

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

The Council convened in regular Session in the Council Chambers, City Hall Building, at 7:00 p.m., Monday, April 27, 2015.

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

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

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

City Manager David Hales, Interim City Clerk Renee Gooderham, and Corporate Counsel Jeff Jurgens were also present.

Mayor Renner noted that eight (8) citizens had completed Public comment cards.

Motion by Alderman Schmidt, seconded by Alderman Hauman to suspend the rules for Public Comment, allowing eight (8) citizens three (3) minutes apiece to speak for a total of twenty - four (24) minutes.

Motion carried, (viva voce).

PUBLIC COMMENT: Mayor Renner 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.

Alton Franklin, 508 Patterson Dr., addressed the Council. He believed the CHA tap on and connection fees should not be reduced. He questioned the Budget transfer for Golf Courses. He cited rules from the Military in obtaining a Commendable rating.

Donna Boelen, 2702 Fox Trot Trl., addressed the Council. She believed the CHA tap on and connection fees should not be waived. She cited Chapter 37, Sewer, Sewage Disposal, Etc.

Josh Schmidgall, 2212 Beacon Ct., addressed the Council. He questioned the Reserve Policy funding amounts.

Sue Feldkamp, 1401 Wright St., addressed the Council. She thanked Alderman Stearns for her service to the Council.

Deb Polzin, 1306 Anderson, addressed the Council. She thanked Alderman Stearns for her years of service. She read from a prepared statement.

Julian Sigler, 904 W. Grove St., addressed the Council. He believed that staffs comments referencing Bulk Waste pick up on April 13, 2015 were incorrect. He noted that there were twenty (20) vacancies within the Public Works Department, Refuse Division.

Bruce Meeks, 1402 Wright St., addressed the Council. He thanked Alderman Stearns for her years of service to the Council. He believed that the infrastructure budget should have a set policy similar to the Pension Policy. He cited concern with the local motor fuel tax and road repairs.

Gary Lambert, 3018 E. Oakland, addressed the Council. He thanked Alderman Stearns for her service. He read cartoons from the Pantagraph dated April 14 and April 27, 2015. He cited concern with the US Cellular Coliseum budget transfer and the CHA tap on and connection fees.

The following was presented:

Recognition of Alderman Judy Stearns, presented by Tari Renner, Mayor.

Mayor Renner noted Alderman Stearns eight (8) years of service.

Alderman Stearns thanked the citizens for allowing her to serve. She read from a prepared statement. She believed that one (1) of her best accomplishments was the restoration of the Korean/Vietnam memorial.

The following was presented:

Oath of Office – Patrick Ryan, Water Director.

The following was presented:

Recognition Presentation of the Tree City USA Award, presented by David Lamb, Assistant Superintendent of Parks.

The following was presented:

Appointment of Ms. Brandi Sweeney to the John M. Scott Health Care Commission (JMSHCC).

The following was presented:

Appointment of Robert W. Porter to the Board of Library Trustees.

The following was presented:

Proclamation Declaring May 2015 to be the Building Safety Month, presented by Tari Renner, Mayor.

The following was presented:

Proclamation Declaring May 3 - May 9, 2015 Municipal Clerk's Week, presented by Tari Renner, Mayor to Renee Gooderham, Interim City Clerk.

The following was presented:

Proclamation Declaring April 28, 2015 Anne Weston McGowan Day, presented by Tari Renner, Mayor to Michael Brown, Executive Director, Ecology Action Center.

The following was presented:

Presentation of the Fluoridation Award, presented by Brett Lueschen, Interim Water Director.

The following was presented:

SUBJECT: Council Proceedings of April 13, 2015 and Work Session of March 9, 2015

RECOMMENDATION/MOTION: Recommend that the reading of the minutes of the previous Council Proceedings of April 13, 2015 and Work Session of March 9, 2015 be dispensed with and the minutes approved as printed.

STRATEGIC PLAN LINK: Goal 1. Financially sound City providing quality basic services.

STRATEGIC PLAN SIGNIFICANCE: Objective 1d. City services delivered in the most cost-effective, efficient manner.

BACKGROUND: The Council Proceedings of April 13, 2015 and Work Session of March 9, 2015 have been reviewed and certified as correct and complete by the City Clerk.

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

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

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: Not applicable.

Respectfully submitted for Council consideration.

Prepared by: Renee Gooderham, Interim City Clerk

Recommended by:

David A. Hales
City Manager

Motion by Alderman Schmidt, seconded by Alderman Hauman that the reading of the minutes of the previous Council Proceedings of April 13, 2015 and Work Session of March 9, 2015 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 Schmidt, Painter, Lower, Hauman, Sage, Black, Fruin, Stearns and Mwilambwe.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Bills and Payroll

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

STRATEGIC PLAN LINK: Goal 1. Financially sound City providing quality basic services.

STRATEGIC PLAN SIGNIFICANCE: Objective 1d. City services delivered in the most cost-effective, efficient manner.

FINANCIAL IMPACT: Total disbursements to be approved \$4,662,561.07, (Payroll total \$2,233,345.29, PCARD total \$162,184.70 and Accounts Payable total \$2,267,031.08).

Respectfully submitted for Council consideration.

Prepared by: Patti-Lynn Silva, Director of Finance

Recommended by:

David A. Hales
City Manager

Motion by Alderman Schmidt, seconded by Alderman Hauman 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 Schmidt, Painter, Lower, Hauman, Sage, Black, Fruin, Stearns and Mwilambwe.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Appointments to John M. Scott Health Care Commission (JMSHCC), Scott Estate Health Care Trust Investment Committee, and Board of Library Trustees

RECOMMENDATION/MOTION: That the Appointments be affirmed.

STRATEGIC PLAN LINK: Goal 1. Financially sound City providing quality basic services.

STRATEGIC PLAN SIGNIFICANCE: Objective 1e. Partnering with others for the most cost-effective service delivery.

BACKGROUND: I ask your affirmation of the following appointments:

John M. Scott Health Resource Center: Ms. Brandi Sweeney, affirming Advocate BroMenn Medical Center, appointment to this Board. Ms. Sweeney will replace Dr. Timothy Buffey's, appointment. Advocate BroMenn's Governing Body is authorized to appoint a member of their Board to the Scott Commission.

Per Section II of the JMSHCC by-laws, Ms. Brandi Sweeney shall serve out a term ending April 30, 2017 and a new term will be added ending April 30, 2020. She will then be able to serve for two (2) additional terms for a maximum of three (3) consecutive terms.

Scott Estate Health Care Trust Investment Committee: On October 23, 1992, the Judge of the Circuit Court approved the Trustee recommendation for the diversification of Trust investments and requested Trustees to appoint an Investment Committee, a custodial bank, and an investment manager.

On October 28, 1999, the City Council, as Trustee of the John M. Scott Health Care Trust, adopted and approved a revised Investment Policy, entitled “John M. Scott health Care Trust Investment Procedures and Policies. This Policy states that “Individuals serving on the Investment Committee must be recommended by the Scott Commission and approved by the Trustee. As a Subcommittee of the Scott Health Care Commission, the Investment Committee must be authorized to oversee and make investment decisions, select investment managers, allocate or reallocate funds among the various types of investment or managed funds for the Trust, subject to the review and approval of the Scott Health Care Commission and the Trustee.”

I ask your affirmation of the following appointments to the Investment Committee recommended by the Scott Commission on January 14, 2015:

Ruth Ann Fraker, former John M. Scott Health Resources Administrator
Annette Martinez, Vice-Chairman of the Scott Commission
Dr. Stephen Doran, former member of the Scott Commission
Deb Skillrud, John M. Scott Health Resources Administrator

Board of Library Trustees: I ask your concurrence in the appointment of Robert W. Porter of 702 South Moore Street, Bloomington, 61701, to the Board of Library Trustees. His three (3) year term will expire 4/30/18.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: None.

Respectfully submitted for Council consideration.

Prepared by: Beth Oakley, Executive Asst.

Recommended by:
Tari Renner
Mayor

Motion by Alderman Schmidt, seconded by Alderman Hauman that the Appointments be affirmed.

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

Ayes: Aldermen Schmidt, Painter, Lower, Hauman, Sage, Black, Fruin, Stearns and Mwilambwe.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Accepting Permanent and Temporary Water Main Easements at 1200 and 1203 S. Main St. Normal, IL

RECOMMENDATION/MOTION: Recommend that the Payment to Advocate BroMenn for Permanent Easements in the amount of \$34,500 and for Temporary Easements in the amount of \$1,000 for the Main St. Transmission Main Relocation Project be approved and the Mayor and City Clerk authorized to execute the necessary documents in a final form approved by the City Manager.

STRATEGIC PLAN LINK: Goal 2. Upgrade City Infrastructure and Facilities.

STRATEGIC PLAN SIGNIFICANCE: Objective 2b. Quality water for the long term.

BACKGROUND: There are two (2) transmission mains the City requires permanent and temporary easement to relocate same. There is a conflict with the Illinois Department of Transportation (IDOT) bridge replacement. Construction is scheduled to begin May 2015. Stark Excavating, Inc. was awarded the Construction Contract at the February Council meeting. The City hired Brian Finch, Inc. to provide a fair appraisal for the temporary and permanent easements from Advocate BroMenn.

Although the final verbiage of the easement documents is still being negotiated by the parties, the remaining changes should be nominal and of little impact to the City. The cost of the easements has been agreed to by the parties. Time is of the essence on this project, so City staff is seeking authorization to proceed even if the easement language is not finalized, subject to the final approval of the City Manager.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: None.

FINANCIAL IMPACT: This purchase will be made from the Water Transmission & Distribution-Other Professional & Technical Services account (50100120-70220). Stakeholders can locate this in the FY 2015 Budget Book titled "Other Funds & Capital Improvement Program" on page 137.

Respectfully submitted for Council consideration.

Prepared by: Brett Lueschen, Interim Water Director

Reviewed by: Jeffrey R. Jurgens, Corporation Counsel

Financial & Budgetary review by: Chris Tomerlin, Budget Analyst
Carla A. Murillo, Budget Manager

Recommended by:

David A. Hales
City Manager

Motion by Alderman Schmidt, seconded by Alderman Hauman that the Payment to Advocate BroMenn for Permanent Easements in the amount of \$34,500 and for Temporary Easements in the amount of \$1,000 for the Main St. Transmission Main Relocation Project be approved and the Mayor and City Clerk authorized to execute the necessary documents in a final form approved by the City Manager.

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

Ayes: Aldermen Schmidt, Painter, Lower, Hauman, Sage, Black, Fruin, Stearns and Mwilambwe.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Waive the Formal Bid Process as a limited source and Approve Agreement with Starnet Technologies, Inc.

RECOMMENDATION/MOTION: Recommend to Waive the Formal Bid Process as a limited source and Approve Agreement with Starnet Technologies, Inc. in the amount of \$58,699.51 and the Mayor and City Clerk authorized to execute the necessary documents.

STRATEGIC PLAN LINK: Goal 1 – Financially Sound City Providing Quality Basic Services

STRATEGIC PLAN SIGNIFICANCE: Objective 1d – City Services delivered in the most cost effective, efficient manner

BACKGROUND: The existing SCADA System software installed at the water treatment plant SCADA server and the workstations throughout the Water Department are outdated. The Windows operating system in each of these computers are still using Windows XP. Microsoft has discontinued the technical support and security update of the Windows XP operating system and it makes these computers running the SCADA system vulnerable to virus and malware infection. The current version of SCADA iFIX (version 3.5) is not compatible with Windows 7 and updating the operating system from Windows XP to Windows 7 is not possible without updating the old SCADA iFIX to version 5.8.

The SCADA system provides the connectivity between various pump stations and the water treatment plant. The SCADA system controls various pumps and valves throughout the whole water system. The software also collects and archives data from the control system.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: This software upgrade payment of \$58,699.51 will be made from Water Purification-Other Supplies (50100130-71190). Sufficient budgeted funds are available in the multiple accounts in the budget roll-up group to cover this expenditure. Stakeholders can locate this in the FY 2015 Budget Book titled "Other Funds & Capital Improvement Program" on page 143.

Respectfully submitted for Council consideration.

Prepared by: Brett Lueschen, Interim Water Director

Reviewed by: Steve Rasmussen, Asst. City Manager

Financial & Budgetary review by: Chris Tomerlin, Budget Analyst
Carla A. Murillo, Budget Manager

Legal review by: Jeffrey R. Jurgens, Corporation Counsel

Recommended by:

David A. Hales
City Manager

Motion by Alderman Schmidt, seconded by Alderman Hauman to waive the Formal Bid Process as a limited source and Approve Agreement with Starnet Technologies, Inc. in the amount of \$58,699.51 and the Mayor and City Clerk authorized to execute the necessary documents.

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

Ayes: Aldermen Schmidt, Painter, Lower, Hauman, Sage, Black, Fruin, Stearns and Mwilambwe.

Nays: None.

Motion carried.

The following was presented:

Motion carried.

The following was presented:

SUBJECT: Analysis of Bids and Contract Award to George Gildner, Inc. for the Jackson and Catherine St. Sewers (Bid # 2015-59)

RECOMMENDATION/MOTION: Recommend that the bid for Jackson and Catherine St. Sewers be awarded to George Gildner, Inc. in the amount of \$365,000 and the Mayor and City Clerk authorized to execute the necessary documents.

STRATEGIC PLAN LINK: Goal 2. Upgrade City infrastructure and facilities. Goal 5. Great place – livable and sustainable City.

STRATEGIC PLAN SIGNIFICANCE: Objective 2c. Functional, well maintained sewer collection system. Objective 5a. Well-planned City with necessary services and infrastructure.

BACKGROUND: Work proposed within this contract includes constructing sanitary sewer for the 500 and 600 blocks of east Jackson St., as well as storm and sanitary sewer for the 400 block of Catherine St. There is no public sanitary sewer main in these blocks. Properties are served from long private sewer services.

The contract allows 120 calendar days for the work to be completed from the issuance of the Notice to Proceed. The selected contractor will be required to provide a Performance Bond and Certificates of Insurance within ten (10) days after receipt of the Notice of Award.

The Public Works Department’s Engineering Division prepared plans and specifications for the Jackson and Catherine St. Sewers project and the project was advertised for bids beginning on March 30, 2015. Bids were received until 2:00 PM Monday, April 13, 2015, in the office of the City Clerk. Three (3) bids were received and opened in the City Hall Conference Room. The bid tabulation is attached.

George Gildner, Inc. (Low Bid)	\$ 328,732.00
G. A. Rich & Sons, Inc.	\$ 420,001.50
Stark Excavating, Inc.	\$ 443,777.00
<i>Engineer’s Estimate</i>	\$ 460,712.00

The awarded amounts include the base Proposal, the Additive Alternate for Catherine St. and a contingency amount for each fund. The base bid will be funded through the Sanitary Sewer fund (FY 15) and the Catherine St. Alternate will be funded through CDGB grants (FY 16).

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: This work was advertised in The Pantagraph on March 30 and April 6, 2015, and a pre bid meeting was held at 9:30 AM on April 6, 2015, in the Public Works Department Conference Room. The residents and landowners along each of the blocks have also been contacted regarding this project. Copies of two (2) letters that have been sent to the adjacent landowners are attached.

FINANCIAL IMPACT: The \$365,000 cost will be allocated as follows:

\$173,000 will be spent out of the FY 2015 Budget under Sanitary Sewer-Sewer Construction & Improvements (51101100-72550). Stakeholders can locate this in the FY 2015 Budget Book titled "Other Funds & Capital Improvement Fund" on pages 159, 280, 328, 334 & 335. \$280,000 was included in the FY 2015 Adopted Budget under Sanitary Sewer for this project.

\$192,000 will be spent out of the FY 2016 Budget under Community Development Capital Improvements-Sewer Construction & Improvements (22402440-72550-52000).

\$80,000 will be transferred from Community Development Capital Improvements-Sidewalk FY 2016 Budget (22402440-72560-52000) with the remaining \$112,000 transferred from the Community Development Capital Improvements-Demolition FY 2016 Budget (22402440-70651-52000) to Community Development Capital Improvements-Sewer Construction & Improvements Budget (22402440-72550-52000).

Respectfully submitted for Council consideration.

Prepared by: Anthony J. Meizelis, PE, Civil Engineer I

Reviewed by: Jim Karch, PE CFM, Public Works Director

Reviewed by: Steve Rasmussen, Asst. City Manager

Financial & Budgetary review by: Chris Tomerlin, Budget Analyst
Carla A. Murillo, Budget Manager

Legal review by: Jeffrey R. Jurgens, Corporate Counsel

Recommended by:

David A. Hales
City Manager

Motion by Alderman Schmidt, seconded by Alderman Hauman that the bid for Jackson and Catherine St. Sewers be awarded to George Gildner, Inc. in the amount of \$360,000 and the Mayor and City Clerk be authorized to execute the necessary documents.

Ayes: Aldermen Schmidt, Painter, Lower, Hauman, Sage, Black, Fruin, Stearns and Mwilambwe.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Ratification of Contract with Laborers International Union Local 362 Inspectors

RECOMMENDATION/MOTION: That the contract be ratified.

STRATEGIC PLAN LINK: Goal 1. Financially sound City providing quality basic services.

STRATEGIC PLAN SIGNIFICANCE: Objectives: 1d. City services delivered in the most cost-effective, efficient manner, and 1e. Partnering with others for the most cost-effective service delivery.

BACKGROUND: On February 27, 2015 the parties began negotiating the terms for a collective bargaining agreement to replace the Agreement that would expire on April 30, 2015. The expired contract can be located at www.cityblm.org under Human Resources in a folder titled Labor Contracts. A draft of the new Collective Bargaining Agreement has been provided to the Council. On March 31, 2015, the parties reached Tentative Agreement on the issues listed below. The union membership ratified the tentative agreement on April 8, 2015. This Union represents fifteen (15) budgeted full-time positions.

Wages and Benefits

- May 1, 2015 wage increase of 2.25%.
- May 1, 2016 wage increase of 2.25%.
- Addition of language on the Affordable Care Act (ACA) that would allow the City to make changes to the Health Insurance Plan in order to avoid the Cadillac Tax. The new language also permits the City to increase the employee's monthly insurance contributions to include any excise tax or penalty under the ACA.
- Reduce the number of sick leave hours a new employee receives in the first nine months of employment from 20 hours a month to 8 hours a month.

Miscellaneous Items

- Modified language that will allow the City and the Union the ability to strike a grievance arbitration panel and request a new list.

Term of Agreement

- 2 year Agreement

Other minor changes can be found in the draft Collective Bargaining Agreement.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Council and Local 362 Inspector employees.

FINANCIAL IMPACT: Increase in wage tables by 2.25% effective May 1, 2015 and by 2.25% effective May 1, 2016. Estimated cost of these wage increases during the term of the contract, excluding longevity increases, is approximately \$57,000.

Respectfully submitted for Council consideration.

Prepared by: Angie Brown, Human Resources Specialist
Reviewed by: Nicole Albertson, Human Resources Director
Financial & Budgetary review by: Paulette Hurd, Chief Accountant
Legal review by: Angela Fyans-Jimenez, Deputy Corporation Counsel
Recommended by:

David A. Hales
City Manager

Motion by Alderman Schmidt, seconded by Alderman Hauman that the contract be ratified.

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

Ayes: Aldermen Schmidt, Painter, Lower, Hauman, Sage, Black, Fruin, Stearns and Mwilambwe.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Ratification of Contract with Laborers International Union Local 362 Parking Enforcement

RECOMMENDATION/MOTION: That the contract be ratified.

STRATEGIC PLAN LINK: Goal 1. Financially sound City providing quality basic services.

STRATEGIC PLAN SIGNIFICANCE: Objectives: 1d. City services delivered in the most cost-effective, efficient manner, and 1e. Partnering with others for the most cost-effective service delivery.

BACKGROUND: On March 17, 2015 the parties began negotiating the terms for a collective bargaining agreement to replace the Agreement that would expire on April 30, 2015. The expired contract can be located at www.cityblm.org under Human Resources in a folder titled Labor Contracts. A draft of the new Collective Bargaining Agreement has been provided to the Council. On April 7, 2015, the parties reached Tentative Agreement on the issues listed below.

The union membership ratified the tentative agreement on April 7, 2015. This Union represents four (4) budgeted full-time positions.

Wages and Benefits

- May 1, 2015 wage increase of 2.25%.
- May 1, 2016 wage increase of 2.25%.
- Addition of language on the Affordable Care Act (ACA) that would allow the City to make changes to the Health Insurance Plan in order to avoid the Cadillac Tax. The new language also permits the City to increase the employee's monthly insurance contributions to include any excise tax or penalty under the ACA.

Miscellaneous Items

- Modified language that will allow the City and the Union the ability to strike a grievance arbitration panel and request a new list.

Term of Agreement

- 2 year Agreement

Other minor changes can be found in the draft Collective Bargaining Agreement.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Council and Local 362 Parking Enforcement employees.

FINANCIAL IMPACT: Increase in wage tables by 2.25% effective May 1, 2015 and by 2.25% effective May 1, 2016. Estimated cost of these wage increases during the term of the contract, excluding longevity increases, is approximately \$9,500.

Respectfully submitted for Council consideration.

Prepared by: Angie Brown, Human Resources Specialist

Reviewed by: Nicole Albertson, Human Resources Director

Financial & Budgetary review by: Paulette Hurd, Chief Accountant

Legal review by: Angela Fyans-Jimenez, Deputy Corporation Counsel

Recommended by:

David A. Hales
City Manager

Motion by Alderman Schmidt, seconded by Alderman Hauman that the contract be ratified.

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

Ayes: Aldermen Schmidt, Painter, Lower, Hauman, Sage, Black, Fruin, Stearns and Mwilambwe.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Ratification of Contract with Laborers International Union Local 362 Support Staff

RECOMMENDATION/MOTION: That the contract be ratified.

STRATEGIC PLAN LINK: Goal 1. Financially sound City providing quality basic services.

STRATEGIC PLAN SIGNIFICANCE: Objectives: 1d. City services delivered in the most cost-effective, efficient manner, and 1e. Partnering with others for the most cost-effective service delivery.

BACKGROUND: On March 12, 2015 the parties began negotiating the terms for a collective bargaining agreement to replace the Agreement that would expire on April 30, 2015. The expired contract can be located at www.cityblm.org under Human Resources in a folder titled Labor Contracts. A draft of the new Collective Bargaining Agreement has been provided to the Council. On April 1, 2015, the parties reached Tentative Agreement on the issues listed below. The union membership ratified the tentative agreement on April 13, 2015. This Union represents thirty (30) budgeted full-time positions.

Wages and Benefits

- May 1, 2015 wage increase of 2.25%.
- May 1, 2016 wage increase of 2.25%.
- Addition of language on the Affordable Care Act (ACA) that would allow the City to make changes to the Health Insurance Plan in order to avoid the Cadillac Tax. The new language also permits the City to increase the employee's monthly insurance contributions to include any excise tax or penalty under the ACA.

Miscellaneous Items

- Modified language that will allow the City and the Union the ability to strike a grievance arbitration panel and request a new list.

Term of Agreement

- 2 year Agreement

Other minor changes can be found in the draft Collective Bargaining Agreement.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Council and Local 362 Inspector employees.

FINANCIAL IMPACT: Increase in wage tables by 2.25% effective May 1, 2015 and by 2.25% effective May 1, 2016. Estimated cost of these wage increases during the term of the contract, excluding longevity increases, is approximately \$73,000.

Respectfully submitted for Council consideration.

Prepared by: Angie Brown, Human Resources Specialist

Reviewed by: Nicole Albertson, Human Resources Director

Financial & Budgetary review by: Paulette Hurd, Chief Accountant

Legal review by: Angela Fyans-Jimenez, Deputy Corporation Counsel

Recommended by:

David A. Hales
City Manager

Motion by Alderman Schmidt, seconded by Alderman Hauman that the contract be ratified.

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

Ayes: Aldermen Schmidt, Painter, Lower, Hauman, Sage, Black, Fruin, Stearns and Mwilambwe.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Dissolution of Downtown Special Tax Allocation Fund and Terminating the Designation of the Downtown Bloomington Redevelopment Project Area

RECOMMENDATION/MOTION: That the Ordinance be passed.

STRATEGIC PLAN LINK: Goal 3. Grow the Local Economy

STRATEGIC PLAN SIGNIFICANCE: Objective 3e. Strong working relationship among the City, businesses, economic development organizations.

BACKGROUND: The City previously adopted an Ordinance in 1986 in accordance with the Tax Increment Allocation Redevelopment Act of the State of Illinois to establish a redevelopment project area in Downtown Bloomington. The activities of this Tax Increment Financing District are accounted for in the Central Bloomington TIF Redevelopment Fund. All projects in the TIF district were completed however; due to litigation the fund remained open. The Central Bloomington TIF fund can now be closed but has a deficit balance of \$21,005.57 which is included in tonight's general fund proposed budget transfers.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not Applicable.

FINANCIAL IMPACT: To close the Downtown Special Tax Allocation Fund also known as the Central Bloomington TIF Redevelopment Fund, a transfer of \$21,005.57 will be made from the General Fund Transfer (10019180-89420) to the Central Bloomington TIF Redevelopment Fund (40300300-85100) to cover the deficit created by legal fees incurred defending litigation.

Respectfully submitted for Council consideration.

Prepared by: Paulette Hurd, Chief Accountant
Reviewed by: Patti-Lynn Silva, Finance Director
Financial & Budgetary review by: Chris Tomerlin, Budget Analyst
Legal review by: Jeffrey R. Jurgens, Corporation Counsel
Recommended by:

David A. Hales
City Manager

Ordinance No. 2015 - 19**AN ORDINANCE OF THE CITY OF BLOOMINGTON, MCLEAN COUNTY, ILLINOIS, DISSOLVING THE DOWNTOWN SPECIAL TAX ALLOCATION FUND AND TERMINATING THE DESIGNATION OF THE DOWNTOWN BLOOMINGTON REDEVELOPMENT PROJECT AREA**

WHEREAS, the City of Bloomington, McLean County, Illinois (the “City”), is a duly organized and validly existing home-rule municipality created in accordance with the Constitution of the State of Illinois of 1970 and the laws of the State, and as a home rule unit may, under the powers granted by Section 6(a) of Article VII of the Constitution of the State of Illinois of 1970, “exercise any power and perform any function pertaining to its government and affairs”; and,

WHEREAS, pursuant to their powers and in accordance with the requirements of the Tax Increment Allocation Redevelopment Act of the State of Illinois, 65 ILCS 5/11-74.4-1 *et seq.*, as from time to time amended (the “*TIF Act*”), the Mayor and City Council of the City (the “*Corporate Authorities*”), pursuant to Ordinance Nos. 1986-187, 1986-188, and 1986-189, respectively, adopted by the Corporate Authorities on December 22, 1986, designated a “redevelopment project area” known as the “*Downtown Bloomington Redevelopment Project Area*” (the “*Project Area*”); adopted tax increment allocation financing for the Project Area, and, in connection therewith, established the Downtown Special Tax Allocation Fund (the “*Special Tax Allocation Fund*”); and adopted and approved the Downtown Bloomington Tax Increment Redevelopment Plan; and,

WHEREAS, pending the outcome of litigation, the Corporate Authorities determined that the Special Tax Allocation Fund should remain open in order to pay all outstanding obligations; and,

WHEREAS, the Corporate Authorities have now paid or provided for all of the obligations incurred in connection with the designation of the Project Area; and,

WHEREAS, the Corporate Authorities have heretofore and hereby expressly determine that it is desirable and in the best interests of the City and all taxing districts having jurisdiction that the Special Tax Allocation Fund be dissolved and the designation of the Project Area be terminated.

NOW, THEREFORE BE IT ORDAINED by the Mayor and City Council of the City of Bloomington, McLean County, Illinois, by and through its home rule powers, as follows:

Section 1. *The Incorporation of Preambles.* The Corporate Authorities hereby find that all of the recitals contained in the preambles to this Ordinance are true and correct and do hereby incorporate them into this Ordinance by this reference.

Section 2. *Special Tax Allocation Fund Dissolved.* The Downtown Special Tax Allocation Fund is hereby dissolved.

Section 3. Designation of Project Area Terminated. The designation of the Downtown Bloomington Redevelopment Project Area is confirmed to have been terminated as of December 21, 2009.

Section 4. Repealer. All ordinances, resolutions, orders or parts thereof, in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed.

Section 5. Effective Date. This Ordinance shall be in full force and effect upon its passage and approval, as provided by law.

PASSED this 27th day of April, 2015.

AYES: 9
NAYS: 0
ABSENT: 0

APPROVED:

Tari, Renner
Mayor

ATTEST:

Renee Gooderham
Interim City Clerk

Motion by Alderman Schmidt, seconded by Alderman Hauman that the Ordinance be passed.

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

Ayes: Aldermen Schmidt, Painter, Lower, Hauman, Sage, Black, Fruin, Stearns and Mwilambwe.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Special Tax Allocation Fund Dissolution of the Market Square Redevelopment Project Area and Tax Increment Financing (TIF) Amended Budget Ordinance

RECOMMENDATION/MOTION: That the Dissolution Ordinance of the Market Square Redevelopment Project Area TIF and the Amended Budget Ordinance adding \$1,815 to the

Market Square TIF - Interest on Investments (30300300-56010) and Other Purchased Services (40300300-70690) and the reallocating of \$306,233.25 – Other Purchased Services (30300300-70690) to the General Fund (30300300-89100) be approved and the Mayor and City Clerk authorized to execute the necessary documents.

STRATEGIC PLAN LINK: Goal 3. Grow the Local Economy

STRATEGIC PLAN SIGNIFICANCE: Objective 3e. Strong working relationship among the City, businesses, economic development organizations.

BACKGROUND: The City previously adopted an ordinance in 1986 in accordance with the Tax Increment Allocation Redevelopment Act of establishing the redevelopment of the Market Square Project Area. The activities of this TIF District are accounted for in the Market Square TIF Bond Redemption Fund. All projects (i.e., a full service truck stop and a 60,000 square foot shopping center) in same were completed leaving surplus revenue that can be distributed to taxing bodies after fund closure. The surplus funds distribution calculation has been made in accordance with State guidelines and the adoption of this Ordinance will close the fund. The City will receive \$306,233.35 of the total \$953,544 surplus.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: In closing the Market Square Special Tax Allocation Fund also known as the Market Square TIF Bond Redemption, surplus funds will be distributed as follows: \$647,310.65 (30300300-70690) to the State and \$306,233.35 (30300300-89100) to the City's General Fund (10019180-85330) and reallocating \$306,233.35 – Other Purchased Services (30300300-70690) to the General Fund (30300300-89100). Stakeholders can locate this in the FY 2015 Budget Book titled "Other Funds & Capital Improvement Program" on page 92.

Respectfully submitted for Council consideration.

Prepared by: Paulette Hurd, Chief Accountant

Reviewed by: Patti-Lynn Silva, Finance Director

Financial & Budgetary review by: Chris Tomerlin, Budget Analyst

Legal review by: Jeffrey R. Jurgens, Corporation Counsel

Recommended by:

David A. Hales
City Manager

ORDINANCE NO. 2015 - 20**AN ORDINANCE OF THE CITY OF BLOOMINGTON, MCLEAN COUNTY, ILLINOIS,
DISSOLVING THE SPECIAL TAX ALLOCATION FUND FOR THE
MARKET SQUARE REDEVELOPMENT PROJECT AREA**

WHEREAS, the City of Bloomington, McLean County, Illinois (the “City”) is a duly organized and validly existing home-rule municipality created in accordance with the Constitution of the State of Illinois of 1970 and the laws of the State; and,

WHEREAS, the Mayor and City Council of the City (the “Corporate Authorities”), pursuant to Ordinance Nos. 1986-74, 1986-75, and 1986-76, respectively, adopted on June 9, 1986, in accordance with the Tax Increment Allocation Redevelopment Act of the State of Illinois, 65 ILCS 5/11-74.4-1, *et seq.*, as from time to time amended (the “TIF Act”), approved the Market Square Tax Increment Financing Redevelopment Plan (the “Plan”), for a specific area qualifying as a redevelopment project area under the TIF Act (the “Project Area”); designated the Project Area as a “redevelopment project area,” as that term is defined under the TIF Act; and adopted tax increment allocation financing for the purpose of implementing the Plan for the Project Area; and,

WHEREAS, the Corporate Authorities, extended the estimated date for completion of the Plan and the retirement of obligations to finance redevelopment project costs incurred in connection with the Project Area; and,

WHEREAS, the Corporate Authorities have determined that it is desirable and in the best interests of the City and all taxing districts having jurisdiction that the Special Tax Allocation Fund for the Project Area be dissolved; and,

WHEREAS, the Corporate Authorities have now paid or provided for all of the obligations incurred in connection with the designation of the Project Area and are now prepared to dissolve the Special Tax Allocation Fund for the Project Area and to calculate and distribute all remaining funds after providing for the payment of any final administrative costs as mandated by the TIF Act.

NOW THEREFORE, BE IT ORDAINED by the Mayor and City Council of the City of Bloomington, McLean County, Illinois, as follows:

Section 1. The foregoing recitals are hereby incorporated into this Ordinance as if restated in this Section.

Section 2. The Special Tax Allocation Fund for the Market Square Redevelopment Project Area is hereby dissolved.

Section 3. The Corporate Authorities are hereby directed to calculate and distribute all funds remaining in the Special Tax Allocation Fund for the Market Square Redevelopment Project Area, after providing for the payment of any final administrative costs, in accordance with the requirements of the TIF Act.

Section 4. The designation of the Market Square Redevelopment Project Area is confirmed to have been terminated as of December 31, 2013.

Section 5. All ordinances, resolutions, orders of parts thereof, in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed.

Section 6. This Ordinance shall be in full force and effect upon its passage and approval, as provided by law.

PASSED this 27th day of April, 2015.

AYES: 9
NAYS: 0
ABSENT: 0

APPROVED:

Tari Renner
Mayor

ATTEST:

Renee Gooderham
Interim City Clerk

ORDINANCE NO. 2015 – 21**AN ORDINANCE AMENDING THE BUDGET ORDINANCE
FOR THE FISCAL YEAR ENDING APRIL 30, 2015**

WHEREAS, on April 21, 2014 by Ordinance Number 2014 - 35, the City of Bloomington passed a Budget and Appropriation Ordinance for the Fiscal Year Ending April 30, 2015, which Ordinance was approved by Mayor Tari Renner on April 28, 2014; and

WHEREASE, a budget amendment is needed as detailed below;

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

Section One: Ordinance Number 2014 - 35 (the Budget and Appropriation Ordinance for the Fiscal Year Ending April 30, 2015) is further hereby amended by inserting the following line item and amount presented in Exhibit #1 in the appropriate place in said Ordinances.

Section Two: Except as provided for herein, Ordinance Number 2014 - 35 shall remain in full force and effect, provided, that any budgeted or appropriated amounts which are changed by reason of the amendments made in Section One of this Ordinance shall be amended in Ordinance Number 2014 - 35.

Section Three: This Ordinance shall be in full force and effect upon its passage and approval.

PASSED the 27th day of April 2015.

APPROVED the 28th day of April 2015.

APPROVED:

Tari Renner
Mayor

ATTEST:

Renee Gooderham
Interim City Clerk

Motion by Alderman Schmidt, seconded by Alderman Hauman that the Dissolution Ordinance of the Market Square Redevelopment Project Area TIF and the Amended Budget Ordinance adding \$1,815 to the Market Square TIF - Interest on Investments (30300300-56010) and Other Purchased Services (40300300-70690) and the reallocating of \$306,233.25 – Other Purchased Services (30300300-70690) to the General Fund (30300300-

89100) be approved and the Mayor and City Clerk authorized to execute the necessary documents.

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

Ayes: Aldermen Schmidt, Painter, Lower, Hauman, Sage, Black, Fruin, Stearns and Mwilambwe.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Lake Bloomington Lease Transfer Petition for Lot 1, Block 24 of Camp Potawatomie, from William B. Eaton, and the heirs of his two sons to Jennifer Jo Peifer

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

STRATEGIC PLAN LINK: Goal 1. Financially sound City providing quality basic services.

STRATEGIC PLAN SIGNIFICANCE: Objective 1a. Budget with adequate resources to support defined services and level of services.

BACKGROUND: The sewage disposal system inspection was completed in November, 2014. The septic system appears to be functioning normally. The septic tank does not need to be pumped. Septic tank has no outlet and home owners pump as needed during summer season. The age of the sewage disposal system is over eighty-two (82) years. The McLean County Health Department estimates sewage disposal systems have an average life span of approximately twenty to twenty-five (20-25) years. However, this can be affected greatly by usage patterns of the premises (seasonal versus full time occupancy) and system maintenance.

William B. Eaton's Will, filed December 15, 1981, and lists his two (2) sons William B. Eaton Jr. and Robert B. Eaton as heirs to the property at Lake Bloomington. The sons have died and left same to their children: Gregory L. Eaton; James D. Eaton; Lucinda Lee Larsen, Anne Elizabeth Kiper; Rebecca Sue Pease; Timothy Robert Eaton; David Eric Eaton and Jennifer Jo Peifer. The children are selling their interest to Jennifer Jo Peifer.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: This petition will have a neutral financial impact in that the current lease uses the current formula, (\$0.40 per \$100 of Equalized Assessed Value), for determining the Lake Lease Fee. With this transfer, the lake lease formula will generate about \$217.19 per

year in lease income. The lake lease income will be posted to Lake Maintenance-Lease Income (50100140 – 57590). Stakeholders can locate this in the FY 2016 Proposed Budget Book titled “Other Funds & Capital Improvement Program” on page 104.

Respectfully submitted for Council consideration.

Prepared by: Connie Fralick, Office Manager
Reviewed by: Brett Lueschen, Interim Water Director
Financial & budgetary review by: Chris Tomerlin, Budget Analyst
Carla A. Murillo, Budget Manager
Legal review by: Jeffrey R. Jurgens, Corporation Counsel
Recommended by:

David A. Hales
City Manager

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

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

Ayes: Aldermen Schmidt, Painter, Lower, Hauman, Sage, Black, Fruin, Stearns and Mwilambwe.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Acceptance of a \$20,000 Donation from Curative Health Inc., a subsidiary of Columbia Care LLC to create summer jobs for At Risk Youth

RECOMMENDATION/MOTION: That the donation in the amount of \$20,000 be accepted and earmarked for funding At Risk Youth.

STRATEGIC PLAN LINK: Goal 4. Strong Neighborhoods

STRATEGIC PLAN SIGNIFICANCE: Objective 4a. Residents feeling safe in their homes and neighborhoods. Objective 4e. Strong partnerships with residents and neighborhood associations.

BACKGROUND: Curative Health Inc. a subsidiary of Columbia Care LLC is donating \$20,000 to the City to create summer jobs for at risk youth. Columbia Care, LLC, a large privately-owned holding company has investments in the Healthcare, Real Estate, Technology and Financial Services sectors. Embedded within the healthcare area Columbia Care LLC owns state-licensed medical marijuana dispensaries and cultivation facilities in various states.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED:

FINANCIAL IMPACT: These funds will be earmarked in the General Fund for summer jobs for At Risk Youth. There will be no impact to the City's finances.

Respectfully submitted for Council consideration.

Financial & Budgetary review by: Patti-Lynn Silva, Finance Director

Legal review by: Jeffrey R. Jurgens, Corporation Counsel

Recommended by:

David A. Hales
City Manager

Alderman Lower questioned Columbia Care, LLC expectations. Mayor Renner believed there were none.

Motion by Alderman Black, seconded by Alderman Hauman that the donation in the amount of \$20,000 be accepted and earmarked for funding At Risk Youth.

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

Ayes: Aldermen Schmidt, Painter, Lower, Hauman, Sage, Black, Fruin, Stearns and Mwilambwe .

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Contract Award to Midwest Fiber, Inc. for recyclables

RECOMMENDATION/MOTION: Recommend that the Contract for receiving recyclables be awarded to Midwest Fiber, Inc. and the Mayor and City Clerk authorized to execute the necessary documents.

STRATEGIC PLAN LINK: Goal 5. Great Place—Livable, Sustainable City

STRATEGIC PLAN SIGNIFICANCE: Objective 5a. Well-planned City with necessary services and infrastructure.

BACKGROUND: Bloomington’s contracted recycling firm, Midwest Fiber, is a regional company with a single stream Materials Recovery Facility in west Normal. The company has proven to be an extremely reliable partner. Its convenience and the quality of a nearly new facility on White Oak Rd. make it nearly impossible for other recyclers to compete with it. Normal also uses Midwest. The firm, with its single stream capability, has partnered with Bloomington as the City significantly increased its volume of recyclables and diverted recyclables from the household waste stream and landfilling. According to Midwest, City customers recycled 4,633 tons in 2013, up 42 percent from the previous year. The increase related to the City’s efforts and implementation of the recycling cart program. For 2014, recycling rose another 6.6 percent, to 4,937 tons. (Please see chart.)

On April 22, 2013, the Council approved a two (2) year contract extension with Midwest, with an option of two (2) one (1) year extensions after that if the parties mutually agree. Midwest informed the City recently that it does not wish to extend the contract but instead wishes to enter a five (5) year agreement instead. Staff responded with the preference for a three (3) year agreement with one (1) two (2) year extension. Midwest Fiber modified their contract request. A copy of this request is attached. Staff recommends the agreement.

Shared risk, shared benefit model

As with the expiring contract, the new contract uses the model of shared risk, shared benefit. This means Midwest will pay the City a portion of its revenue for sale of recycling materials. The revenue is based on the commodities indexing of the various materials and the quantities delivered by Bloomington as the supplier. If the commodities markets sink low enough, Midwest will instead charge the City for taking Bloomington recycling. Revenue was gained by Bloomington in every month of 2014. In January, Bloomington paid. The net revenue for recycling in calendar year 2014 was \$23,484.

This contract model benefits the City. A model of set commodities fees, in which the recycler sets commodity rates for the supplier, generally results in exceedingly low returns for the supplier (in this case, the City) because companies must ensure their own profitability. As noted by the U.S. Environmental Protection Agency:

“One of the greatest sources of uncertainty in recycling is the level of prevailing prices for commodities such as newspaper, mixed paper, corrugated, glass, plastic, and metal cans. Prices for commodities vary tremendously over several years, and this presents a significant risk to the processor. Typically, a risk-averse processor will seek to do one of two things: (1) assume a very low price for commodities in preparing a price proposal to

avoid losses or (2) try to share the risk with the local community. In general, sharing the risk will result in lower processing costs to the community and the potential for some profit.” (“Improving Recycling’s Economic Profile; Processing Costs,” epa.gov.)

Recycling costs money

The revenue from Midwest Fiber does not equate to the City making money from recycling. Instead, it represents a modest offset of costs.

The City’s Solid Waste Analysis showed recycling accounted for 9.16 percent of the cost of the Bloomington Solid Waste Program in FY 2012. In FY16 dollars, this equals to nearly \$775,000, although more thorough study would be required to produce a precise, updated number.

The true benefit of City recycling rests with values: values of preserving resources and diverting materials that would otherwise be needlessly landfilled.

Processing fee

The base processing fee also changes in the new contract by discounting the fee to the City based on volume. In both contracts, the cost to the supplier can go up a maximum 2 percent based on the Midwest Area Consumer Price Index of all Urban Consumers. The new contract reduces this fee for large volumes.

For the ongoing calendar year, the base processing rate is \$78.75 per ton. This is compared to \$46.46 per ton charged at the McLean County Landfill. In practical terms, the revenue generated through the Midwest shared risk, shared benefit contract has allowed the City to recycle while incurring no cost to unload recyclables on most months. Had all of Bloomington’s recyclables gone to the landfill instead, the tipping fee for that material would have been \$229,386 in calendar year 2014. Midwest Fiber also has agreements with private haulers serving Peoria, Champaign and Springfield. Midwest considers information about base processing rates with these companies to be proprietary.

Contract terms

The contract runs from May 1, 2015, to April 30, 2018. The contract may be extended for one (1) two (2) year period if both parties agree to an extension.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: The Town of Normal was contacted to verify that consistent services, revenue and fees apply to Bloomington and Normal for materials collected at the curb and taken to Midwest Fiber.

FINANCIAL IMPACT: The FY 2016 Budget will allocate revenue to Solid Waste-Recycling Materials (54404400-54400). If the City has to pay, the expenditure will be charged to Solid Waste-Recycle Transfer Fee (54404400-70667). This can be located in the FY 2016 Proposed Budget Book titled “Other Funds & Capital Improvement Program” on page 126. The FY 2016 Solid Waste-Landfill Fees (54404400-70650) budget will be lowered by \$50,000 moving it to the Solid Waste-Recycle Transfer Fee (54404400-70667) budget to account for this possible expense.

Respectfully submitted for Council consideration.

Prepared by: Stephen Arney, Public Works Administration

Reviewed by: Jim Karch, PE CFM Public Works Director

Reviewed by: Steve Rasmussen, Asst. City Manager

Financial & budgetary review by: Chris Tomerlin, Budget Analyst
Carla A. Murillo, Budget Manager

Legal review by: Jeffrey R. Jurgens, Corporation Counsel

Recommended by:

David A. Hales
City Manager

RECYCLABLE MATERIAL SUPPLY AGREEMENT

This Agreement is dated _____ and is between:

City of Bloomington
109 E. Olive St.
Bloomington, Il 61701
109 E. Olive St. Bloomington, IL 61701
Tel: 309-434-2225

and

Midwest Fiber, Inc., an Illinois corporation ("Midwest")
422 S. White Oak Road
Normal IL 61761

Tel: 309-452-0064

The parties agree as follows:

1. Definitions:
 - (a) "Material" means all single stream recyclable material that meets the quality requirements of Section 6 and fully described in Exhibit B.
 - (b) "Residuals" means non-recyclable items mistakenly believed to be recyclable by consumers and placed into collected recycling bins, where such items do not pose any adverse effect to human health or the environment.

(c) "Non-Acceptable Materials" means any municipal putrescible waste, yard waste, hazardous waste, medical waste, electronic waste or any other hazardous materials or substances.

(d) "Term" means the period that this Agreement is in effect.

(e) "Supplier" means City of Bloomington.

(f) "Holidays" means Christmas Day.

2. Supply of Material. During the Term, Supplier shall sell and deliver to Midwest and Midwest shall accept and purchase from Supplier the Material generated by Supplier. Supplier makes no guarantee to Midwest that a certain volume of the Material shall be sold and delivered to Midwest by Supplier during the term of this Agreement.

3. Price. The price for the Material shall be as stated in Exhibit A. Applicable weights shall be determined by Midwest based on receiving weight receipts, subject to adjustment under Section 6 for nonconforming Material.

4. Delivery. Supplier shall deliver the Material to Midwest's location at 422 S. White Oak Rd, Normal, IL. Title to the Material shall pass to Midwest upon acceptance by Midwest, subject to Midwest's right of rejection under Section 6. Supplier's vehicles shall be unloaded expeditiously by Midwest. For weeks with Holidays, Midwest shall coordinate with Supplier additional offloading hours at its Normal, Illinois, location. The additional hours may be extended operating hours or Saturday hours. The recycle center shall be open from 6:30am to 3:00pm for the receipt of the City's acceptable recycling material (with the exception of Christmas Day).

5. Payment. For Material delivered during a calendar month, Midwest shall pay Supplier, or Supplier shall pay Midwest, as the case may be, the price due under Section 3, thirty (30) days from date of invoice submission by Supplier to Midwest of weight ticket copies. Interest will be charged on all amounts not paid when due at a rate of two percent (2%) per month.

6. Quality.

(a) Commingled/Single Stream Material: Supplier agrees to use reasonable efforts to collect, receive and deliver Single Stream Material and to prevent the collection and delivery of excess Residuals and Non-Acceptable Materials. Residuals and Non-Acceptable Materials shall not exceed 9% by weight of delivered Material.

(c) Midwest has no obligation to accept or purchase Material that does not meet the standards of this Section 6. Supplier shall remain fully responsible for the proper handling and disposal of any Non-Acceptable Materials and shall indemnify Midwest against all costs, and expenses (except for fines) relating to the proper handling and disposal of any Non-Acceptable Materials. All quality issues shall be handled in accordance with general industry

procedures. If Midwest's inspection of Material, either at time of delivery or prior to processing, discloses any nonconformity with this Section 6, the Material may be rejected by weight adjustment or by the entire shipment at Midwest's election, or downgraded in value accordingly by Midwest. If Midwest discovers any nonconformity with this Section 6, it shall immediately notify Supplier via telephone or email of such nonconformity by calling or emailing the Director of Public Works. In addition, Midwest shall document any such nonconformity, for example by taking photographs of such Non-Acceptable Material.

7. Term. This Agreement is for an initial term beginning May 1, 2015, and ending April 30th 2018. The contract can be extended after May 1st 2018, for one, two year period at the mutual consent of both parties which shall be demonstrated in writing and executed by both parties. During an extended term of this Agreement, all of the terms and conditions of this Agreement, shall remain the same and continue in full force and effect.

8. Confidentiality. Confidential information disclosed by a party to the other party, including volumes and pricing of the Material purchased by Midwest under this Agreement, shall be held in strict confidence and not communicated to any third person, except as provided by law.

9. Indemnification for Third Party Claims. Each party (the "Indemnifying Party") agrees to indemnify and hold harmless the other party and its parent company, affiliates, subsidiaries, agents, employees, officers, directors, successors, and assigns (the "Indemnified Party") from and against any and all claims, demands, judgments, assessments, damages, fines, penalties, costs, expenses, liabilities, or losses, including but not limited to sums paid in settlement of claims, attorneys' fees, consultant fees, and expert fees, incurred or suffered by or claimed against the Indemnified Party by reason of a third party claim for personal injury or property damage alleged to have been caused by the Indemnifying Party's negligence or willful misconduct in its performance of this Agreement or in the operation of its business, except to the extent that such personal injury or property damage is caused by negligence or willful misconduct of the Indemnified Party. This provision shall survive any termination of this Agreement.

10. Default. A party shall be in default under this Agreement if it: (a) fails to cure a monetary breach within fifteen (15) calendar days after written notice of default; or (b) fails to cure a non-monetary breach within thirty (30) calendar days after written notice of default. In the event of default, the non-defaulting party, in addition to any other remedies, may terminate this Agreement without further notice or liability, except that any such termination shall not affect rights or obligations accrued or owed prior to effective date of termination.

11. Limitation of Liability. Midwest and Supplier waive all claims against each other (and against each other's parent company, affiliates and subsidiaries and their respective members shareholders, officers, directors agents and employees) for any consequential, incidental, indirect, special, exemplary or punitive damages (including loss of actual or anticipated profits, revenues or product loss by reason of shutdown or non-operation; increased expense of operation, borrowing or financing; loss of use or productivity; or increased cost of

capital) arising out of this Agreement ; and regardless of whether any such claim arises out of breach of contract or warranty, tort, product liability, strict liability or any other legal theory.

12. Notices. Any notice required by the terms of this Agreement, other than a notice of nonconformity under Section 6, shall be given in writing, whether by actual delivery of the notice to the party thereunto entitled, or by the mailing of the notice in the United States mail, first class postage prepaid, to the address of the party entitled thereto, certified mail, return receipt requested. The notice shall be deemed to be received on the date of its actual receipt, if delivered by hand, and on the date of its mailing, if delivered by mail. All notices, demands or other communications to any of the other parties to this Agreement shall be addressed as follows:

Midwest:

Midwest Fiber, Inc.
422 S. White Oak Road
Normal, Illinois 61761
Attention: Todd Shumaker

Supplier:

City of Bloomington
109 E. Olive St
Bloomington, IL 61701

The address of any party hereto may be changed by notice to the other party duly served in accordance with the provisions hereof.

13. Excused Non-Performance. Neither party shall be liable to the other for failure to carry out this Agreement in whole or in part when such failure is due to strikes, lockouts, other labor problems, fires, floods, earthquakes, severe weather conditions, other Acts of God, freight embargoes, transportation delays, governmental or administrative prohibitions, riots, acts of public enemies, terrorism, or other causes beyond the control of the parties.

14. Compliance with Law. Each party shall comply and cause each of its employees, agents, and subcontractors to comply with all applicable laws pertaining to its performance of this Agreement.

15. Authority. Each party, and each individual signing on behalf of each party, represents and warrants to the other that it has full power and authority to enter into this Agreement and that its execution, delivery, and performance of this Agreement has been fully authorized and approved, and that no further corporate approvals or consents are required to bind such party.

16. Restrictive Covenants.

(a) During the term of this Agreement, Midwest and Supplier shall not, either directly or indirectly, induce or attempt to induce any employees of the other to leave the employment of the other; and

17. Modification. This Agreement may not be amended or modified except in writing signed by the parties.

18. Waiver. Any failure by a party to enforce any right or remedy on default by the other party shall not impair the ability to enforce such right or remedy as to subsequent defaults or be construed as a waiver. Either party's consent to or approval of any act by the other shall not be deemed to waive or render unnecessary the requirement of consent or approval of any subsequent act by either party.

19. Midwest Warranties. Midwest warrants to Supplier that:

(a) The transfer and processing of the Material will be performed in full compliance with all Federal, State and local laws, rules, regulations and ordinances.

(b) Midwest has the requisite knowledge and experience necessary to perform the services required under this Agreement.

(c) The Processing/Receiving/Transfer Locations have been issued all governmental permits, licenses, authorizations and approvals required for the transfer and processing of the Material. Upon request, Midwest will furnish to Supplier copies of permits, licenses, authorizations and approvals in effect relating to the transfer and processing of the Material. If any change occurs to such permits, licenses, authorizations or approvals which materially affects any obligation under this Agreement, Midwest shall promptly notify Supplier.

(d) Midwest has not received any notice, complaint, or administrative citation ("Notice") alleging that Midwest or the Processing and/or Receiving/ Transfer Locations are in material noncompliance with any applicable Federal, State or local environmental laws, regulations or ordinances, including, but not limited to any notice alleging that there has been a release or threatened release of hazardous substances (as defined in Section 101(14) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. §§6901 et seq.) at the Processing and/or Receiving/Transfer Locations. If Midwest receives such Notice during the term of this Agreement regarding the Processing Location and/or Receiving/Transfer Locations, Midwest shall promptly notify Supplier of such Notice.

20. Supplier Warranties. Supplier warrants to Midwest that:

(a) Supplier's collection of the Material and transportation of Material to Midwest's site and handling and disposal of Midwest's waste will be performed by Supplier in full compliance with all Federal, State and local laws, rules, regulations and ordinances.

(b) Supplier has the requisite knowledge and experience necessary to perform the services required under this Agreement.

(c) Supplier has been issued all governmental permits, licenses, authorizations and approvals required for the collection and transportation of the Material and the landfills listed in Section 7 have issued all governmental permits, licenses, authorizations and approvals required for the disposal of Midwest’s waste. Upon request, Supplier will furnish to Midwest copies of such permits, licenses, authorizations and approvals in effect. If any change occurs to such permits, licenses, authorizations or approvals which materially affects any obligation under this Agreement, Supplier shall promptly notify Midwest.

(d) Supplier has not received any notice, complaint, or administrative citation ("Notice") alleging that Supplier or the landfills listed in Section 7 are in material noncompliance with any applicable Federal, State or local environmental laws, regulations or ordinances. If Supplier receives such Notice during the term of this Agreement, Midwest shall promptly notify Supplier of such Notice.

21. Insurance. Midwest represents to Supplier and Supplier represents to Midwest that it now carries, and will continue during the term of the Agreement to carry, Worker's Compensation/Employers' Liability Insurance, Comprehensive General Liability Insurance and Comprehensive Automobile Liability Insurance in the following amounts:

COVERAGE	MINIMUM LIMITS OF LIABILITY
Worker's Compensation – Coverage A Employer's Liability – Coverage B	Statutory \$500,000
Commercial General Liability (including broad form property damage, contractual liability, products/completed operations, and bodily injury)	\$2,000,000 each occurrence
Commercial Automobile Liability (Owned, Hired, and Non-owned Vehicles for both bodily injury and property damage)	\$1,000,000 each occurrence
Umbrella Excess Liability (over and above the Commercial General Liability and Commercial Automobile Liability coverages indicated above)	\$4,000,000 each occurrence

Supplier shall be named as an Additional Insured on Midwest’s Commercial General Liability policy and Midwest shall be named as an additional insured on Supplier’s Commercial General Liability policy.

Within five (5) days of the execution of this Agreement, each party shall provide the other with Certificates of Insurance showing the existence of the insurance required hereunder, and which contain the following or equivalent clause: "Before cancellation of the insurance policy, thirty (30) days prior written notice thereof shall be given to (name of other party)."

22. Severability. If any provision of this Agreement is held invalid or unenforceable, it shall not affect the validity or enforceability of remainder of this Agreement, and to this end the provisions of this Agreement are declared severable. If such invalidity becomes known or apparent, the parties agree to negotiate promptly in good faith to amend such provisions to be as consistent as possible with the original intent.

23. Integrated Agreement. This Agreement constitutes the entire agreement of the parties regarding its subject matter and supersedes all prior negotiations, representations and understandings.

24. Independent Contractor. Each party is and shall perform this Agreement as an independent contractor, and as such, shall have and maintain complete control over all of its employees, agents, and operations. Neither party nor anyone employed by it shall be, represent, act, purport to act or be deemed to be the agent, representative, employee or servant of the other party.

Executed as of the date first written above.

Midwest Fiber, Inc.

City of Bloomington

By: _____
Its _____

By: _____
Its _____

MATERIAL:

<u>SINGLE STREAM MATERIAL: COMPONENT</u>	<u>PERCENTAGE</u>
Steel Cans	2.1%
UBCs	0.9%
HDPE-N	3.5%
HDPE-C	1.3%
PET	1.3%
Plastics #3, #4, #5, #7	1.5%
Glass	17.7%
Newspaper	49.1%
Cardboard	14.7%
RESIDUALS	7.9%

Midwest shall review the PERCENTAGE of each COMPONENT of the MATERIAL on an as needed basis and has the option to revise the PERCENTAGE of each COMPONENT according to the most recent twelve month average experience.

Pricing

The price for the Single Stream Material is described as Exhibit A, delivered by Supplier, shall be the Total Market Value of the Material (determined based on the percentage and the Value/ton of each component of the Single Stream Material as shown in the table) less the processing fees.

Processing fee table

Processing fee for balance of 2015 will be \$78.75 per ton.

The processing fee shall be adjusted at the beginning of each calendar year, using the table below based previous 12 months volume supplied too Midwest Fiber Recycling. Additionally by the annual percentage increase (if any), of the Midwest Area Consumer Price Index of all Urban Consumers published by the U.S. Bureau of Labor Statistics for the most recent calendar year for which such information is available; however, such increase shall not be greater than 2%.

Annual Tons	Adjusted processing rate per ton
8,400 tons or more	\$75.25per ton
6,600 tons or more	\$77.00 per ton
4,800 tons or more	\$78.75 per ton
3,000 tons or more	\$80.50 per ton
1,500 tons or more	\$82.25 per ton

Midwest shall determine the Total Market Value for each month of the term based on changes in the value/ton. The value/ton shall be based upon national industry publications reflecting the market value of community such as Secondary Materials Pricing .com and The Official Board Markets.

Exhibit A

SINGLE-STREAM MATERIAL		Market Prices**	Weighted Value	
Commodity	Percent*	\$/Lb	\$/Ton	\$
Steel Cans	2.1%	0.055	100	\$2.10
UBCs	0.9%	0.74	1600	\$14.40
PET	3.5%	0.15	225	\$7.88
HDPE- N	1.3%	0.27	480	\$6.24
HDPE- C	1.3%	0.18	440	\$5.72
Plastic Containers #3, #4, #5 & #7	1.5%	0.02	30	\$0.45
OCC (Cardboard)	17.7%	0.038	65	\$11.51
Newspaper	49.1%	0.035	50	\$24.55
Glass	14.7%	-0.018	-35	(\$5.15)
RESIDUALS	7.9%	-0.023	-46	(\$3.63)
Total Market Value	100%			\$64.07

PROCESSING FEE**** (\$77.00)
 SINGLE STREAM MATERIAL RATE (\$12.93)
 Payment or (Charge) to SUPPLIER*****

* Estimated average percentage of each recyclable commodity from a typical residential curbside recycling program.

Percentages may be adjusted on an annual basis to reflect actual experience.

** Current Market Prices are shown. Future Market Prices will be applied on a month-to-month basis,

where such prices shall typically be no less than the minimum published value for:

Containers (Aluminum UBCs, Natural HDPE, Mixed HDPE and Mixed PET)
published in the monthly issue of Secondary Materials Pricing.com.

Notes: (a) Steel cans priced per local area markets as non-densified bales.

(b) Glass Containers are recovered as Mixed Broken Glass priced per local area markets.

(c) Plastics #3, #4, #5 & #7 are marketed at available market prices.

Paper Fiber (Newspaper, Mixed Paper and Cardboard)
published in the Official Board Markets (Yellow Sheet)

If published values are not indicative of actual market values; then, actual market values will be used.

*** Residuals are non-recyclable commodities inadvertently discarded by the consumer into the curbside recycling bin and subsequently disposed of.

**** Processing Fee (fixed for 1st year of term, with CPI adjustment in subsequent years) subtracted from Total Market Value

***** Payment Per Ton for residentially collected curbside Recyclable Single Stream Material

Exhibit B

Material Single Stream

Aluminum Cans, Trays & Foil (trays & foil must be cleaned)

Steel Cans and Tins

PET Soda, Water, & Flavored Beverage Bottles (#1 clear and green plastic resin)

HDPE Milk & Juice Jugs (#2 clear plastic resin)

HDPE Detergent & Fabric Softener Containers (#2 colored plastic resin)

PVC Narrow Neck Containers Only (#3 plastic resin); such as health & beauty aid products, household cleaners.

LDPE Grocery Containers (#4 plastic resin); such as margarine tubs, frozen desert cups, six and twelve pack rings.

PP Grocery Containers (#5 plastic resin); such as yogurt cups, and narrow neck syrup and ketchup bottles.

#7 Plastic Resin Narrow Neck Containers Only.

Plastic Buckets, such as kitty litter containers (5 gallon size maximum).

Glass Bottles and Jars (clear, brown, green, and blue): no window glass, dinnerware or ceramics.

Newspaper, including inserts (remove plastic sleeves)

Cardboard (no waxed cardboard)

Pizza Boxes (free of food waste)

Kraft (brown paper) Bags

Magazines, Catalogs and Telephone Books
Office, Computer, Notebook & Gift Wrap Paper (no metal clips, spirals, binders, or ribbons)
Chipboard (cereal, cake & food mix boxes, gift boxes, etc.)
Carrier Stock (soda & beer can carrying cases)
Junk Mail & Envelopes (no plastic cards, stick on labels or unused stamps)
Paper Back Books (can include hard cover books but remove cover)

Notes:

1. All containers to be emptied and rinsed clean.
2. No motor oil, insecticide, herbicide or hazardous chemical containers.
3. Plastic bags should be returned to grocery or department store.
4. No plastic film (no plastic sheets, tarps or wrap).
5. No expanded foam or clear polystyrene per joint advisory from the Illinois Recycling Association, Illinois Department of Commerce & Community Affairs, and Region 5 US Environmental Protection Agency.

Jim Karch, Public Works Director, addressed the Council. He believed the key to recycling was education. The goal was to increase same to prevent items in the landfill. Recycling was 9.2% of the Solid Waste budget. Residents had increased recycling 52% from 2012 to 2014.

Motion by Alderman Schmidt, seconded by Alderman Painter that the Contract for receiving recyclables be awarded to Midwest Fiber, Inc. and the Mayor and City Clerk authorized to execute the necessary documents.

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

Ayes: Aldermen Schmidt, Painter, Hauman, Sage, Fruin, Black, and Mwilambwe.

Nays: Aldermen Lower and Stearns.

Motion carried.

The following was presented:

SUBJECT: Columbian Homes Association

RECOMMENDATION/MOTION: That the City Council provide direction on a request for reduction in tap-on and connection fees for the Columbian Homes Association (CHA) subdivision.

STRATEGIC PLAN LINK: 3. Grow the Local Economy

STRATEGIC PLAN SIGNIFICANCE: 3b. Attraction of new targeted businesses that are the “right” fit for Bloomington.

BACKGROUND: The Knights of Columbus Council 574 owns the 2.7-acre CHA subdivision located at the southeast intersection of Fox Creek Rd. and Cabintown Rd. in southwest Bloomington.

This owner owes tap-on fees of \$175,461.89. The Knights of Columbus asks that the tap-on fees be reduced to \$40,398.60 to facilitate land sale for development of an assisted living facility for seniors. City staff has discussed a less generous incentive offer but one in which a sizeable portion of street tap-on fees would be waived.

Currently undeveloped, the site once was envisioned as the future home of the Council meeting and banquet hall. (The Knight of Columbus instead decided to build on RT Dunn Dr. and to sell the Fox Creek property.)

During recent conversations, a representative of the Knights of Columbus informed staff that the tap-on fees for the subdivision have hamstrung the organization's ability to market the property. City records show tap-on fees now total \$175,461.89 for the three-lot subdivision.

Staff is concerned about waiving fees to this degree because it may be perceived as a precedent. However, staff notes an unusual circumstance in this case and believes an option to reduce the tap-on fees, as explained below, should be considered.

The area has undergone substantial upgrades. It has water, sanitary sewer and urban streets. None of these improvements were done with development of the Knights of Columbus specifically in mind. The improvements came to the property without the KOC asking for them. The land is vacant and, while the owner is a not-for-profit, the property is being taxed.

The CHA property is uncommon in that it is flanked on three (3) sides by streets that have been upgraded from rural to urban quality and are subject to street tap-on fees. This creates atypically high tap-on fees. The highest portion of the tap-on fees comes from the street costs.

One option provided by staff is that the Council charge street fees only pertaining to the streets accessed by the development, in this instance.

For example, if the development only accesses Fox Creek Rd., all fees associated with Cabintown Rd. north-south and Cabintown Rd. east-west would be waived. The street tap-on for Fox Creek Rd. access would be \$42,911.30, and the property owner would save \$94,664.70 in this example by not accessing Cabintown Rd. All tap-on fees combined, plus interest, would total \$80,797.19 instead of \$175,461.89 in the example.

The street portion of fees per street is as follows:

- Fox Creek Rd.: \$42,911.30.
- Cabintown Rd. East-West: \$43,568.15.
- Cabintown Rd. North-South: \$51,096.55.
- (The sewer and water tap-ons of \$37,885.89 are not included in the above)

The full costs by lot and by type of tap-on (water, sewer, street) are provided in the attached spreadsheets. These fees were recalculated by the Public Works Department on April 7, 2015, to show updated interest charges.

The seller of the property, Knights of Columbus, is a not-for-profit Catholic fraternal organization that has been active in the community since 1901. It reports membership at 445 families. It bought the land prior to much of the infrastructure development and cannot now afford pay tap-on fees, according to the Knights of Columbus.

Staff believes a reduction in the tap-on fees can be supported out of the equities and unusual circumstances of the property. The primary options are therefore as follows:

- (1) Require the Knights of Columbus to pay the full amount of water and sewer tap-on / street connection fees (\$175,461.89);
- (2) That street fees only be charged to those streets accessing the development (based on a connection to Fox Creek Road at a reduction of \$94,664.70) and leaving a fee of \$80,797.19;
- (3) Grant the request of the Knights of Columbus and lower the tap-on/street fees to \$40,398.60; or
- (4) A reduction at a different amount than outlined above.

The City Council should also consider requiring the development of the property as a condition to any reduction.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: The second option would allow the City to recover \$175,461.89 in cost of building infrastructure in southwest Bloomington, *minus fee mitigation based on roads access by the development*. This leaves a total fee due of \$80,797.19 and the arrangement would create conditions more favorable to development of vacant land and while taking into account the special circumstances of the property.

Reducing tap-on fees to \$40,398.60, as requested by the Knights of Columbus, would represent a 77 percent discount. It would result in a loss of potential City revenue of \$135,461.89. However, it could produce immediate development on currently vacant land.

Austin Grammer, Economic Development Coordinator for the City, conducted an economic analysis, which is attached. Mr. Grammer noted potential value of the subdivision, benefit of jobs created in construction and operation of the facility and related positive economic impact. Mr. Grammer calculated that revenue lost from the waiver of tap-on fees, as proposed by the landowner, could be recovered within 2.5 years from increased property tax on the site if the development proceeded.

Respectfully submitted for Council consideration.

Prepared by:

Stephen Arney, Public Works Administration

Reviewed by: Steve Rasmussen, Asst. City Manager

Legal review by: Jeffrey R. Jurgens, Corporation Counsel

Recommended by:

David A. Hales
City Manager

Steve Rasmussen, Asst. City Manager, addressed the Council. He noted that a Work Session had been held on this subject earlier in the evening.

Alderman Fruin recused himself. He stated that he was an active member of the Knight of Columbus (KOC). He does not attend meetings nor had he held officer positions. Alderman Fruin left the dais at 7:58 p.m.

Dan Deenen, attorney for CHA, addressed the Council. He noted that the KOC were a fraternal organization. The land was purchased to provide options for KOC's future home. KOC later decided to build at RT Dunn Dr. The lot was later subdivided. The belief was same would create marketability. He cited the Recession for not obtaining same.

Mr. Deenen stated that an assisted living facility was interested in the property. Paying tap on and connection fees would render the land as a loss for KOC.

Alderman Lower disclosed that KOC had allowed him to hold Ward Meetings at the RT Dunn Dr. facility.

Alderman Sage believed an assisted living facility was a reasonable use. Other business types could increase traffic.

Alderman Hauman questioned setting a precedent. Jeff Jurgens, Corporation Counsel, stated that a policy could be established to distinguish between charitable organizations and developers.

Motion by Alderman Lower, seconded by Alderman Stearns to Discount the Tap-On and Connection fees for the Columbian Homes Association (CHA) subdivision by \$40,398.60 and setting the amount due to \$40,000 contingent upon: 1.) execution of an Agreement between the Knights of Columbus and the City Manager providing for the Sale and Development of the property for a Business Use within two (2) years of Execution of the Agreement that will generate at least \$52,000 per year in Tax Revenue to the City and Authorizing the City Manager to Execute such an Agreement in a form Approved by same, and 2.) upon the Property being Re-Zoned to a Single Lot with Connection only to Fox Creek Rd.

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

Ayes: Aldermen Lower and Streans.

Nays: Alderman Schmidt, Painter, Hauman, Sage, Black and Mwilambwe.

Motion failed.

Motion by Alderman Sage, seconded by Alderman Hauman to Discount the Tap-On and Connection fees for the Columbian Homes Association (CHA) subdivision by \$94,664.70 and setting the amount due to \$80,797.19 contingent upon: 1.) execution of an Agreement between the Knights of Columbus and the City Manager providing for the Sale and Development of the property for a Business Use within two (2) years of Execution of the Agreement that will generate at least \$26,000 per year in Tax Revenue to the City and Authorizing the City Manager to Execute such an Agreement in a form Approved by same, and 2.) upon the Property being Re-Zoned to a Single Lot with Connection only to Fox Creek Rd.

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

Ayes: Aldermen Schmidt, Painter, Hauman, Sage, Lower, Streans, Black, and Mwilambwe.

Nays: None.

Motion carried.

Alderman Fruin returned at 8:28 p.m. Alderman Black left the dais at 8:28 p.m.

The following was presented:

Presentation of Annual Fire Department Report, presented by Brian Mohr, Fire Chief.

Brian Mohr, Fire Chief, addressed the Council. He noted that the Fire Department operates five (5) manned stations.

Alderman Black returned at 8:31 p.m.

Chief Mohr stated shifts were twenty-four (24) on forty-eight (48) off.

Mayor Renner and Alderman Stearns left the dais at 8:31 p.m.

Call volumes had increased twenty-six percent (26%). There were 7,933 EMS responses. Chief Mohr cited the top five response types: 1.) breathing problems; 2.) motor vehicle accidents; 3.) nonspecific sick person; 4.) unconscious / fainting and 5.) falls. The

National Fire Protection Association (NFPA) 1710 was a standard regarding personnel deployment and fires and medical emergencies response time. He cited response time analysis. The goal was six (6) minutes. Current time was eight (8) minutes for Fire and nine (9) minutes for EMS.

Mayor Renner returned at 8:34 p.m.

The busiest day of the week was Friday (15.02%) and the slowest day was Thursday (13.90%).

Alderman Stearns returned at 8:35 p.m.

Accomplishments cited were: International Organization for Standardization (ISO) class two (2) rating, updated radios to utilize STARCOM, apparatus replacement and HQ Station maintenance. The FY 16 focus would include: new agreement with Central IL Regional Airport, collaboration with Town of Normal on shared Automatic Vehicle Location, video conferencing, update Emergency Operation Plan, upgrade Firehouse Reporting Software, update run card for improved response time using New Priority Dispatch System, integration of pre plan information with the CAD, exhaust removal systems, and health and wellness initiative to decrease on the job injuries.

Alderman Mwilambwe questioned vacancies. Chief Mohr responded nine (9). The Entry Level Firefighter list was exhausted.

The following was presented:

SUBJECT: An Ordinance Establishing the Salary for the City Manager

RECOMMENDATION/MOTION: That the Ordinance be passed.

STRATEGIC PLAN LINK: Goal 1. Financially sound City providing quality basic services.

STRATEGIC PLAN SIGNIFICANCE: Goal 1. Objective d. City services delivered in the most cost effective manner.

BACKGROUND: On April 22, 2013, the Council approved the third employment agreement with David A. Hales, City Manager. This contract is scheduled to expire on January 11, 2017.

On January 12, 2015, the Council met in Executive Session regarding the City Manager's Performance Evaluation. Mr. Hales has been given a Commendable rating for the 2014 rating period.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: Salary increase based upon the performance evaluation.

April 27, 2015

1365

Respectfully submitted for Council consideration.

Prepared by: Beth Oakley, Executive Assistant

Reviewed by: Laurie Wollrab, Compensation & Benefits Manager
Nicole Albertson, Human Resources Director

Financial & budgetary review by: Carla A. Murillo, Budget Manager

Legal review by: Jeff Jurgens, Corporate Counsel

Recommended by:

Tari Renner
Mayor

ORDINANCE NUMBER 2015 - 22**AN ORDINANCE ESTABLISHING THE SALARY FOR THE CITY MANAGER**

WHEREAS, the salary of City Manager David A. Hales was last increased on January 13, 2014, said salary being \$176,439; and,

WHEREAS, in the contract between the City of Bloomington and David A. Hales, the City agreed to increase said salary and/or other benefits of the City Manager in such amounts and to such extent as the City Council may determine that it is desirable to do so on the basis of an annual salary review of said Manager subject to satisfactory performance evaluations; and,

WHEREAS, the performance of the City Manager was Commendable, which resulted in an increase of 2.6% in the City Manager's base salary effective January 12, 2015; and,

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

Section One: The base salary of the City Manager is established to be \$181,026.44 effective January 12, 2015.

Section Two: This ordinance shall be effective upon passage and approval.

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

PASSED this 27th day of April, 2015.

APPROVED this 28th day of April, 2015.

APPROVED:

Tari Renner
Mayor

ATTEST:

Renee Gooderham
Interim City Clerk

Mayor Renner noted that all Aldermen were asked to submit written comment to assist with the evaluation process. The majority of Council awarded David Hales, City Manager, a Commendable from five (5) rating category.

Alderman Lower cited concerns. He believed same would set a precedent in an economy that was in decline. He requested pay increase freezes for all employees.

Alderman Stearns believed that the evaluation should be a public process. The City Manager was critical to staff's moral and performance.

Alderman Black cited the additional meetings that the City Manager attends. He believed the city's direction was positive.

Motion by Alderman Schmidt, seconded by Alderman Hauman that the Ordinance be passed.

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

Ayes: Aldermen Schmidt, Painter, Hauman, Sage, Black, Fruin, and Mwilambwe.

Nays: Aldermen Lower and Streans.

Motion carried.

The following was presented:

SUBJECT: Fiscal Year 2015 Budget Amendment

RECOMMENDATION/MOTION: That the Amendment is approved and the Ordinance passed.

STRATEGIC PLAN LINK: Goal 1. Financially Sound City Providing Quality Basic Services.

STRATEGIC PLAN SIGNIFICANCE: Objective 1a. Budget with adequate resources to support defined services and level of services

BACKGROUND: Based on the FY 2015 year-end projections, it is recommended that the budget amendments (transfers) seen in exhibit 1 are approved to reimburse deficit fund balances and make contractual payments.

Funds projected to have deficit balances are monitored throughout the year to see if deficit balances will self-correct before recommending budget amendments. The solid waste, golf and US Cellular Coliseum (USCC) fund deficits have not self-corrected, and will need transfers from the General Fund reserves. In addition, the City needs to reimburse the Illinois Municipal Retirement Fund (IMRF) for multiple retirement payouts related to sick leave buy back.

The fund balances for each fund have been restated to include the proposed budget amendments in the attached fund summary in Exhibit 2.

Please be advised that these proposed budget amendments are based on preliminary year-end projections. Further amendments may be necessary after the year-end close and annual audit is performed. Year-end closing and the annual audit take time to complete. For instance, final state and home rule sales tax revenue earning information is not received until mid- July for April earnings, and many long term liabilities need for the audit must be calculated by actuarial consultants.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not Applicable.

FINANCIAL IMPACT: The proposed budget amendments will reduce General Fund budgetary fund balance by \$3,517,180.60 leaving fund balance at the end of FY 2015 of approximately 11.15% of one year's General Fund expenditures. The City Council adopted a Fund Balance Policy on 11/22/10 that stated the unrestricted fund balance in the General Fund should be at least 10% of the budgeted annual General Fund expenditures including transfers. The deficit balances in the solid waste, golf and USCC funds will be brought to a zero fund balance. Plans to create fund balance reserves in each fund are underway.

Respectfully submitted for Council consideration.

Prepared by: Carla A. Murillo, Budget Manager
Reviewed by: Patti-Lynn Silva, Finance Director
Legal review by: Jeffrey R. Jurgens, Corporation Counsel
Recommended by:

David A. Hales
City Manager

ORDINANCE NO. 2015 – 23

**AN ORDINANCE AMENDING THE BUDGET ORDINANCE
FOR THE FISCAL YEAR ENDING APRIL 30, 2015**

WHEREAS, on April 13, 2015 by Ordinance Number 2015 - , the City of Bloomington passed a Budget and Appropriation Ordinance for the Fiscal Year Ending April 30, 2015, which Ordinance was approved by Mayor Tari Renner on April 14, 2015; and

WHEREASE, a budget amendment is needed as detailed below;

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

Section One: Ordinance Number 2015 - (the Budget and Appropriation Ordinance for the Fiscal Year Ending April 30, 2015) is further hereby amended by inserting the following line items and amounts presented in Exhibit #1 in the appropriate place in said Ordinances.

Section Two: Except as provided for herein, Ordinance Number 201 - shall remain in full force and effect, provided, that any budgeted or appropriated amounts which are changed by reason of the amendments made in Section One of this Ordinance shall be amended in Ordinance Number 2015 - .

Section Three: This Ordinance shall be in full force and effect upon its passage and approval.

PASSED the 27th day of April 27th, 2015.

APPROVED the 28th day of April, 2015.

APPROVED:

Tari Renner
Mayor

ATTEST:

Renee Gooderham
Interim City Clerk

Patti-Lynn Silva, Finance Director, addressed the Council. She reviewed the Council memorandum.

Alderman Lower cited concerns. He stated that Solid Waste was a core service. He believed the Bloomington Center for the Performing Arts and US Cellular Coliseum

(USCC) should be self-supporting. He questioned priorities and funding bike trails that were not in the city limits.

Alderman Black believed the USCC should be a Community discussion. He questioned if the city should be in the golf course business.

Motion by Alderman Black, seconded by Alderman Hauman that the Amendment is approved and the Ordinance passed.

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

Ayes: Aldermen Schmidt, Painter, Hauman, Sage, Black, Fruin, Stearns and Mwilambwe.

Nays: Alderman Lower.

Motion carried.

CITY MANAGER'S DISCUSSION: David Hales, City Manager reminded Council of the Swearing In Ceremony on Friday, May 1, 2015 at 5:00 p.m. to be held in the Council Chambers.

He noted that reception would be held for Alderman Stearns after the meeting at Lucca Grill, 116 E. Market St.

He noted the opening of the Rt. 66, Looking for Lincoln on Rt. 66 on Saturday, April 25, 2015 at the McLean County History Museum, 200 N. Main St.

MAYOR'S DISCUSSION: None.

ALDERMEN'S DISCUSSION: Alderman Fruin thanked Alderman Stearns for her years of service. He stated that Alderman Stearns was a good listener and put her heart and soul into the position.

Alderman Lower thanked Alderman Stearns for her service.

Motion by Alderman Hauman, seconded by Alderman Black, that the meeting be adjourned. Time: 9:28 p.m.

Motion carried.

Renee Gooderham
Interim City Clerk