Determine and assist in completion of Plan Sponsor’s “requirements to participate”, as defined under Section 1102(b) of the PPACA of 2010 (45 CFR 149.35), and summarized below.

Plan Sponsor’s employment-based plan must:

- (i) Be certified by the Secretary of HHS.
- (ii) Include programs and procedures that have generated or have the potential to generate cost-savings for plan participants with chronic and high-cost conditions.

A sponsor must:

- (A) Make available information, data, documents, and records as specified in 45 CFR 149.350.
 - (B) Have a written agreement with its health insurance issuer or employment-based plan regarding disclosure of pertinent plan information to comply with the program.
 - (C) Ensure that policies and procedures to protect against fraud, waste and abuse under the program are in place.
 - (D) Submit an application to the Secretary in the manner, and at the time, required by the Secretary.
- (b) Assist Plan Sponsor in applying for the Reinsurance Program subsidy in connection with the Plan (as described in Section 1102 of the PPACA of 2010 and 45 CFR Part 149).

2. Specific RDS Services – Reinsurance Subsidy. During the term of this Agreement, RDS shall provide any or all of the following services as may be necessary to assist Plan Sponsor with respect to the Reinsurance Subsidies:

- (a) General consultation regarding the Reinsurance Program and assist in determining the magnitude of potential Reinsurance Subsidies that may be available to Plan Sponsor;
- (b) Assist in the identification of “qualifying claim” data which may include payments for medical, surgical, hospital and prescription drug costs, or other benefits as the HHS Secretary determines under Section 1102(a)(2)(A) of the PPACA of 2010;
- (c) Assist in obtaining, compiling and documenting detailed expenditure information from third-party administrators, insurance companies and other sources;

- (d) Appoint a Reinsurance Subsidy Account Manager for Plan Sponsor and assist in the preparation of an application to Department of Health and Human Services (“HHS”) for the Reinsurance Subsidies, and assist with follow-up tasks as may be required by HHS, including the timely submission of plan information and claims detail to HHS; and
 - (e) Assist in the design and establishment of a system for the proper retention of relevant data as may be proper and necessary for compliance with the Reinsurance Program and any audits by HHS in connection with the Reinsurance Subsidies.
3. Specific RDS Services – Ongoing Services. During the term of this Agreement, RDS shall provide the following ongoing services:
- (a) Maintain and update a database containing the eligibility of each Individual with coverage under the Plan and/or under the Reinsurance Program;
 - (b) Maintain other appropriate records regarding the Plan in respect of the Reinsurance Program as may be required by federal law; and
 - (c) Assist Plan Sponsor with submission of, or access to, the records in RDS’ database as may be required for HHS regulatory, audit, and/or other business purposes.
4. Additional Services. Additional general consulting services by RDS, if any, shall be provided upon request by Plan Sponsor and approval by RDS for the additional service fees as specified on **Exhibit C** to this Agreement.

EXHIBIT B

RESPONSIBILITIES OF PLAN SPONSOR

Preparation and Provision of Eligibility List and Plan Information. Plan Sponsor shall:

- (a) Prepare a complete and accurate set of current enrollment records for all Early Retiree Members under the Plan. Such records shall be delivered to RDS in an electronic format acceptable to RDS as soon as practicable following the Effective Date. Thereafter, Plan Sponsor shall promptly update such enrollment records in an electronic format acceptable to RDS, notifying RDS of any and all changes in Early Retiree Member’s status, including the addition of new Early Retiree Member, termination from plan, changes in dependent status or any other changes that may affect the eligibility of a Early Retiree Member;
- (b) Make available, or cause to be made available to RDS, certain reports and information to which Plan Sponsor has access, as mutually agreed to by the parties. Such reports and information may include, but shall not be limited to: (i) certification that a Early Retiree

Member is eligible for benefits under the Plan; (ii) a description and identification of the types of benefits to which a Early Retiree Member is entitled; (iii) date of a Early Retiree Member's eligibility; and (iv) Early Retiree Member contribution rates (i.e., amounts) for single coverage, two-person coverage, and family coverage (or such other coverage units as may be applicable under the Plan) for all coverage's available under the Plan. Upon request, Plan Sponsor shall provide RDS with any other reasonable and necessary information regarding Early Retiree Members;

- (c) Provide RDS with a complete copy of the Plan Document (and summary plan description, if separate), including any amendments and summary of material modifications; and
- (d) Be solely responsible to inform RDS of any changes in the information it previously supplied RDS.

Reinsurance Subsidy Application and Related Tasks

- (a) To enable RDS to fulfill all of its duties regarding the Reinsurance Subsidy Plan Sponsor consents to and authorizes RDS' designation of an employee or a representative of RDS to be the "Account Manager" for purposes of the Reinsurance Subsidy application to HHS, with the necessary authority to (i) begin the Reinsurance Subsidy application process on behalf of Plan Sponsor, (ii) have and maintain full access to Plan Sponsor's Reinsurance Subsidy Application, and (iii) assign "Application Designees" and such other designees as may be necessary in the Reinsurance Subsidy application and any follow-up processes.
- (b) To enable RDS to fulfill all of its duties regarding the Reinsurance Program Plan Sponsors consents to and authorizes RDS' designation of employees or representatives of RDS to act as designees in connection with the Reinsurance Subsidy application to HHS, with the necessary authority to (i) gather, organize and submit appropriate information to HHS and (ii) request Reinsurance Subsidy payments from HHS.
- (c) Plan Sponsor shall provide its full and good faith cooperation in the procurement; access and/or review of such other reasonable information as may be determined by RDS to be reasonably necessary in order to perform its services hereunder.

Except as may be otherwise agreed to by RDS, Plan Sponsor specifically agrees that:

- (i) All electronic communications between HHS and Plan Sponsor or any of its employees or agents shall exclusively be conducted through the Server, URL address, email address and/or website established or approved by RDS for Plan Sponsor, and
- (ii) Any electronic communication related to this Agreement to HHS from Plan Sponsor or any of its employees or agents shall only be initiated with the knowledge and consent of the Reinsurance Subsidy Account Manager.

HIPAA Compliance.

Notwithstanding any provision in this Agreement to the contrary, Plan Sponsor shall, during the term of this Agreement, be solely responsible for ensuring that the Plan is and remains in full compliance with the privacy and security requirements under the Health Insurance Portability and Accountability Act (HIPAA) and implementing regulations. In particular, Plan Sponsor shall have in place all necessary business associate agreements, Plan amendments, and related documentation to the extent required under HIPAA in order to (i) permit the disclosure of protected health information (within the meaning of HIPAA) to Plan Sponsor and (ii) establish the permitted and required uses and disclosures of protected health information by Plan Sponsor.

EXHIBIT C

COMPENSATION

RDS' compensation for the services provided pursuant to the Agreement shall be:

1. Reinsurance Subsidy Services. For the RDS Services as described in Sections 1, 2 and 3 of **Exhibit A** to this Agreement, the fee for such RDS Services shall be based on ERRP eligible members determined at the onset of this Agreement and re-evaluated annually.

<i>ERRP ELIGIBLE MEMBERS</i>	<i>FEE</i>
<i>1 to 250</i>	<i>\$24,000</i>
<i>251 to 500</i>	<i>\$25,000 to \$50,000</i>
<i>501 to 1000</i>	<i>\$51,000 to \$75,000</i>
<i>Over 1000</i>	<i>\$90,000</i>

* Annual Fee maximum shall not exceed \$90,000

2. General Consulting Services. In the event Plan Sponsor requests RDS to provide consulting services that are in addition to the Reinsurance Subsidy Services identified in paragraph 1 above, such services shall be provided based on the time spent at the following hourly rates:
 - a. \$250/hour for professional staff of RDS
 - b. \$100/hour for paraprofessional staff of RDS
 - c. \$50/hour for all other staff of RDS
3. Retainer. Upon execution of this Agreement, Plan Sponsor shall pay a one-time payment, as set forth below, as a retainer, to be held against compensation due RDS under the terms of this Agreement. In the event Plan Sponsor terminates this Agreement before RDS has been paid for services rendered, the retainer will be used to offset amounts due RDS. The one-time retainer will be established by the number of estimated

“early retirees” at the commencement of this Agreement. The retainer amount will be as follows:

<u>Number of “early retirees”</u>	<u>Retainer</u>
Up to 250	\$5,000
251 to 500	\$10,000
Over 500	\$15,000

EXHIBIT D

CAVEATS

Plan Sponsor acknowledges, understands and agrees to the following with respect to Reinsurance Subsidy services:

1. RDS may conclude that the Plan does not qualify for the Reinsurance Subsidy because it fails a Reinsurance Program test or for some other reason. Unless there is a straightforward fix (which RDS will inform Plan Sponsor of), RDS’ Reinsurance Subsidy engagement will end, with no residual duty or obligation for RDS (RDS will try and make this determination as soon as possible following the signing of this Agreement);
2. Plan Sponsor has been given a written copy of the HHS Reinsurance Subsidy Application, has reviewed the Plan Sponsor Agreement and has determined that it is willing to sign the Plan Sponsor Agreement;
3. Plan Sponsor understands that the Reinsurance Program is a temporary program administered by HHS and that only limited funds have been made available for Plan Sponsors applying. Applicants are not guaranteed reinsurance subsidy upon submission of Application. Moreover, the amounts will vary substantially and it is not possible to accurately predict either the amount or even the frequency of such payments. Plan Sponsor’s actual Reinsurance Subsidy payments are calculated one eligible retiree (“ER”) at a time, based on that retiree’s qualifying claim utilization;
4. In generating benefit cost information for purposes of requesting Reinsurance Subsidy payments, RDS may need to filter out certain claims that may not qualify under the Reinsurance Program and are therefore ineligible for Reinsurance Subsidy payments. Due to impracticalities that are inherent in any filtering process (e.g., whether a claim should or should not be filtered out in this process may depend on factual circumstances that could not be known by RDS or any other vendor), RDS will adopt, unless instructed otherwise by Plan Sponsor, a conservative approach that errs in favor of excluding claims that potentially may NOT be covered under Section 1102 of the PPACA of 2010 and any regulations forthcoming. This conservative approach is intended to minimize the possibility of Plan Sponsor improperly receiving more payments than is legally permitted under the Reinsurance Subsidies program;

5. In generating benefit cost information for purposes of requesting Reinsurance Subsidy payments, RDS will need to report to HHS any rebates or other provider discounts, credits or like amounts received by the Plan Sponsor or the Plan;
6. The Subsidy Application must be filed in a timely manner to ensure a greater likelihood of success receiving subsidy. For this reason, it is critical that Plan Sponsor and vendors provide RDS with necessary information in a timely manner; and
7. RDS will provide a report to Plan Sponsor matching any subsidy funds received with any Early Retirees of Plan Sponsor for whose claims the subsidy was paid. RDS will also keep Plan Sponsor up to date on the progress of receipt of any subsidy amounts.

Motion by Alderman Fruin, seconded by Alderman Schmidt that the Contract with RDS Services LLC for ERRP be approved in the amount of \$48,000, and 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, Hanson, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Analysis of Request for Proposals (RFP) for Retrofitting Sewer Televising Vehicle S-39

RECOMMENDATION: That the RFP to retrofit the Sewer Televising Vehicle S-39 be awarded to Coe Equipment, Inc. in the amount of \$98,508, and the Purchasing Agent be authorized to issue a Purchase Order for same.

BACKGROUND: This vehicle is used by the Public Works Department's Streets and Sewers Division to televise storm, sanitary and combined sewer lines as a means of detecting issues with same. Sewer Televising Vehicle S-39 contains electronic equipment which was originally installed when the vehicle was purchased new in 2000. Though this vehicle is mechanically sound and in good working order, the sewer televising components have been experiencing severe operational problems. This malfunctioning equipment has prevented the vehicle from being used for the past eighteen (18) months.

RFP's for this equipment were received on March 16, 2011, at 2:00 PM. The overall scope included:

1. Replacement of all interior sewer televising equipment;
2. Training for personnel responsible for operating this equipment;
3. Total cost of all software expenses for the next five (5) years; and
4. Replacement of all software needed for properly recording the sewer televising operations.

The results of the request for proposals returned are:

Vendor	Net Price
Coe Equipment, Rochester, IL	\$98,508
E J Equipment, Manteno, IL	\$103,000
Key Equipment & Supply Co, Bridgeton, MO	\$148,079

Staff analyzed the proposals and found them to be in order. The original estimate for this equipment was \$99,000. Staff respectfully requests that the Council accept the proposal in the amount of \$98,508 from Coe Equipment for the retrofitting of sewer televising vehicle S-39, including the replacement of all interior sewer televising related equipment, training for personnel responsible for operating this equipment, the total cost of all software expenses for the next five (5) years, and the purchase and installation of the software needed to properly record sewer televising operations.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Public notice was placed in the Pantagraph on February 17, 2011 and also placed on the City’s web site. Seven (7) RFPs were emailed to vendors. A pre-proposal meeting was held on Friday, February 25, 2011, staff and two (2) vendors were in attendance. Three (3) vendors submitted an RFP.

FINANCIAL IMPACT: This equipment will require payment of \$98,508 from Sewer Fund, X52100-72190. There is \$99,000 in the Public Works Department’s Fiscal Year 2011 Capital Equipment budget. Although the fund had a negative unrestricted net asset balance of (\$4,458,208) as of April 30, 2010, staff projections show this deficit trending in a positive direction. The total cost of annual software renewal fees and customer service agreements for the next five (5) years has been included in the net price of this RFP.

Respectfully submitted for Council consideration.

Prepared by:	Financial review by:	Recommended by:
Jim Karch, P.E., CFM Director of Public Works	Timothy Ervin Director of Finance	David A. Hales City Manager

Motion by Alderman Fruin, seconded by Alderman Schmidt that the RFP to retrofit the Sewer Televising Vehicle S-39 be awarded to Coe Equipment, Inc. in the amount of \$98,508, and the Purchasing Agent be authorized to issue a Purchase Order for same.

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

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

Nays: None.

Motion carried.

The following was presented:

Public Hearing on the Fiscal Year (FY) 2012 Budget.

Mayor Stockton addressed this item. He clarified that the construction of Gaelic Park was not included in the recommended budget. David Hales, City Manager, addressed the Council. The proposed recommended budget would cover the time frame from May 1, 2011 until April 30, 2012. City staff had prepared comprehensive information addressing revenues and expenditures. He noted the Citizen Budget Open House which had been held on Tuesday, March 29, 2011. All three (3) volumes of the budget had been placed on the City's web site. Emphasis has been placed on equipment replacement, (purchase and lease). Street resurfacing expenditures had been increased by \$1 million. Tanner St. and Lafayette St. had been included as road projects. Total dollars budget for street projects totaled \$4 million. The Council had been presented with the budget highlights. He restated that the construction of Gaelic Park had not been included in the recommended budget. The Public Hearing had been advertised in compliance with state law and City ordinance.

Mayor Stockton opened the Public Hearing.

Jay Balmer, 16 Fountain Lake Ct., addressed the Council. He was a nineteen (19) year resident of the City. He addressed the construction of Gaelic Park. This park would be a neighborhood park. It had been on the books for twelve (12) years. The City was currently incurring maintenance costs. The City had also purchased land for this park. The state grant would expire in December 2012. This grant would cover forty percent (40%) of the construction cost. Further delays would only increase costs associated with same. He encouraged the Council to find the funds within the City's budget.

Alton Franklin, 5 Andy Ct., Unit 1, addressed the Council. He addressed the cost for Gaelic Park. The Council needed to set priorities. Infrastructure projects had been delayed. The Council needed to separate wants from needs. There appeared to be a belief that the City's budget could be approved without suffering. The state's grant dollars were not important. The Council needed to be better stewards with public funds. The Council and Mayor had done a good job of leading. This park was not necessary.

Tim Ogg, 19 Cashel, addressed the Council. He cited the \$400,000 state grant. The City had a plan with an estimated cost of \$1 million. Mayor Stockton acknowledged that this grant would cover a portion of the construction costs. The City would be reimbursed by the state. Mr. Ogg was a life long resident. The City had done an excellent job in

providing quality parks. He understood that the City could not return to yesterday. He had purchased a lot and built his home because he was told that there would be a park. He had paid more for the lot because of this fact. A City park impacted property values and in return property taxes. He requested that the Council support the park.

Kimberly Klepec, 3 Cashel Dr., addressed the Council. She presented the Council with a petition in support of Gaelic Park, (fifty-one signatures had been collected in four hours over three days). She had also purchased a lot and paid more for same because the land was adjacent to the park. The park was to include a connection to Constitution Trail. This connection would have provided her with access to public transit buses. She informed the Council that she was legally blind. The park was important. She added her belief that if the park was not included in the FY 2012 budget that the City would lose Gaelic Park. There were a number of families with small children in the area. Gaelic Park would be an improvement for the community. Gaelic Park was supposed to be built prior to McGraw and Tipton Parks. She cited the cost for same. She expressed her belief that this was not right. Over ten (10) years had passed and there still was no park. The children of the area had prepared a banner with artwork and signatures in support of the park. There was overwhelming support for this park. Ms. Klepec stated that the park would improve the area and result in higher property values. She understood that the City had a budget and the Council needed to address priorities. She restated that funds for Gaelic Park were spent on other City parks' projects.

Jason Vanhemert, 3014 Sable Oaks Rd., addressed the Council. He and his wife had recently had a daughter. He expressed his belief that there would have been additional signatures on the petition if the residents would have been home. He addressed the statement of wants versus needs. He believed that the US Cellular Coliseum and Bloomington Center for the Performing Arts addressed wants. These wants made the City a place where people wanted to live. Parks help to make the City a great place to live. He noted the impact that State Farm has had on the local economy. He was an attorney and his wife was a State Farm recruiter. He believed that the City was a great place to live. The City goes beyond needs. The Council had addressed fiscal responsibility. The City had spent \$50,000 on a plan for Gaelic Park. The City had been awarded \$400,000 from the state. These dollars will not be available in perpetuity. This was the appropriate time to build Gaelic Park.

Ryan Gammeherd, 1211 Longford Ln., addressed the Council. He had addressed the Council in the past regarding Gaelic Park. He also had purchased a lot adjacent to the park. He cited the City's quality of life. He noted the City's park system. Citizens had waited over ten (10) years for Gaelic Park. The Council had addressed fiscal responsibility. The state had extended its grant. A design firm had been hired. He and his wife were expecting their first child. He requested that the Council support the construction of Gaelic Park.

Mayor Stockton closed the Public Hearing.

Alderman Hanson commented on the individuals who addressed Gaelic Park. He had had the opportunity to meet with them on a number of occasions. They were passionate about this park. Their conviction had lasted over the years. He expressed his opinion that it was time to build this park. There was no such thing as a perfect budget. He expressed his appreciation to those who were present to show neighborhood support for this park.

Alderman McDade noted the percentage of the budget represented by the construction of Gaelic Park. She acknowledged that the cost for this park would come from discretionary spending. The Council may need to agree to disagree on this item.

Alderman Fruin expressed his appreciation to Alderman Hanson for his comments. He referred to the City's Strategic Plan which included Strong Neighborhoods, Great Place to Live, and Sustainable City. Gaelic Park had been on the board for over ten (10) years.

The following was presented:

SUBJECT: Text Amendment to Section 301.6 of Chapter 21 – Refuse Fee Retain Fourteen Dollar Monthly Fee

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

BACKGROUND: The City's solid waste management program includes the following services: weekly garbage collection, weekly limited bulk collection, brush and leaf collection, bi-weekly recycle collection, appliance pick-up and access to the City's drop off facility.

Staff has surveyed similar communities and found that the current fee structure is significantly below that of similar sized communities in Illinois. Staff proposes to retain the \$14 per month refuse fee as these fees support the operations of the Solid Waste Enterprise Fund. This fee extension is an assumption that has been integrated into the FY 2012 - 2016 budgets.

The City has retained Pritchard & Osborn to prepare a full cost analysis (direct & indirect cost) for the City. This accounting firm is currently collecting information from staff and its goal is to have a preliminary report by April 30, 2011. Once the report is finalized, the report will be presented to Council in a Work Session.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: The FY 2012 proposed budget included a \$14 refuse fee. The refuse fee is the primary source of revenue for the Solid Waste Enterprise Fund. The \$14 refuse fee generates approximately \$4.1 million. The second significant source of revenue for this fund is a \$1 million transfer from the General Fund. If the refuse fee is reduced to \$7 the \$4.1 million in revenue would be reduced by \$2.1 million. This reduction would significantly impact this fund. The City would either have to immediately reduce expenditures within this fund, transfer additional funds from the General Fund, or allow expenditures to significantly outweigh revenue.

Respectfully submitted for Council consideration.

Prepared by:

Financial review by:

Reviewed as to legal sufficiency:

Jim Karch
Director of Public Works

Timothy Ervin
Director of Finance

J. Todd Greenburg
Corporation Counsel

Recommended by:

David A. Hales
City Manager

ORDINANCE NUMBER 2011 - 18

**AN ORDINANCE AMENDING SECTION 301.6 OF CHAPTER 21
OF THE BLOOMINGTON CITY CODE BY RETAINING THE MONTHLY REFUSE
FEE FOURTEEN DOLLARS**

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

Section One: That Section 301.6 of Chapter 21 of the Bloomington City Code, 1960, as amended, shall be further amended as follows: (additions are indicated by underlines; deletions are indicated by strikeouts):

Effective May 1, 2011, there shall be a charge for refuse collection of refuse to the owner and/or occupant of every dwelling unit for which refuse service is actually provided by the City. Such fee shall be in the amount of fourteen (\$14.00) per month per single family dwelling and fourteen (\$14.00) per month for each unit in a two family or multi-family dwelling. Effective May 1, 2012, such fee shall be in the amount of seven dollars (\$7.00) per single family dwelling and seven dollars (\$7.00) per month for each unit in a two family or multi-family dwelling. The refuse fee shall be payable on a monthly basis. Failure to pay the fee upon billing by the City may result, at the City's option, in the placement of a lien against the real estate or may result in the filing of a complaint in Circuit Court seeking a personal judgment against the owner or persons interested in the property subject to such refuse fee, termination of refuse services, termination of water service or other remedies. The election of a particular remedy shall not constitute a waiver of any other remedy available to the City for collection of the refuse fee.

The owner of the dwelling unit, the occupant thereof and the user of the services shall be jointly and severally liable to pay such refuse fee and the services are furnished to the dwelling unit by the City only on the condition that the owner of the dwelling unit, occupant thereof and user of the refuse service are jointly and severally liable. The refuse fee for such refuse collection shall be paid in advance, for which the City of Bloomington shall provide refuse collection service to the dwelling unit at least once each week.

Section Two: Except as provided for herein, the Bloomington City Code, 1960, as amended, shall remain in full force and effect.

Section Three: The City Clerk is authorized to publish this ordinance in pamphlet form as provided by law.

Section Four: This ordinance shall be effective May 1, 2011.

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

PASSED this 11th day of April, 2011.

APPROVED this 12th day of April, 2011.

APPROVED:

Stephen F. Stockton
Mayor

ATTEST:

Tracey Covert
City Clerk

Mayor Stockton introduced this item. This proposed ordinance would retain the current \$14 monthly fee. Questions had been raised regarding a time limit for same and the impact of same upon the budget. David Hales, City Manager, reminded the Council that an ordinance is amendable at anytime. City staff's goal was to capture the \$14 fee and remove the sunset clause. This issue would continue to be looked by the Council and City staff. There were a variety issues. He cited the monthly fee versus the actual cost, manual versus automated collection. Information regarding the full cost for solid waste services was being compiled. He requested that if the Council chose to retain sunset language that a two (2) year period be allowed. This time frame would provide sufficient time to address automated collection.

Mayor Stockton noted the Council's goal to keep solid waste collection moving forward with the emphasis on efficiency.

Alderman McDade expressed her support for a two (2) year sunset window. Mr. Hales added that staff needed time to work through the transition from manual to automated collection. The plan called for an ad hoc committee. Cost data needed to be collected. The Council would need to make a policy decision once the true cost of this service was known. He hoped the Council would consider full cost recovery for refuse collection services. If the refuse fee was reduced to \$7, the budget impact would be a loss of \$2.1 million.

Alderman McDade believed that timing was the issue. People found pay as you throw attractive. City staff needed to continue its exploration of the options. There would be a number of issues which would require the Council's review. Mr. Hales expressed his belief that one issue would be a change to the level of service provided. Labor would be another issue. The City would need to negotiate with the union regarding a reduction in manpower. City staff would present an update to the Council within the year.

Mayor Stockton noted the plan to purchase an automated truck. Mr. Hales hoped to negotiate a pilot program with the union. The City would be divided into quadrants. A citizens' ad hoc committee would be formed. He noted the time commitment involved.

Another issue would be the cost of equipment and containers. He cited the number of projects listed in the 2011 Action Agenda.

Alderman Anderson expressed support for a pilot project which would include a quarter of the City. He also cited managed competition. He expressed his opinion that a sunset clause presented a false belief that the refuse fee would return to its previous level, (\$7 per month). Council needed to hold staff's feet to the fire. He cited the current cost of refuse collection, (\$21), and the fee, (\$14).

Alderman Fruin stated his agreement with Alderman Anderson's comments. The reality was that the Council was providing a false message.

Alderman Hanson expressed his support to continue the \$14 fee with a one (1) year sunset clause. Refuse collection was a critical part of the City's budget. There needed to be rapid movement regarding this service. The refuse fee needed to be a part of next year's budget discussion.

Alderman Purcell expressed his preference for incremental increases. He believed that sunset dates were important. He added his opinion that the cost of solid waste collection could be reduced. The Council also needed to determine what services it wanted to subsidize. He stated his intention to vote in favor of this item.

Alderman Schmidt encouraged the Council to be realistic. All of the work on the 2011 Action Agenda would not be completed in a year. She disagreed with Alderman Anderson regarding the fee. The City needed to look at the services provided. Solid waste collection needed to be kept to the forefront. This issue was important to her.

Alderman Stearns stated that refuse collection was an essential service. The citizens were pleased with the services provided by the City. She believed in fairness and equity across the board. She did not believe that special containers were required. She supported a pay as you throw system which she described as fair. She would not support this item. She expressed her disappointment regarding same. The City was not moving fast enough on this issue.

Mayor Stockton wanted to clarify the issue. There were a number of items that the Council needed to consider: 1.) a subsidy level policy; 2.) determine what services to offer; 3.) provide efficient services, (automation had capital costs); and 4.) determine the allocation of fees. These were real questions.

Alderman Fruin stated his preference to remove the sunset clause. He requested cooperation from the Council on this item.

Alderman Purcell noted that the refuse fee had been raised from \$7 to \$14. This was done to enhance revenue. The Council needed to consider how to eliminate the impact of a loss of \$2.1 million. The Council needed to look at this issue closely next year.

Motion by Alderman Hanson, seconded by Alderman Schmidt that the amended Text Amendment be approved and the Ordinance passed.

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

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

Nays: Alderman Stearns.

Motion carried.

The following was presented:

SUBJECT: Public Hearing on the Fiscal Year (FY) 2012 Budget and Adoption of an Ordinance Titled “Budget and Appropriation Ordinance for the Fiscal Year Ending April 30, 2012”

RECOMMENDATION: That the Public Hearing be held and the FY 2012 Annual Budget Ordinance passed.

BACKGROUND: On March 14, 2011, the City Manager presented a recommended budget for the Fiscal Year ending April 30, 2012 to Council. Budget Work Sessions were held on Saturday, March 19 and Monday, April 11, 2011. A citizen’s budget open House was held on March 29, 2011 at the Bloomington Center for the Performing Arts.

A Public Hearing on the budget is required and a notice was published in the Pantagraph on March 31, 2011 to announce this hearing. Staff respectfully recommends that the Public Hearing be held and the FY 2012 Annual Budget Ordinance passed.

The final printed budget document will be filed with the County Clerk and Treasurer within thirty (30) days of the adoption and will be available for distribution.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: The City held two (2) Budget Work Sessions, one (1) citizen’s budget open house, and a Public Hearing will be held prior to adoption by Council. The Pantagraph published the required notice for the Public Hearing and published articles on the FY 2012 budget.

FINANCIAL IMPACT: As listed in the Budget and Appropriation Ordinance for FY ending April 30, 2012.

Respectfully submitted for Council consideration.

Prepared by:

Reviewed by:

Recommended by:

Timothy L. Ervin
Director of Finance

Barbara J. Adkins
Deputy City Manager

David A. Hales
City Manager

ORDINANCE NO. 2011 - 17

**BUDGET AND APPROPRIATION ORDINANCE
FISCAL YEAR ENDING APRIL 30, 2012
CITY OF BLOOMINGTON**

Make appropriations for all Corporate Purposes for the Fiscal Year beginning May 1, 2011 and ending April 30, 2012, for the City of Bloomington, McLean County, Illinois.

Be It Ordained by the City Council of the City of Bloomington, Illinois: that passage of the Budget Document shall be in lieu of passage of a separate Appropriation Ordinance, as required by 65 ILCS 5/8-2-9 and 5/8-2-9.4.

Section One. That the amounts hereinafter set forth, or so much thereof as may be authorized by law, as may be needed and same is hereby appropriated for such purposes as General Fund, Motor Fuel Tax Fund, Sister City Fund, Special Opportunities Available in Recreation (SOAR.) Fund, Board of Election Fund, Drug Enforcement Fund, Cultural District Fund, Cultural District Donations Fund, Community Development Fund, Illinois Housing & Development Fund (IHDA), Rehabilitation Fund, Library Maintenance and Operation Fund, Library Equipment Replacement Fund, General Bond and Interest Fund, Market Square Tax Increment Financing (TIF) Bond Redemption Fund, 2004 Arena Bond Redemption, 2004 Multi-Project Bond Redemption, Capital Improvements Fund, Central Bloomington TIF Fund, Water Maintenance and Operation Fund, Sewer Maintenance and Operation Fund, Parking Maintenance and Operation Fund, Coliseum Parking Fund, Lincoln Parking Facility Fund, Storm Water Management Fund, Storm Water Depreciation Fund, U.S. Cellular Coliseum Fund, Central Illinois Arena Management (CIAM), Employee Group Health Care Fund, Retiree Employee Group Health Care Fund, Casualty Fund, Judgment Fund, Flex Cash Fund, Park Dedication Fund, J.M. Scott Health Care Fund, Police Pension Fund and the Fire Pension Fund for the fiscal year of said City of Bloomington, McLean County, Illinois, beginning May 1, 2011 and ending April 30, 2012.

Section Two. The amount appropriated for each object or purpose is set forth in the Annual Budget for the year ending April 30, 2012, a copy of which is available at the City Clerk's Office and incorporated by reference.

(NOTE: Amounts appropriated hereby are contained in the Annual Budget for the year ending April 30, 2012, published in book form, copies of which are available for inspection at City Hall, Bloomington Public Library, and other places throughout the City.)

Section Three. That all sums of money not needed for immediate specific purposes may be invested in City of Bloomington Tax Warrants, Tax Sale Certificate, or Notes of Indebtedness, General Water, Parking or Sewer Revenue Bonds, in securities of the Federal Government, in Federal Insured Savings and Loan Associations, Certificates of Deposit in Commercial Banks, or other instruments as allowed by law.

Section Four. Pursuant to 65 ILCS 5/8-2-9.6, and the home rule authority granted to the City of Bloomington pursuant to Article 7, Section 6 of the 1970 Illinois Constitution, the Finance Director, with the concurrence of the City Manager is authorized to revise the annual budget by deleting, adding to, changing or creating sub-classes within object classes budgeted previously to a Department, Board or Commission, and to transfer amounts within a particular fund established by this Ordinance, with the restrictions that no such action may be taken which shall increase the budget in the event funds are not available to effectuate the purpose of the revision, and that the City Council shall hereafter be notified of such action by written report of the City Manager.

Section Five. Partial Invalidity. If any section, subdivision, sentence or clause of this Ordinance is for any reason held invalid or to be unconstitutional, such decision shall not affect the validity of the remaining portion of this Ordinance.

Section Six. That all Ordinances or parts of Ordinances conflicting with any of the provisions of this Ordinance be and the same are hereby repealed.

Section Seven. This Ordinance shall be in full force and effect from and after its passage.

PASSED by the City Council of the City of Bloomington, Illinois this 11th day of April, 2011.

APPROVED by the Mayor of the City of Bloomington, Illinois this 12th day of April, 2011.

APPROVED:

Stephen F. Stockton
Mayor

ATTEST:

Tracey Covert
City Clerk

(SPREADSHEET ENTITLED FY 2012 RECOMMENDED BUDGET ON FILE IN CLERK'S OFFICE)

Alderman Sage questioned the motion which included a budget amendment.

Alderman Fruin requested that David Hales, City Manager, and Tim Ervin, Finance Director, verify that the park could be constructed.

Alderman Anderson noted the different viewpoints among the Council. He questioned where the City was at financially. He added his intention to vote in favor of this item.

Alderman Sage saw this motion as unfortunate. He expressed his belief that the ordinance would have been voted on as presented and that there would have been an amendment to the budget ordinance. He was left with a single vote.

Alderman Purcell cited the March 19, 2011 Work Session. The Council had requested where funds, (\$600,000), for the park would come from. He noted that City staff had recommended that these dollars come from the Unreserved Fund Balance, (UFB). He cited the hard work on the budget. He planned to vote against Gaelic Park. He believed that the next fiscal year would be a better place for Gaelic Park. He would vote no on this item.

Mr. Hales noted that the City's Reserve Policy called for an UFB of \$10.5 million. This figure has been reached. He believed that the carry over balance would equal \$3 – 5 million. \$2.5 million would be transferred for capital expenditures. An additional \$600,000 could be transferred for the park. Mayor Stockton stressed that the City would not be spending the reserve fund.

Alderman Purcell restated that the UFB would remain at \$10.5 million. These funds would be held in reserve. The City may need additional funds as a safety net in light of the economy.

Alderman Stearns recalled that the Council was told at the March 19, 2011 Work Session that options would be presented. She was disappointed in this evening's presentation. She expressed her sympathy to those present in support of Gaelic Park. She restated that the Council had not been presented with any options. Mayor Stockton believed that City staff would continue to look at options and for cost savings regarding this project. Mr. Hales added that City staff had considered cost efficient services regarding this project. The City had received estimated costs for the park based upon the plans submitted. Mayor Stockton added that an option might be that all items listed in the budget may not happen.

Alderman Fruin clarified the motion that the budget would be amended to include the construction of Gaelic Park. City staff would be authorized to proceed to the formal bid process. He noted past discussion by the Council regarding this park. The intent would be for the City to build this park in FY 2012. Mayor Stockton restated that there would be items in the budget where all funds would not be spent. These dollars could be directed toward the park. Alderman Fruin concurred with Mayor Stockton's comments. He noted that all projects would not be completed. He added that there would be additions and subtractions throughout the budget year.

Alderman Mwilambwe thanked the citizens for attending this evening's meeting. He addressed the issue of Council creditability. Citizens needed to believe in the government. The process for this park had taken twelve (12) years. He planned to vote for this item. It was time for the City to move beyond Gaelic Park.

Alderman Hanson cited a point of clarification. He did not believe that the Council saw the big picture. The budget was about balance. He recognized City staff's efforts on same. He addressed the cohesiveness of the Council. The Reserve Policy had been met. The City had deferred several items. Gaelic Park had not been a priority. Funds were being spent now. It was an issue of balance. The Council's priorities change from year to year. Parks make the City a great place to live.

Alderman Sage expressed his frustration regarding the conversation at this evening's Work Session. He understood that there would be separate vote on Gaelic Park. This item had been mismanaged. The Budget Ordinance and Gaelic Park had been bundled. He planned to vote no on this item.

Motion by Alderman Hanson, seconded by Alderman Fruin that the Public Hearing be held and the amended FY 2012 Annual Budget Ordinance (which included the construction of Gaelic Park) be passed.

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

Ayes: Aldermen Mwilambwe, Schmidt, McDade, Anderson, Hanson and Fruin.

Nays: Alderman Stearns, Purcell and Sage.

Motion carried.

Mayor Stockton opened the floor for statements from the dissenting votes.

Alderman Stearns noted that promises were made regarding Franklin Park over twenty (20) years ago. She disagreed with bundling Gaelic Park into the Budget Ordinance.

The following was presented:

SUBJECT: Analysis of Request for Proposals (RFP) for Web Site Redesign and Implementation

RECOMMENDATION: That the RFP from Vision Internet for Web Site Redesign and Implementation in the amount of \$50,140 be approved and the Mayor and City Clerk be authorized to execute the necessary documents.

BACKGROUND: Staff has been working to select a vendor for redesign and implementation of the City's web site. For this long needed redesign, staff is seeking to partner with a vendor with demonstrated experience in providing web based tools targeted specifically at local government. Such firms have built in web site modules and features designed specifically around providing information and easy to use tools for citizens. An RFP was released on February 17, 2011. Fifty-three (53) individuals obtained the RFP from the City's web site. A pre-proposal meeting

was held on March 1, 2011 twenty-three (23) vendors were in attendance. A total of seven (7) proposals were received from a mixture of local, in state and out of state vendors. These vendors were:

- American Eagle - Park Ridge, IL
- Business Builders – Bloomington, IL
- Civic Plus – Manhattan, KS
- SOE Software – Tampa, FL
- Starlight Software Systems, Inc. – Normal, IL
- Unified Development, Inc. – Chesterfield, MO
- Vision Internet – Santa Monica, CA

A selection committee was formed with Information Services staff consisting of Scott Sprouls, Information Services Director, Craig McBeath, Webmaster, and Angela Yandel, Programmer/Analyst. These employees were chosen specifically for their ability to evaluate vendor RFP responses, which included technical questions relating to system functionality, features, integration capabilities, and overall ability to perform.

The committee was charged with first creating a short list of vendors (2 to 3) and then selecting a final vendor for recommendation to Council. Staff independently scored each of the seven (7) vendors based on required responses to functionality questions within the RFP. After compiling results of this initial scoring, staff selected the top three (3) vendors based on their response/compliance to requirements listed within the RFP.

After initial scoring and short listing, staff opened separate cost envelopes from each of the vendors. The short listed vendors, along with their scoring percentage, are as follows:

- American Eagle Inc. – Score - 96.34%
- Civic Plus – 88.60%
- Vision Internet – 96.13%

Staff then proceeded with in-depth follow up demonstrations and interviews with each of the three (3) short listed vendors. The goal of this process was to further evaluate each vendor's offerings to determine if any major advantages existed between them. Staff determined that all three (3) vendors' offerings were of high quality and each vendor brought slightly unique benefits and experience to their web site design process. All three (3) have experience in designing sites specifically for local government, although Vision Internet and Civic Plus focus almost exclusively on local government while American Eagle also has a strong private sector client base.

As a result of these in-depth interviews, and based on the vendors scoring percentage, staff selected American Eagle and Vision Internet with which to further negotiate final services and project pricing. Results of these negotiations are as follows:

Company	First Year Cost	Four Year Cost	
Vision Internet	\$50,140.00	\$62,020.00	*** recommended
American Eagle	\$53,999.40	\$70,199.40	

Staff recommends Vision Internet for this project, but must also draw Council’s attention to the fact that the vendor did not fully comply with the City’s RFP requirements. A single addendum was released to answer questioned that had been submitted before and during the pre-proposal meeting. Vendors were required to respond via email confirming receipt of the addendum, and were also required to include a signed hard copy as part of their proposal. Vision Internet did reply via email confirming receipt, but did not include a signed hard copy with their proposal. Staff consulted with the City’s Purchasing Agent who agreed that this oversight could be considered a technicality that Council has authority to waive same. If waived by Council, Vision Internet has offered to provide the addendum.

Staff requests that Council waive this technicality and approve the contract with Vision Internet for the following reasons:

- The RFP compliance scoring between Vision Internet and American Eagle was almost identical (VI - 96.13%; AE - 96.34%).
- Reference checks with all the short listed vendors were positive. However, Vision Internet references made a special point to mention that the company went out of their way to make sure the web site “represented” or “looked like” their city.
- References mentioned Vision Internet’s desire to tour their city and receive input from multiple groups of people in order to make sure the design was distinctive and represented their city.
- Easy to use content management system (CMS). Different users throughout the City will be using the CMS to manage content on the City web site.
- Focused almost exclusively on government web sites.
- Lowest first year and four (4) year costs of short listed vendors.
- Extensive list of industry awards for other web site designs.
- A flexible maintenance agreement. Unused hours can be rolled over and accumulated. They can also be used for support or future module upgrades or development.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Public Notice was placed in the Pantagraph on February 17, 2011 as well as posted on the City’s website. Fifty-three (53) RFPs were obtained from the City’s web site. A pre-proposal meeting was held on March 1, 2011 twenty-three (23) vendors were in attendance. A total of seven (7) proposals were received.

Not applicable for vendor selection. A user survey was available on City’s web site for approximately six (6) months. This information is important to the design process. Vision Internet has a proven process to include multiple stakeholders in the design process. References for Vision Internet spoke highly of their willingness and ability to incorporate this input into their design process.

- design comp;
- (iv) A payment equal to 20% of the total cost upon implementation of the Vision Content Management System on a Contractor's server;
 - (v) A payment equal to 20% of the total cost upon completion of the website and City approval.

4. Documents & Data; Licensing of Intellectual Property: This Agreement creates a non-exclusive and perpetual license for City to copy, use, or modify for its own use, any and all copyrights, designs, and other intellectual property embodied in this website, which are prepared or caused to be prepared by Contractor under this Agreement ("Documents & Data"), to which Contractor retains ownership of all intellectual property rights. Notwithstanding anything to the contrary in any of the agreement documents, City understands and agrees that Contractor shall retain all right, title, and interest to the Vision Content Management SystemTM (also known as the Vision Internet Content Management System, VCMT, VCMS and the Vision Content Management Tool), and Dynamic and Interactive Components.

5. Intentionally omitted.

6. Contractor shall provide at no charge, monthly website maintenance and updates ("Maintenance") for up to five hours each month for a period of three months commencing on the date of the website launch. Maintenance beyond five hours per month in the first three months is optional. Optional services and maintenance after the first three months are considered Extra Work as described in Paragraph 7.

7. Additional services not covered in this Agreement and extra hours will be presented to City for approval prior to commencement of work ("Extra Work"). Extra Work will be billed at Contractor's prevailing hourly rates, which are currently as follows: Content Migration, \$85/hr; Graphic Production, \$95/hr; Quality Assurance, Testing, Debugging, Technical Support, Webmaster Services, HTML Programming, \$105/hr; Consulting, Project Management, Database Design, Dynamic Programming, \$135/hr; Graphic Design, Training, \$125/hr; Straight flatbed scanning will be billed at \$10 per scan. Touch up work to images will be billed at the Graphic Design hourly rate. City shall be responsible for any or all additional fees including, without limitation: photography, stock images, illustration, fonts, scanning, software, applications, online promotion, marketing, copy writing, redesign, change orders, mailings, and fees to any third party vendors if applicable.

8. Intentionally omitted.

9. City shall supply all information to Contractor in digital format including without limitation copy, text, audio files, video files, pdf files, photographs, artwork and preexisting graphics.

10. City understands and agrees that Contractor will develop website frontend to be compatible with Internet Explorer 7.0 and 8.0 and Firefox 3.6. Website backend will be compatible with Internet Explorer 7.0 and 8.0. Website may not be compatible with previous or future versions. Website will be optimized for 1024 x 768 pixels resolution or above. City understands and agrees that the website will be developed with Hypertext Markup Language

("HTML"), JavaScript, and Microsoft ASP.NET ("MS-ASP") interfaced with a database created in Microsoft SQL Server 2005 ("MS-SQL"). City understands and agrees that the website is developed to run on a Microsoft Windows 2008 Server ("MS-Server"). visionMobile™, if provided under this Agreement, will be compatible with iPhone OS Safari 4, Android Chrome 4, Windows Mobile OS IE 6, BlackBerry Browser 4.5 and 5.0, Opera Mini 4 and 5, and Palm webOS. visionMobile™ may not be compatible with previous or future versions. visionMobile™, if provided under this Agreement, shall include "Powered by Vision Internet" in the footer and always be linked to a Contractor web page. City is responsible for the costs of all software licensing.

City understands and agrees that the website frontend will be designed to be compliant with Section 508 guidelines on accessibility. Content migrated into the website by Contractor will also be compliant. Compliance standards will be verified via Watchfire's Bobby™ software prior to Completion. City understands and agrees that website backend and third party tools may not be Section 508 compliant.

11. Limited Warranty: Contractor does warrant that all of the deliverables included in this Agreement will be conveyed to City. All programming code developed by Contractor within the project is warranted for a period of twelve (12) months from the date of the completion of the website ("Completion"). Contractor will create a backup of the website on the date of Completion. If any warranted problem arises while City or its designee is maintaining the website, Contractor will restore the website back to its condition as it existed at Completion. If Contractor is maintaining and hosting the website, Contractor shall restore the website back to its condition as it existed at the day of the most recent backup. Contractor shall only be responsible for any costs associated with correcting any unmodified programming code during this twelve (12) month period following the Completion.

Except as expressly set forth in the immediately preceding paragraph, CONTRACTOR MAKES NO WARRANTY OF ANY KIND, WHETHER EXPRESS OR IMPLIED, OF MERCHANTABILITY OR FITNESS OF THIS SERVICE FOR A PARTICULAR PURPOSE WHATSOEVER. In no event, at any time, shall the aggregate liability of Contractor exceed the amount of fees paid by City to Contractor and Contractor shall not be responsible for any lost profits or other damages, including direct, indirect, incidental, special, consequential or any other damages, however caused.

12. Contractor does not warrant any results from the use of any web pages created under this Agreement, including but not limited to, the number of page or site visitations, download speed, database performance, or the number of hits or impressions.

13. Although Contractor may offer an opinion about possible results regarding the subject matter of this Agreement, Contractor cannot guarantee any particular result. City acknowledges that Contractor has made no promises about the outcome and that any opinion offered by Contractor in the future will not constitute a guarantee.

14. Contractor may use any web pages developed for the City in any of its own promotional materials as examples of its work. Examples of acceptable usage include: Showing

the website as an example of Contractor's work as part of a proposal process, displaying the website design on Contractor's tradeshow booth, and including the website as an example of Contractor's work in general marketing materials. Contractor must retain express written consent from the City before publishing a press release about the website or utilizing it in a direct marketing campaign. City agrees that Contractor may place in the website footer an unobtrusive text link reading "Developed by Vision Internet" or the equivalent. Contractor's footer text credit shall always be linked to a Contractor web page.

15. Each Party warrants that it holds all rights necessary to display all the images, data, information or other items being displayed at the City's web pages during the effective period of this Agreement. City expressly authorizes Contractor to display and/or modify any City supplied images, data, information and other items in connection with the services provided herein with the exception of logos and/or other trademarked images. Contractor shall use such trademarked images exactly in the form provided and in conformance with any trademark usage policies provided by City to Contractor.

16. City agrees to use the website in strict accordance with, but not limited to, all local, state, and federal laws. City hereby agrees that any text, data, graphics, or any other material published by City on its website is free from violation of or infringement upon copyright, trademark, service mark, patent, trade secret, statutory, common law or proprietary or intellectual property rights of others, and is free from obscenity or libel.

17. Intentionally omitted.

18. With regard to web hosting, the Parties agree to the following:

(a) Contractor is not providing hosting. At City's request, Contractor will assist City with setting up the website. There will be no charge to City if Contractor is given Microsoft Remote Access and FTP access to both MS-Server and MS-SQL. In the event that Contractor is not given access to both MS-Server and MS-SQL, City will be charged the Technical Support hourly rate.

19. Contractor will defend, hold harmless and indemnify City from and against all liability, loss, cost, damage, or expense, including reasonable attorney's fees, resulting from any claim of injury to person, damages to property, or monetary damages arising solely out of Contractor's negligence or intentional misconduct or failure to perform obligations under this Agreement.

20. City will defend, hold harmless, and indemnify Contractor, its officers, directors, shareholders, employees, and agents from and against all liability, loss, cost, expense, including reasonable attorney's fees, resulting from any claim of injury to person, damages to property, or monetary damages arising out of City's negligence or intentional misconduct or failure to perform obligations under this Agreement.

21. Estimated times are included for convenience. Actual times will vary depending on City interaction and participation. However, the Parties agree to reasonably cooperate with one another in the construction and design of the website in a timely manner.

22. This Agreement shall be governed by and construed in accordance with the laws of the United States of America, and the State of California. Any cause of action of City with respect to the services provided hereunder must be instituted within one year after the claim or cause of action has arisen or be forever barred.

23. The waiver by one Party of any term or condition of this Agreement, or any breach thereof, shall not be construed to be a general waiver by said Party or as a waiver of any other term or breach.

24. Neither the course of conduct between the Parties nor any trade practice shall act to modify the provisions of this Agreement except as expressly stated herein.

25. With the intent to be legally bound, each of the undersigned hereby covenants and acknowledges that he, she or it (a) has read each of the terms set forth herein, (b) has the authority to execute this Agreement for such person or entity, and (c) expressly consents and agrees that the person or entity upon behalf of which the undersigned is acting shall be bound by all terms and conditions contained herein.

26. It is understood and agreed that if any interpretation is to be made of this Agreement, the same shall not be construed for or against any of the Parties.

27. The Parties have each been advised to seek independent legal counsel in entering into this Agreement and the transactions described herein. In the event a Party chooses not to seek independent legal counsel, that Party does so freely and knowingly and waives any such rights to counsel. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party.

28. Should a dispute, including but not limited to any litigation or arbitration be commenced (including any proceedings in a bankruptcy court) between the Parties hereto or their representatives concerning any provision of this Agreement, or the rights and duties of any person or entity hereunder, the Party or Parties prevailing shall be entitled to reasonable attorney's fees and court costs incurred by reason of such action.

29. Except for any injunctive relief or similar remedy, which may be sought in any court of competent jurisdiction, any controversy, dispute, claim or counterclaim, whether it involves a disagreement about this Agreement or its meaning, interpretation, or application; the performance of the Agreement; questions of arbitrability as to subject matter of the dispute; whether an agreement to arbitrate exists and, if so, whether it covers the dispute[s] in question; or any other question of arbitrability or form of disagreement or conflict among the Parties to the Agreement, shall be submitted to final and binding arbitration at the request of either Party, in

accordance with the Commercial Arbitration Rules of the American Arbitration Association. Each Party shall be responsible for one-half of the costs for the arbitrator(s) and arbitration.

30. This Agreement may be executed in counterparts, each of which shall be an original and all of which together shall constitute one and the same Agreement. This Agreement becomes effective upon Contractor's receipt of an executed copy of this Agreement.

31. Force Majeure: Any delay in the performance by either Party hereto of its obligations hereunder shall be excused when such delay in performance is due to any cause or event of any nature whatsoever beyond the reasonable control of such Party, including, without limitation, any act of God; any fire, flood, or weather condition; any computer virus, worm, denial of service attack; any earthquake; any act of a public enemy, war, insurrection, riot, explosion or strike; provided, that written notice thereof must be given by such Party to the other Party within ten (10) days after occurrence of such cause or event.

32. In the case of any conflict between the Terms and Conditions, Proposal, and Attachment A, the following order of priority shall be utilized: Terms and Conditions, Attachment A, Proposal.

33. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

34. The titles and headings of the paragraphs of this Agreement have been inserted for convenience of reference only and are not intended to summarize or otherwise describe the subject matter of such paragraphs and shall not be given any consideration in the construction of this Agreement.

35. Contractor shall agree to offer the prices and terms and conditions offered herein to other state, local, county, education, and municipal government agencies in the United States who wish to participate in a cooperative purchase program with Contractor.

36. All notices under this Agreement shall be in writing and effective on the date of delivery if delivered by personal service, Federal Express, or facsimile; or effective three (3) days after deposit in first class U.S. mail, postage prepaid, to each Party as follows:

(a) City: City of Bloomington
109 E. Olive Street
Bloomington, IL 61701
Attn: Scott Sprouls
Fax: 309-434-2601

(b) Contractor: Vision Internet Providers, Inc.
2530 Wilshire Boulevard, 2nd Floor
Santa Monica, California 90403
Attn: Steven Chapin

Fax: (310) 656-3103

CITY OF BLOOMINGTON

DATE: April 12, 2011

By: Stephen F. Stockton
Title: Mayor

VISION INTERNET PROVIDERS, INC.

DATE: _____

By: Steven Chapin
Title: President

Alderman Anderson commended City staff for its community outreach efforts of this item.

Alderman Schmidt expressed her support for a revamped City web site. She noted the need for a CMS, (Content Management System). She added that the Council packet did not contain the scope of work. She questioned the cost for this item. She expressed concern that this item was being outsourced to California. City staff followed the City's RFP, (Request for Proposal) process. There were local providers. She questioned outreach to the McLean County Chamber of Commerce. Finally, she questioned the software's ability to migrate to new browsers.

Scott Sprouls, Information Service (IS) Director, noted that the detailed scope of work had been provided via an Addendum. Alderman Schmidt had addressed a statement contained with the vendor's contract. He addressed the cost for anything over and above what was defined in the scope of work. City staff had prepared a detailed RFP. The vendor was committed to the price listed. The RFP was published in the Pantagraph and listed on the City's web site. No special outreach had been done. The RFP was in compliance with state law and City ordinance. He noted the high degree of interest. Two (2) local vendors submitted RFPs. This RFP was a good project and the response was also good. A decision was made to stay within the continental United States. He noted the proprietary nature of this type of project. The RFP did not specify a solution. It listed features and functions. City staff evaluated the responses and selected the top three (3) RFPs based upon a numerical score. City staff focused on the top two (2). The vendor selected had a focus on local government. The Content Management portion would not be open sourced. The City would own the code and have the ability to modify same. The City would not be locked into this vendor. An important issue was ease of use to add content.

Alderman Mwilambwe questioned what citizen input would entail. Mr. Sprouls stated that citizens would be involved. There were a number of ways to accomplish same. The process of defining same had just begun. Citizen input had yet to be determined. He cited the random survey which had been conducted via the City's web site during the last six (6) months. The vendor's references were checked. They cited the vendor's willingness to include citizens in the process. They stressed the time given and effort made.

Alderman Purcell acknowledged that the web site needed refreshment. He also had a number of questions. First, he questioned server capacity. Mr. Sprouls stated that the hardware was in place. Alderman Purcell questioned the annual cost of maintenance. Mr. Sprouls stated that a table which listed four (4) years of costs had been provided within the Council memorandum. Alderman Purcell questioned obsolescence. Mr. Sprouls noted that the vendor had a unique approach to web site refreshment which provided flexibility. He added that the average rate/life of a web site was four (4) years. Alderman Purcell questioned who would upgrade the new web site. Mr. Sprouls noted that CMS would make this easier for nontechnical staff. City staff would return to the vendor for new development work. The City's Web Master performed a variety of functions within the IS Department. The responsibility for web site content would be shifted to nonIS City staff. Alderman Purcell questioned if the new web site would support Google calendar. Mr. Sprouls responded affirmatively. Alderman Purcell questioned if Alderman would have the ability to publish newsletters by ward. Mr. Sprouls believed that technically this would be a possibility. Alderman Purcell questioned if survey monkey had been used. Mr. Sprouls responded affirmatively.

Motion by Alderman Stearns, seconded by Alderman Purcell to suspend the rules to allow someone to speak.

Motion carried.

Alton Franklin, 5 Andy Ct., Unit 1, addressed the Council. He questioned the bandwidth. Mr. Sprouls noted that currently there was approximately thirty (30) mb. Mr. Franklin questioned content migration, 100 p. Craig McBeath, Web Master, addressed the Council. The City currently had over 100 p. The vendor will provide migration training. Mr. Franklin questioned security. Mr. McBeath noted that this would be role based CMS. The web site would not support electronic payments. Payments would be on separate servers but integrated into the City's web site in a transparent manner.

Jay Balmer, 16 Fountain Lake Ct., addressed the Council. He believed that Vision Internet was a good company. He had reviewed the addendum. There was no guarantee that this vendor would support other web browsers. This issue needed to be addressed. He questioned the actual product. Their primary business was municipal web sites. He addressed the issue of local participation. There were a number of local commercial web site development companies. Mr. Sprouls restated that the browser was compatible. City staff had tested same. The vendor would make it compatible.

Motion by Alderman Schmidt, seconded by Alderman Anderson to return to order.

Motion carried.

Motion by Alderman Purcell, seconded by Alderman Schmidt that the RFP from Vision Internet for Web Site Redesign and Implementation in the amount of \$50,140 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, Hanson, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

Alderman Purcell requested that in the future information be provided sooner.

The following was presented:

SUBJECT: Petition from First State Bank of Bloomington Trustee MCLT #LDB-52 (Larry D. Bielfeldt) requesting approval of a Final Plat for the Eighth Addition to Hawthorne Commercial Subdivision located west of Towanda Barnes Road and south of General Electric Road

RECOMMENDATION: That the Final Plat be approved and the Ordinance passed.

BACKGROUND: This final plat consists of two (2) outlots for the purpose of outdoor advertising. Outlot 19 is south of the Parke Hotel and Conference Center on the west side of Towanda Barnes Road. Outlot 20 is north of the Super Pantry Convenience store on the west side of Towanda Barnes Road. Both outlots show no access strips along Towanda Barnes Road. Access easements are being provided through existing lots as shown on the plat. The zoning in this area is B - 1, Highway Business District and the proposed use is allowed.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: McLean County Highway Department

FINANCIAL IMPACT: The cost of all platting and recording will be borne by the petitioner.

Respectfully submitted for Council consideration.

Prepared by:

Reviewed as to legal sufficiency:

Jim Karch
Director of Public Works

J. Todd Greenburg
Corporation Counsel

Recommended by:

David A. Hales
City Manager

Alderman Fruin questioned this item. He cited the Central Illinois Regional Airport's flight plan as this plat addressed outdoor advertising along Towanda Barnes Rd. Jim Karch, Director – Public Works, addressed the Council. City staff had reached out to McLean County's Highway Department as a courtesy. There would not be direct access to these outlots (signs) from Towanda Barnes Rd.

Alderman Purcell questioned if each outlot would contain billboards. Mr. Karch noted that the Preliminary Plan had already been approved by the Council. The Final Plat had been reviewed by City staff. The City Code's sign ordinance would address any considerations for billboards. Alderman Purcell expressed his opinion that allowing billboards along Towanda Barnes Rd. would open the barn door. Sharon Walker, Divisional Manager – Code Enforcement, addressed the Council. She informed them that she was not an expert on the City's sign code. She would forward the Council's concerns on to the City's Sign Inspector. Alderman Purcell believed that there should be guidelines for advertising signs near the airport.

Todd Greenburg, Corporation Counsel, addressed the Council. The City's sign code included spacing requirements. Mayor Stockton questioned if the Bloomington-Normal Airport Authority (BNAA) had any regulatory authority. Mr. Greenburg addressed height limits and glide paths. Mayor Stockton questioned flashing lights. Mr. Greenburg believed that the Federal Aviation Authority, (FAA), might have authority. He was not aware of anything specific.

Mike Fitzgerald, 1805 Dunraven Rd., addressed the Council regarding this item. He expressed his opinion that additional lights were not needed on a final heading for landing. He encouraged City staff to check with the BNAA and the FAA regarding false readings.

Alderman Fruin expressed his interest in keeping things simple. He questioned if this item could be approved contingent upon the City Manager contacting the BNAA. Todd Greenburg, Corporation Counsel, addressed the Council. He recommended that this item be laid over until the Council's April 25, 2011 meeting. The Council should not approve an item based upon the discretionary act of another governmental unit. He had reviewed the City's sign code. He added that he did not see a hazard for pilots/passengers. Mr. Greenburg believed that a response from the BNAA regarding distance and illumination could be obtained within two (2) weeks.

Motion by Alderman Fruin, seconded by Alderman Purcell that the item be laid over until the Council's April 25, 2011 meeting.

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

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

Nays: None.

Motion carried, (viva voce).

The following was presented:

SUBJECT: Adoption of the 2011 Action Agenda

RECOMMENDATION: The 2011 Action Agenda be adopted.

BACKGROUND: Council had a two (2) day retreat on October 8 & 9, 2010 to review the status of the 2010 Action Agenda and to create one for 2011. Staff reviewed the Council's draft 2011 Action Agenda and performed a "reality check" on the list of items Council prepared. Each item was reviewed and categorized by staff. The funds for each item have been requested in the Proposed FY 2011-2012 budget which is to be adopted on April 11, 2011. This final draft of the 2011 Action Agenda has been previously shared with the Council by email in early March 2011.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: A Citizen Summit was held on January 25, 2011. The results of this summit were taken into consideration for the 2011 Action Agenda.

FINANCIAL IMPACT: Adopting the 2011 Action Agenda will set in place project goals and objectives to be completed by staff.

Respectfully submitted for Council consideration.

Prepared by:

Recommended by:

Kathryn Buydos
Executive Assistant

David A. Hales
City Manager

(2011 ACTION AGENDA ON FILE IN CLERK'S OFFICE)

David Hales, City Manager, recommended that this item be adopted. He reminded the Council that this item was amendable. The Action Agenda was correlated to the City's budget.

Alderman Purcell noted that the Council had reviewed and discussed this item. It was not new.

Motion by Alderman Schmidt, seconded by Alderman McDade that the 2011 Action Agenda be adopted.

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

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

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Approval of Contract for 2011 City Wide General Resurfacing

RECOMMENDATION: That the negotiated unit prices from Rowe Construction Co. for pavement resurfacing at various locations be accepted in the amount of \$1,931,300 with an effective date of May 1, 2011, the Mayor and City Clerk be authorized to execute the necessary documents, and the Resolution be adopted.

BACKGROUND: On January 10, 2011, the pavement management summary was presented to Council. Staff was authorized to negotiate unit prices with Rowe Construction Company for the 2011 City Wide General Resurfacing.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: The proposed Fiscal Year (FY) 2012 budget includes \$2.5 million for the pavement management. The resurfacing contract will be executed in the amount of \$1,931,300. The remaining pavement management funds shall be used for the Street and Alley Repair and Pavement Maintenance contracts. Staff respectfully recommends that Council approve this contract in FY 2011 with execution of the contract and encumbrance of funds to occur on May 1, 2011. Staff has discussed this process with Sikich, LLP who recommends that a footnote disclosure explanation be shown in the FY 2011 Comprehensive Annual Financial Report. Payment to the contractor will be from Capital Improvement Funds (X40100-72530).

Respectfully submitted for Council consideration.

Prepared by:

Jim Karch, PE CFM
Director of Public Works

Financial review by:

Timothy Ervin
Director of Finance

Reviewed as to legal sufficiency:

Recommended by:

Todd Greenburg
Corporate Counsel

David A. Hales
City Manager

RESOLUTION NO. 2011 - 13

**A RESOLUTION WAIVING THE FORMAL BIDDING PROCESS AND
AUTHORIZING AN AGREEMENT WITH ROWE CONSTRUCTION CO., FOR THE
2011 CITY WIDE GENERAL RESURFACING IN THE AMOUNT OF \$1,931,300, WITH
AN EFFECTIVE DATE OF MAY 1, 2011**

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

1. That the bidding process be waived and an agreement with Rowe Construction Co., for the 2011 City Wide General Resurfacing in the amount of \$1,931,300, with an effective date of May 1, 2011 be approved.

ADOPTED this 11th day of April, 2011.

APPROVED this 12th day of April, 2011.

APPROVED:

Stephen F. Stockton
Mayor

ATTEST:

Tracey Covert
City Clerk

Jim Karch, Director – Public Works, addressed the Council. A street rating system was completed in the spring 2009. The Council needed to increase funding for a Pavement Management program. A list of streets was provided to the Council in the fall 2010. The City had been provided with good pricing. He recommended that the Council approve this item.

Motion by Alderman Hanson, seconded by Alderman McDade that the negotiated unit prices from Rowe Construction Co. for pavement resurfacing at various locations be accepted in the amount of \$1,931,300 with an effective date of May 1, 2011, 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, Hanson, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Analysis of Bids for 2011 Street and Alley Repair - City Wide

RECOMMENDATION: That the unit prices from H.J. Eppel & Company, Inc. for street and alley repairs in the amount of \$500,000 be accepted, the contract be approved with an effective date of May 1, 2011, and the Mayor and City Clerk be authorized to execute the necessary documents.

BACKGROUND: At the January 10, 2011 meeting, staff was directed to seek competitive bids for 2011 Street and Alley Repair. Three (3) bids were received and opened at 2:00 p.m. on March 28, 2011 in the Council Chambers. Since the low bid is under budget and the project bid documents allow for the addition of repair locations, a contract for the entire budget amount will be awarded.

H.J. Eppel & Company, Inc.	\$ 410,463.25
Rowe Construction Company	\$ 425,753.67
McLean County Asphalt	\$ 564,320.40*
Engineer's Estimate	\$ 530,233.40
Budget	\$ 500,000.00

* Read as \$564,320.00 due to error in bid tabulation.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Public Notice was placed in the Pantagraph on March 14, 2011 as well as posted on the City's website. Seven (7) bid packages were obtained from the City's web site. A pre-bid meeting was held on March 21, 2011 at 10:00 a.m. in the Public Works conference room. Three (3) bids were submitted.

FINANCIAL IMPACT: The proposed FY 2012 budget includes \$2.5 million for the pavement management program. The Street and Alley Repair contract will be executed in the amount of \$1,950,000. The remaining Pavement Management Funds shall be used for the resurfacing and pavement maintenance contracts. Staff recommends that Council approve this resurfacing contract in FY 2011 with the execution of the contract and encumbrance of funds to occur on May 1, 2011. Staff has discussed this process with Sikich, LLP who recommends that a footnote

disclosure explanation be shown in the FY 2011 Comprehensive Annual Financial Report. Payment to the contractor will be from Capital Improvement Funds (X40100-72530).

Respectfully submitted for Council consideration.

Prepared by:

Financial reviewed by:

Jim Karch, PE CFM
Director of Public Works

Timothy Ervin
Director of Finance

Reviewed as to legal sufficiency:

Recommended by:

Todd Greenburg
Corporate Counsel

David A. Hales
City Manager

Mayor Stockton noted that this item involved a new vendor. Jim Karch, Director – Public Works, addressed the Council. He described this item as a positive move. The number of bidders/contractors had been increased. He had reached out to H. J. Eppel & Company over a year ago. This experienced company would provide quality work. There was a potential for the City to change its approach to the Pavement Management program.

Alderman Purcell questioned the company's location. Mr. Karch stated Pontiac, IL.

Motion by Alderman Schmidt, seconded by Alderman McDade that the unit prices from H.J. Eppel & Company, Inc. for street and alley repairs in the amount of \$500,000 be accepted, the contract be approved with an effective date of May 1, 2011, 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, Hanson, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

Alderman McDade questioned the Jersey bridge. Mr. Karch stated that City staff had researched this bridge to determine the property's ownership. He noted that the decking was less than acceptable.

Alderman Stearns questioned the flexibility in the street repair program. Mr. Karch reminded the Council that City staff had requested feedback back in November

2010 through January 2011. City staff needed flexibility to have the work done. City staff would utilize available resources and respond to what is found in the field.

The following was presented:

SUBJECT: Analysis of Proposals for Citywide Time Keeping and Scheduling System

RECOMMENDATION: That the proposal in the amount of \$309,994 from Empower Software Solutions be approved and the Mayor and City Clerk be authorized to execute the necessary documents.

BACKGROUND: On October 25, 2010, Council authorized staff to proceed with an Enterprise Resource Planning (ERP) project. Council approved contracts with Tyler Technologies, Inc. to implement Munis ERP software and ClientFirst Consulting Group for project management oversight during the three (3) plus year implementation.

Council approved an overall project budget of \$2,190,000 over four (4) fiscal years (2011-2014) for the ERP project. An important component to the ERP implementation is a system to automate time and attendance tracking, benefits accrual and personnel scheduling. In support of the need for this automation, a finding within the City's Fiscal Year 2010 independent audit related to the lack of integration between the time keeping and payroll systems. As with many facets of the ERP implementation, this integration will help the City comply with auditor recommendations.

Within the overall ERP budget, staff requested Council approval for funds for this system. Due to the City's advanced scheduling needs, Tyler Technologies, along with all other short listed ERP respondents, chose to partner with a third party vendor to provide this system. The third party system would then be integrated with the Munis software to automatically feed it the time keeping and benefits accrual information.

At the October 2010, Council meeting, staff requested a time keeping budget only, and did not make a vendor and contract selection, in order to provide more time to evaluate the time keeping proposals that had been received. Staff has since completed the analysis, evaluation, and demonstrations with the time keeping proposals.

Two (2) vendors submitted proposals, Kronos, Inc. and Empower Software Solutions. Both companies proposed their Work Force Management solutions (WFM), which provide a high level of management, automation, and labor cost analytics.

A time keeping selection committee was formed which included staff from Human Resources, Finance, Police, Fire, and Information Services. This committee was charged with making a recommendation for the time keeping vendor. However, input was received from staff within all departments in the form of a City wide demonstration from each vendor. Staff members in attendance were asked to rate each vendor's compliance with the City's feature/function requirements.

The cost summary for the two (2) vendors is as follows:

Vendor	Initial Implementation Cost	5 Year Cost	
Kronos	\$468,763.81	\$558,529.58	
Empower	\$309,994.00	\$470,378.00	*** recommended

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: Funds for this project are budgeted in Information Services Capital Outlay Computer Equipment account (G11610-72120).

Respectfully submitted for Council consideration.

Prepared by:

Financial review by:

Reviewed as to legal sufficiency:

Scott Sprouls
Director of Info. Services

Timothy Ervin
Director of Finance

J. Todd Greenburg
Corporation Counsel

Reviewed by:

Recommended by:

Barbara J. Adkins
Deputy City Manager

David A. Hales
City Manager

(CONTRACT ON FILE IN CLERK'S OFFICE)

Scott Sprouls, Director – Information Services, (IS), addressed the Council. This item was a piece of the ERP system. He cited the four (4) year budget figure for this system. At the time the Council awarded the system to Tyler Technologies, City staff informed the Council that a time keeping module would be presented for approval at a later date. This vendor would act as a third party to the MUNIS software. The cost would be split between two (2) fiscal years. City staff investigated two (2) vendors. Implementation costs would total \$305,914 which is \$94,086 under the budgeted figure. He restated that the time keeping module was part of the original request.

Alderman Purcell informed the Council that he had spoken with a fellow employee. Mitsubishi Motors currently used Kronos. He had three (3) questions: 1.) time line; 2.) testing/monitoring; and 3.) parameters. Mr. Sprouls addressed the time line. There would be a feature functions list that would have milestones. Accurate information was key. There would be parallel processes and confirmation. Work flow processes would document which employee was responsible for what.

Alderman Purcell questioned training. Mr. Sprouls noted that beyond the staff training included in the proposal Empower offered user groups and an annual conference.

Alderman Hanson expressed his confidence in City staff.

Alderman Purcell expressed his belief that it was important to ask questions due to the dollars involved.

Motion by Alderman Hanson, seconded by Alderman McDade that the proposal from Empower Software Solutions for Citywide Time Keeping and Scheduling System in the amount of \$309,994 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, Hanson, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

MAYOR'S DISCUSSION: Mayor Stockton informed the Council that the City had received a notice from the state's Liquor Control Commission regarding an appeal which had been filed regarding Tailwind. The hearing was scheduled for May 19, 2011 in Springfield.

The Liquor Commission would meet the next day, April 12, 2011 at 4:00 p.m. There were a number of items on the Commission's agenda. He added that the Annual Town Meeting would be held the same day at 6:00 p.m. All were invited to attend same. This meeting was a summary of the Township's previous year.

CITY MANAGER'S DISCUSSION: David Hales, City Manager, noted the state's Liquor Control Commission's May 19, 2011 hearing date. He cited the Corporation Counsel Office's role. George Boyle, Asst. Corporation Counsel, planned to file a motion to dismiss.

ALDERMEN'S DISCUSSION: Alderman Sage recognized the MUNIS update prepared by Scout Sprouls, Director – Information Services. He also commented positively on the employee newsletter which had been emailed to the Council.

Alderman Anderson addressed economic development. He noted the City's interest in retail development. The economy was beginning to improve and the City needed to be prepared.

Alderman Mwilambwe informed the Council that Illinois State University was working collaboratively with the Bloomington Center for the Performing Arts on a program addressing Latino Heritage scheduled for September 25, 2011.

He had also toured the rail yard with Alderman Purcell. The rail yard was located in Ward 7.

Alderman McDade thanked City staff for their efforts to address issues within her ward. She noted that it had been a successful budget cycle.

Alderman Purcell noted the evening's spirited conversation. The Council had voted and was ready to move forward.

Alderman Fruin commented positively about the County Board meeting room. He also thanked Jim Karch, Director – Public Works, for his Letter to the Editor which appeared in Sunday's Pantagraph. He had partnered with the Town of Normal's Public Works Director. Letters to the Editor could be used to promote the City's message and add credibility. He believed that such letters were refreshing.

Motion by Alderman Anderson, seconded by Alderman Schmidt, that the meeting be adjourned. Time: 10:24 p.m.

Motion carried.

**Tracey Covert
City Clerk**

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