

COMMITTEE OF THE WHOLE
City Hall Council Chambers
November 17, 2014

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

Staff present: David Hales, City Manager, Darren Wolf, Communication Center Manager and Tracey Covert, City Clerk.

Mayor Renner called the Committee of the Whole meeting to order at 5:30 p.m.

PUBLIC COMMENT

Mayor Renner opened the Public Comment section of the meeting. He added that there would not be a response from the Committee under the Public Comment portion of the meeting.

Alton Franklin, 508 Patterson Dr., addressed the Council. He claimed that he did not know what to say. He was disgusted and appalled. The Council has spent two (2) years discussing the expansion to McGraw Park. He questioned if no thought had been given. He cited Alderman Fruin's impassioned speech at the Council's November 10, 2014. He restated his disbelief. He had addressed the Council about integrity and honor. He cited creditability. Alderman Fruin's behavior was a heinous act of betrayal. He cited the role of Alderman. He recalled Mayor Stockton's tenure. He had called upon Mayor Stockton to resign based upon his lack of leadership and incompetence. He believed that Alderman Fruin needed to resign.

Phil Boulds, #1 Palm Ct., addressed the Council. He was the owner of Mugsy's Pub, located at 1310 N. Main St. He addressed a proposed Video Gaming Terminal (VGT) fee. He was opposed to same. He cited documents that were a part of the Committee of the Whole meeting packet. He noted the City's interest in user fees. He had attended the Liquor Commission's November 4, 2014 meeting. The Police Department's representative had stated that there had been no calls for service regarding VGT. He did not see any cost to the City regarding video gaming. He provided his estimate of revenue received from video gaming to date, (i.e. \$700,000). He added that the City's Prepared Food & Beverage Tax netted the City over \$2 million per year. He cited his concerns regarding action by the state addressing the minimum wage. The Affordable Care Act had impacted the cost of health insurance. He noted the Council's interest in gambling fees. He readdressed the Council's interest in user fees. He cited bicyclist as an example and their recent request for additional City services.

Gary Lambert, 3018 E. Oakland Ave., addressed the Council. He cited the publicity regarding the addition to McGraw Park. Those in support of this item cited that Central Catholic High School would only use a portion of the land during certain times of the year and during certain hours of the day. He cited a legal practice involving contracts, (i.e. four corners of the law). The enforcement of said lease would not include any verbal agreement. The lease as proposed would include the entire four (4) acres. There were no limitations based upon use.

Mayor Renner addressed McGraw Park. The \$750,000 Department of Commerce and Economic Opportunity grant was part of a Capital Bill that was approximately five (5) years old. The Council has met in Executive Session regarding same. None of the documents from the Council's November 10, 2014 meeting have been signed. There would be a motion to reconsider this item on the November 24, 2014 meeting agenda.

CITIZENS ACADEMY

Mayor Renner introduced this item. Certificates would be presented to the individuals who participated in the Citizen's Academy.

David Hales, City Manager, addressed the Council. He expressed his opinion that the Citizen's Academy was a success. He recognized Nora Durkowitz's, Communication Manager, efforts.

Nora Durkowitz, Communication Manager, addressed the Council. It had been a pleasure and honor to facilitate the inaugural Citizen's Academy. This ten (10) week program had been a success. Based upon the feedback received, the participants found the program rewarding. She hoped that it would continue into the future.

Certificates were presented to the following: Tamika Matthews, Michael Gorman, Ann Sullivan, Gary Lambert, Josh Barnett, Belinda Trunell, Sue Feldkamp, Alicia Henry, Paula Stubblefield, Andrew Blumhardt, and Pastor Peter Weeks. The following individuals were unable to attend: Kenneth Sampen, Rhoda Massie, Jessielee Hinshaw, James "Ray" Rybarczyk, Denise Grazer-Geske, David Purlee and Karen Lester.

Mayor Renner expressed his appreciation to Mr. Hales, Ms. Durkowitz and the participants.

MINUTES

Motion by Alderman Schmidt, seconded by Alderman Black, that the reading of the minutes of the Committee of the Whole of October 20, 2014 be dispensed with and the minutes approved as printed.

Motion carried, (viva voce).

COMMUNICATION CENTER OPERATIONS REPORT

Mayor Renner introduced the topic.

David Hales, City Manager, addressed the Council. He introduced Mike Leaf, retired Police Patrol Officer. Mr. Leaf's second career was telecommunications/communication centers. He had a national profile. He was coauthor of the original 911 legislation in the State of Illinois. His strong second career addressed critical life safety communication centers. Mr. Leaf had been asked to address two (2) key questions: achievement of the City's communication center and possible reuniting with MetComm. This preliminary study was a high level, data gathering which addressed the value of the current arrangement. Mr. Leaf had the understanding and

experience to address regionalization. The key was governance and funding, (i.e. cost allocation). The City was well served. Mr. Leaf performed an objective, external assessment. The topic was complex.

Mike Leaf, MLJ, Inc., addressed the Council. He planned to present the report highlights. He restated that this was a high level report. He addressed the project's objectives. He noted that the initial 911 legislation dated back to 1987/1988. Presentations were made throughout the state. McLean County showed interest in a telephone bill surcharge. The City initially showed no interest in same. He had met with the IL Commerce Commission, (ICC). The issue was revenue sharing with the ETSB, (Emergency Telephone Services Board). This was an autonomous board. The dollars are primarily to be used to fund technology, (i.e. support calls for service). The City left the ETSB. He had spoken with the ICC regarding revenue sharing.

He noted that there were two (2) communication centers in McLean County, (MetCom and City). There appeared to be two (2) options: City remains independent or City becomes part of MetCom. The City had an excellent communication center. It was well maintained and designed. It also served as a back up to MetCom. Both centers were part of the StarCom network. This provided interoperability as a common communication system was used. The City would be upgrading to the next generation of 911. The City's equipment would be upgraded and paid for by ETSB. The City had a nice equipment room which supported the technology.

Mr. Leaf compared calls for service – City versus MetCom.

Mayor Renner recalled his experience with this subject during his tenure on the County Board.

Mr. Leaf noted that all wireless calls went to MetCom first and were transferred to the City. The next generation of equipment would be more efficient. He cited redundancies. He compared call volume. MetCom would need to dedicate a staff member to handle the City's call volume. Funding was the issue. The City did not pursue this when it left in 2006. He noted that the ETSB and MetCom had a budget for 2014. A meeting was held with the ICC regarding 911 and options available to the City. The ETSB was an autonomous body. Funding was a choice. The City had not held a referendum. He cited the make up of the ETSB Board. The appointments were made by the McLean County Board. Historically, these were lifetime appointments.

MetCom and the City were back up centers for each other. Each system must have a backup PSAP. Metcom was the PSAP. The current set up was ideal. A single center would not be allowed, (part 725). McLean County and the City were too large, each center could back up each other and handle all call volume. Each center should continue to enhance each other. MetCom was a good facility. There was no place for the City at MetCom. The ETSB and McLean County would have to build a new center.

Mayor Renner expressed his opinion that the political leaders, (i.e. McLean County and Town of Normal), would not support the City's return to MetCom.

Mr. Leaf stated that operationally both centers worked well together. The best interest of the community was being served. In March, the ETSB purchased next generation 911. The transfer of data would be seamless. Call support would be expanded. The next generation 911 configuration was described as typical. Each CAMA trunk could be supported. Both systems would provide better service and support the entire County.

Mr. Leaf restated the legislation addressed payment for technology. He cited the following observations/recommendations: 1.) good working relationships; 2.) reasons for the separation were cited, (incompatible procedures, call volume, City's staff needs and physical space); and 3.) current configuration met back up requirements of the ICC, (i.e. case of failure at either PSAP). The bottom line the two (2) centers needed each other.

Mr. Hales made some final comments. He cited his six (6) year tenure with the City. He had a better understanding of the history. There had been change. There was a time when money was not an issue. Since 2009, money has been an issue. There was a need for collaboration. Citizens wanted good service and value. The City was working to rebuild relationships with the County and Town. Two (2) communication centers met the public safety needs of the community. He noted the funding inequity and the ETSB. Funding was an issue. City staff was looking for direction. The study had been valuable.

Mr. Leaf had seen consolidated versus diverse. There had to be a backup center. He cited his experience with New York City. The back up centers must be staffed. The legislation's purpose was to purchase technology.

Mayor Renner cited past history and mistrust.

Mr. Leaf noted the shared technology as a start. There had been shared training and some techniques. In addition, there had been some shared cost and increased use of technology.

Alderman Sage thanked Mr. Leaf for the presentation. He cited low hanging fruit, (i.e. training). He addressed ETSB appointments and best practices regarding appointments and planning. He believed that turnover was needed.

Mr. Leaf restated that once appointed to an ETSB, individuals remained. A fresh look was needed. He recommended that turnover occur at six to eight, (6 – 8), years of service. He noted that one's viewpoint was based upon experience. Boards can become myopic and routine. He restated that the County Board controlled the appointments to the ETSB. The key concern should be provision of good service, (i.e. fast, effective and quick).

Alderman Sage restated his belief that there needed to be systematic turnover. The \$1.25 surcharge was charged County wide flowed to the ETSB. The City withdrew from MetCom. The revenue flow was not negotiated.

Mayor Renner believed that the City paid to leave. Mr. Leaf noted that there was no vehicle for same.

Alderman Sage stated that the citizens subsidized the ETSB.

Mr. Leaf noted that the ETSB had paid for technology. Personnel cost was not part of ETSB funding. The ETSB was autonomous. He cited cost sharing for CAD, mobile data in vehicles, shared technology cost for the good of all.

Alderman Schmidt questioned the percentage of the Comm Center budget that was for technology. Mr. Leaf stated that this question was not part of his report.

Alderman Schmidt believed that it would be a different world if the City had not separated from MetCom. She also cited the new standard. Mr. Leaf restated the City had an excellent Comm Center.

Alderman Schmidt addressed money and questioned what the budget would look like.

Mr. Leaf noted that a key issue addressed which citizens were served by which center. The big issue for the City was to work with the ETSB regarding funding. Comm centers addressed public safety. The key was good operations and working relationships between the two (2) centers.

Alderman Black cited Section 5. Next Generation 911 of the report. He specifically cited no call transfers. Mr. Leaf noted that to the end user the process would be transparent. The new systems would be efficient.

Alderman Black cited citizens' expectations that it be instantaneous. Section 2. Individual PSAP Overview, addressed funding mechanisms which he believed applied to land lines only. He questioned the stability of the funding source.

Darren Wolf, Communication Center Manager, addressed the Council. The wireless surcharge was set by the state at .73 per cell line per month. Mr. Wolf noted that these funds were divided amongst a variety of sources.

Mr. Leaf added that these dollars went to the ETSB.

Alderman Black believed that it was difficult to draw a line of sight. He restated his concern regarding the decline in land lines. He questioned if the City had remained with MetCom and noted that the City's Comm Center served as a back up.

Mr. Leaf noted that the functionality must be able to handle the call volume of both centers. Each must be the whole package.

Alderman Black cited potential cost savings with MetCom.

Alderman Lower addressed the hardware from the perspective of incoming calls. He questioned outgoing radio calls.

Mr. Leaf readdressed the purpose of the study. MetComm's system was different from the City. A cost effective study would have to be undertaken. The City had the capability to back up MetCom.

Alderman Lower questioned the ability to reach all agencies in the County. Mr. Wolf responded affirmatively. The City had everything needed, (i.e. police, fire, EMS/Emergency Medical Services).

Mr. Leaf believed that the City was in a better position.

Alderman Lower questioned the future, (i.e. hardware upgrade). Mr. Leaf stated that the City was on the cutting edge. NG 911 would grow with technology.

Alderman Stearns questioned the purpose of the study. It appeared that an additional study was warranted. Mr. Leaf responded negatively. The current configuration was optimal. ETSB/County had the control over fund distribution.

Alderman Stearns questioned the study's cost. Mr. Hales cited \$5,000.

Alderman Stearns commented on the number of years since separation. She noted the City's investment in facilities and staff. She noted Mr. Leaf's public safety background. She questioned other specialist who could look at this issue. Mr. Leaf cited auditing firms that would run the numbers.

Alderman Stearns cited public safety and the City's ownership.

Alderman Mwilambwe thanked Mr. Leaf for the report. The arguments were political.

Mr. Leaf restated that the City's Comm Center was the best operationally and structure. The primary issue was funding. ETSB/County had control. Everyone in the community received the same benefits from MetCom/Comm Center.

Alderman Mwilambwe questioned approaching/negotiating with ETSB/County. The City had been a good neighbor.

Mr. Leaf cited long memories/emotions involved. The Council needed to be sensitive to the history. From day one the ETSB had ownership. Negotiations were key. He cited politics, people – nothing should be done formally.

Mayor Renner thanked Mr. Leaf for the presentation.

Mr. Hales restated that City staff needed Council direction, recommendations, etc.

Mayor Renner believed that the Council needed to absorb the information before beginning a conversation. He questioned the timeframe.

Mr. Hales noted that this was the inaugural public release of the report. City staff had had conversations with the Town and County. He questioned when the City would reach out to the ETSB, (i.e. next thirty/30 days). There would not be a Committee of the Whole Meeting in December 2014.

Mayor Renner informed the Council that he had had informal conversations with Mayor Chris Koos.

USER FEES, LIQUOR LICENSE AND VIDEO GAMING TERMINAL FEES

Mayor Renner introduced this topic.

David Hales, City Manager, addressed the Council. Discussions had continued regarding the topic of user fees, fees for service, etc. Initially taxes provided funding. Various Enterprise Funds charged fees, (i.e. water, sewer, etc.). Fees covered the cost of service. Fees/service charges were a main stay. He cited best practices. The Council had been provided with a copy of an Ordinance from West Jordan, UT. The City did not have same. He addressed the purpose of fees. The City needed to determine the service cost in order to avoid being arbitrary and capricious.

The City needed to develop a policy. A comprehensive review should be performed. The City needed to determine the percentage of cost recovery. These were Council decisions. The Council needed to see the costs and benefits. There would be an ongoing continuous program. It would include the impact of inflation in order to be kept up to date. As new fees were created, the City would have a foundation which would provide clarity. Fees needed to be fair and reasonable. The City would compare the cost for service and fee charged. Citizen engagement was needed. Stakeholders needed to be present at the discussion. Fees needed to be defensible.

The City did not have the personnel, expertise or funding to address this issue. This study needed to be established as a priority. This would involve a long process.

Mayor Renner provided a general background. The Liquor Commission had discussed liquor license fees for a number of years. The Commission had been unable to reach a consensus in order to make a recommendation to the Council. The Commission's discussion had been a dialogue which addressed cost recovery and sin taxes. Internal cost recovery would be difficult. Other communities had been looked at. The City had the lowest video gaming terminal fee, (zero). There had been no increase to liquor license fees in over thirty (30) years. He cited calls for service and video gaming.

He addressed a recent appeal of a Liquor Violation sanction. The Commission had spent over three (3) hours on the Liquor Violation hearing. There were other costs beyond public safety. Taxpayers were bearing the cost of liquor administration. Liquor sales/video gaming can be problematic. He cited a recent incident at the Lucky Garden located at 706 S. Eldorado Rd. There were costs, (i.e. police, equipment, corporation counsel, city clerk, outside legal counsel, etc.).

He restated that there was no agreement amongst the Commissioners. He expressed his interest in the Council's input.

Alderman Lower had spoken with license holders. A user fee might be palatable. He cited the expense to start a business and the cost structure. VGT were expensive. He questioned if the intention was to raise fees annually. How businesses could plan for same. He recommended phasing in any fee increase to accommodate costs incurred.

Alderman Sage noted that three (3) items were listed: user fees, liquor license fees and VGT fees. He believed that this evening there would be a general discussion.

Mayor Renner responded affirmatively. He restated that the Commission had attempted to address liquor license fees and VGT fees. The Commission's discussion became focused on Downtown issues.

Mr. Hales noted that this evening would be a high level discussion. City staff had not made a recommendation. Council had been provided with information regarding VGT.

Alderman Sage believed that he needed additional information in order to develop an informed opinion. He expressed interest in the front end cost to administer these fees. He wanted to resist the urge to adopt a VGT fee as it appeared to be a significant revenue source. He requested cost information. He was not in favor of a VGT fee at this time.

He questioned if liquor license fees were last increased in 1982. He requested a structured listing of all City fees charged today. The Downtown needed to pay for City services. He cited the Downtown hire back detail. Downtown bar owners needed to pay for this service. These costs could be addressed via a VGT fee and/or an increase to liquor license fees. The Downtown detail could operate on a call back system.

Mr. Hales reminded the Council of the April 2014 potential revenue raising items. VGT were on the list due to the fact that the Town of Normal had already implemented a VGT fee. Currently, City staff was not working on fee increases.

Alderman Stearns questioned this item. She addressed liquor licenses and VGT and the issue of fee fairness. She found the discussion strange as she did not believe that there was a way to quantify costs. The City did not ask the citizens to pay for 100% of all City services. She believed that liquor license fees should cover the administrative costs associated with same. There were a number of small restaurants and taverns. She cited the City's Prepared Food & Beverage Tax which is paid by these small businesses. The City had an employment base which consisted of service industry jobs. Employees of these small businesses represented the working poor. The City was taking away profits and would drive these establishments out of business. At a certain price point, people will stay home. Individuals were spending discretionary income. The Downtown consumed a large amount of City services. The City received some of the profits from VGT. Gambling was a social problem not a policing problem. She did not understand this item. User fees needed to be fair and not over burdensome.

Alderman Schmidt was glad that the Council was discussing user fees. The discussion was appropriate in her opinion. The City did not have the staff to address same. She recommended that the City use a student intern. Liquor license fees needed some adjustment which should be associated with the cost. She needed to understand the cost to the City regarding VGT. The City should not charge a fee just because it was able to. The City needed to make an effort to help the Council understand the cost.

Alderman Hauman had spoken with businesses that had VGT. She echoed Alderman Schmidt's comments regarding a VGT fee. She addressed negative effects of VGT. She questioned if this fee should be considered with liquor license fees. She suggested that license retention be linked to all taxes being kept current. VGT profits were being reinvested into the business/organization. She suggested that the City poll current liquor license holders with VGT to determine what would be fair.

Alderman Black suggested that the user fee study become an intern project. The City needed to create a line of sight regarding user fees and percentage of City service funded. He also addressed liquor licenses. Liquor Violations represented punitive issues. He noted that liquor license fees had not been increased since 1982. Any increase should be temperate. He expressed his sympathy to small businesses as they were not causing problems. He cited underage individuals in the Downtown taverns. The City needed to insure that these establishments were safe and responsible. He also addressed VGT. These machines were based upon losses. He encouraged the City to look to the free market.

Mayor Renner noted the video gaming was a lucrative business.

Alderman Black expressed his opinion that the City was overburdening small business.

Alderman Mwilambwe recommended that the Council have a philosophical discussion prior to the establishment of any new or increasing any existing fees. The City needed to determine what the fee(s) were being charged for. He specifically cited VGT. The City had not demonstrated that there was an issue with same. The City needed to educate the public regarding the negative effect of same. Resources were needed to move forward and one of those resources was time.

Mr. Hales believed that the City would benefit from taking action similar to McLean County. The County retained a firm to review all fees and review the service costs. The Council would be able to determine the percentage of subsidy. In addition, the City would know the resources needed to maintain services going forward. City staff was researching the budget to determine if the fee service/charge study was contain in this year's budget. This would determine the City's ability to start. He also addressed solid waste. Follow up discussion was needed.

Alderman Painter noted that liquor license fees had not been increased in thirty-two (32) years. Mayor Renner affirmed same. The dollar amount had remained the same. There had been no fee increase. He recalled conversations held with the Downtown bar owners.

Mr. Hales cited worker's compensation costs. The City was impacted by the Downtown taverns. There was not full cost recovery. He acknowledged that a study had not been undertaken but there was no resemblance between fees and costs.

Alderman Painter recommended that the Downtown taverns cover the cost of the Downtown hire back program.

Mr. Hales noted that incidents occur on the public right of way. The Liquor Commission can address behavior that occurs inside of an establishment. The DETF, (Downtown Entertainment Task Force), addressed occupancy loads. He added that minimal resources were available.

Alderman Painter questioned who was liable for activities that happen on the public right of way. Mr. Hales noted that Jeff Jurgens, Corporation Counsel, was absent.

Mayor Renner believed that the Police Department performed triage as it did not have the resources. He added that liquor violations were occurring outside of the Downtown. There were licensed establishments which were problem free. The Downtown was comparatively stable.

He added that this had been the Council's first discussion regarding these fees. He would provide the Council's feedback to the Liquor Commission. Fees, (establishing new and/or increasing existing) were a Council policy issue. The Commission would not make a recommendation to the Council.

Alderman Lower recommended that City staff poll other Central IL cities and question how they were addressing these issues/challenges.

Mr. Hales recommended that the DETF be revisited.

The meeting adjourned. Time: 7:45 p.m.

Respectfully submitted,

Tracey Covert
City Clerk