

MINUTES
WOODSTOCK CITY COUNCIL
March 3, 2015
City Council Chambers

The regular meeting of the Woodstock City Council was called to order at 7:00 PM by Deputy Mayor Pro-Tem J. Dillon on Tuesday, March 03, 2015 in Council Chambers at City Hall.

A roll call was taken.

COUNCIL MEMBERS PRESENT: Joseph Staryzynski, Mark Saladin, Maureen Larson, RB Thompson, Deputy Mayor Pro Tem J. Dillon.

COUNCIL MEMBERS ABSENT: Mayor Sager, Mike Turner.

STAFF PRESENT: City Manager Roscoe Stelford, City Attorney Ruth Schlossberg, Finance Director Paul Christensen, Director of Public Works Paul Ruscko.

OTHERS PRESENT: City Clerk Arleen Quinn.

FLOOR DISCUSSION:

Mayor Pro Tem Dillon started the meeting with these announcements:

- **Saturday, March 7 from 9AM to 5 PM** Sherman Williams will be holding their grand opening at 635 Eastwood Drive.
- **Tuesday March 10 from 5:30 - 6:30PM** Urban Land Institute will be hosting a round table discussion at the Opera House for inclusion within the final technical assistant panels recommendations. This will be posted as a public meeting.
- **Thursday March 12 from 5-7PM** Munch is having a mixer and ribbon cutting at 1409 S Eastwood Dr. This is a Chamber mixer and opening celebration for Munch. If any council members are planning to attend let Cindy or Monica know.
- **Thursday March 12 from 4-7PM** IDOT will hold a public hearing at the Huntley Park District Rec Center at the Huntley Park District, 12015 Mill St. IDOT will be conducting a public hearing concerning the improvement of IL Rt 47 from Reed Rd to Rt. 14.
- **Friday March 13, Sat March 14**, Mini link golf outing at the library. Friday night is adults only for a \$25.00 ticket. On Saturday 18 holes of golf are open to everyone.
- **Thursday March 5 from 3:30 – 6:30 PM** Catalent is having a job fair at 2210 Lake Shore Dr.

Mayor Pro Tem Dillon commended Streets and Sanitation on the great job they did this morning.

Public Comments:

Don Frick 334 S Jefferson Woodstock brought up the issue concerning the fight on the square on Benton St. He stated that he is concerned with the safety on the square. He felt that the 30 days it took to be in the newspaper was too long. He wondered why the public was not made aware of an unsafe situation. He also wondered about the internal investigation as far as the liquor commission is concerned to answer the question of whether people are being over served. He went on to say that this is a real concern as the theater and parks are right there on the square. He is concerned about the development of a new winery and also the possibility of putting a brewery in a vacant building.

Last summer, he said, was a tough summer and he applauded the staff on their positive reorganization of Economic Development. He hopes there is a good plan in place with tangible performance based goals to address our vision of our community. We need to make sure that there is a balance on the square of some retail, not just bars and video gambling. Last summer we acquired a community service officer which helped. We have to be proactive early in spring to make sure that we are addressing the issues that happened on the square last year. He said he is happy to see that the Chief of Police was going to have a discussion on homelessness at the next coffee. How does that then translate to what we are going to do from a policy standpoint, to make sure that we do everything correctly and that we have social services in line so we get the right information to anyone who needs it. The square is our identity. We have had a cultural presence in the past. How do we bring that back so we can continue to attract young families? That will not happen if the square is filled with bars and video gambling.

R. Stelford said he wanted to talk with the Police Chief before information was shared. The community officer will start in early spring. If the state makes severe cuts we will have to see what we can leave in the budget. We will have to see what we can do with the bump outs, flower arrangements, and landscaping. This has previously been handled with a capital outlay. We can now maintain them going forward and need to include this as a maintenance item in the park budgets. He said we also have to make sure we have the enforcement of a police officer on the square. This service is not needed 24/7 but will hit the main times doing patrols on a regular basis. There are some changes in the budget going forward that focus on the square. These will provide more funding for those improvements to help elevate the look of the square just as the Courthouse improvements have an impact on how people view the square now. We hope to consider windows and to have some money for tuck-pointing, but that also depends on what Council feels is the most appropriate use of money for the square.

We have on the agenda in April a discussion about the TIF which is going to be the main mechanism that we use to fund those types of improvements. This budget will be presented to you at the next meeting and address a lot of concerns about the square. Funding is limited now and possibly will be more limited depending on what the State does in the future. It comes down to a balancing act and identifying priorities. M. Larson and D. Frick both commented that they felt safety on the square was the biggest concern.

RB Thompson said the majority of people viewed the incident on Benton St. on YouTube. This is an acknowledgment of how communication occurs now. The event was out of site from

patrons who did not see the incident. D. Hart, owner of D.C. Cobb's heard something and chased off the man and called 911. It was a conflict between two people, I'm not sure it was alcohol induced.

RB went on to say that as a teacher he observed graffiti at the high school until the school was renovated and expanded dramatically. The building became gorgeous and it was astounding how the students responded and didn't write or scratch anything during the five years he continued to teach. The building was profoundly respected by the kids. When you fix something up people respond by not defacing it. The bump outs should have better flowers, put the rock facing on the rock all the way around, get lighting consistent and make it a focal point. Main Stay Therapeutic Center had art horses one year and people flooded the square for this event. It forced those other people off the square because when there are numbers those numbers take over and that creates safety. We can ask annually if people have ideas on how to use our square in an inviting way.

There were no additional public comments.

Council Comments:

M. Larson said that she wanted to congratulate the staff for the manufacturer's forum commenting that the tour at Dura Bar was most impressive. Also for the staff bringing together the Work Force Development people from McHenry County College who spoke of the need for workforce improvements.

M Saladin said that a few days prior to the Dura Bar tour he, M. Turner, Pam Campata, R. Stelford and members of staff met with Catalent. It was an interesting meeting because they have the opportunity to employ 40-50 more people now. He said that Work Force was one of the issues they spoke of, in addition to the fact that they might want to expand in the future. They are doing some cosmetic changes now and it is nice to see a major business wanting to stay in Woodstock and grow.

RB Thompson mentioned that a week ago Sunday the City of Woodstock and Woodstock Celebrates hosted a Chester Gould documentary at Stage Left Café. The family and coworkers of Chester Gould from the Tribune were there and from 2-5PM it was an astonishingly professional documentary which was held at the same time as a viewing on WTTW. The Firack family of Woodstock was there and it was a very nice presentation. We hosted something special. It was amazing what the impact Chester Gould had throughout the United States. He was syndicated in hundreds of newspapers at a time when newspapers played a significant part in our lives.

Consent Agenda:

Motion by M. Larson, second by M. Saladin to concur with Consent Agenda Items A- D1.

- RB Thompson removed Item D 2
- Scott Gessert 810 Gerry St Woodstock requested that Item D 3 be removed. M. Saladin allowed the removal of Item D 3

A. MINUTES OF PREVIOUS MEETINGS:

February 17, 2015 Regular City Council Meeting

B. WARRANTS: 3653 3654 MFT 544

C. MINUTES AND REPORTS:

Community & Economic Development Report – January 2015

Police Department Report – January 2015

D. MANAGER’S REPORT NO. 41

- 1. Adoption of an Ordinance** amending Section 3.15.7 (a), Local Government Taxpayer Bill of Rights, of the Woodstock City Code.
- 2. Professional Services – Leak Detection Survey** – Approval of an agreement for professional services from Water Services Company to perform a citywide leak detection survey from Water Services Company, Elgin Illinois to perform a Citywide leak detection survey at a cost not-to-exceed \$13,312.50.
- 3. Local Government Distributive Funds** – Adoption of a Resolution urging the Governor and General Assembly to protect Full Funding of Local Government Distributive Fund Revenues.

Deputy Mayor Pro Tem J. Dillon said the consent calendar now contains all items A –D1 having removed items D2 and D3 for separate consideration. Deputy Mayor Pro Tem J. Dillon asked for a motion of concurrence on all remaining items.

A roll call vote was taken. Ayes: M. Saladin, M. Larson, RB Thompson, J. Starzynski, Deputy Mayor Pro Tem J. Dillon. Nays: None. Absentees: Mayor Sager, Mike Turner. Abstentions: None. Motion carried.

Item D 2 Professional Services – Leak Detection Survey – Approval of an agreement for professional services from Water Services Company to perform a citywide leak detection survey from Water Services Company, Elgin Illinois to perform a Citywide leak detection survey at a cost not-to-exceed \$13,312.50.

RB Thompson said this item was over \$10,000 but yet no bids were indicated and no rationale for waiving of bids was indicated. R. Stelford said it was a professional services agreement so we do have the ability to go and talk to the individual contractor and not do a formal bid waiver process. This particular contractor does all of the City’s water meters and is very familiar with our systems. We went to them and felt the price was reasonable for the amount of work they would have to do.

RB Thompson moved that we approve the attached professional services from Water Services Company to perform a citywide leak detection survey from Water Services Company, Elgin Illinois to perform a Citywide leak detection survey at a cost not-to-exceed \$13,312.50.

Motion by RB Thompson, second by M. Larson to concur with Consent Agenda Items D2.

A roll call vote was taken. Ayes: M. Saladin, M. Larson, RB Thompson, J. Starzynski, Deputy Mayor Pro Tem J. Dillon. Nays: None. Absentees: Mayor Sager, Mike Turner. Abstentions: None. Motion carried.

Item D 3 Local Government Distributive Funds – Adoption of a Resolution urging the Governor and General Assembly to protect Full Funding of Local Government Distributive Fund Revenues.

S. Gessert wanted to ask about the upcoming budget, the local government distribution of funds from the state, and effect on central services. R. Stelford said that the Governor's proposal is to reduce income tax sharing with its local government partners by 50%. This relates to Woodstock as a cut of 1.2 million dollars. In Crystal Lake it's over 2 million dollars. Specifically to Woodstock, the Governor's address indicated it would be it would be about 3% of local government revenues. This money goes into the City's General Fund which is around 13% of our total general fund revenue that provides for basic core services to our community.

That 1.2 million is about what the City spends totally for our streets division. This is probably the closest whole department that would equate to that dollar value. Obviously we are not going to eliminate streets. I am just trying to give you the sense of the magnitude of the dollars that are involved. So it would be a 13% reduction that the City would have to look at within its various departments that are funded by the general fund. The general fund touches police, streets, all administrative departments, parks, and recreation. Water, sewer, and library are separate and will have an impact if the Governor does reduce it by 50%. There is no way to absorb this. The City is not reporting an annual surplus of 1.2 million dollars. We are pretty close on our budget as far as how much money we bring in and what we are currently spending so we would have to sit down with Council like we did in 2008 for Council to figure out what the priorities are and what things we continue to fund. The question is how do we move from this current level of revenues to the new level of revenue we will have to work with?

R. Stelford is going to Springfield this week. The issues he was going to address have changed from transportation and trying to encourage legislature to support transportation projects to preserving local government distribution fund that is going out to the communities in the City. It is an important revenue source for local government. I think by far local government has the most direct impact on services provided to tax payers. If you asked the average tax payer what are the government services they rely upon 90% would come from local government. This is an investment by state in local government that they are shirking away from. Because of their current financial position they are trying to look for ways to shore up their own finances. Local government took steps in 2007 and 2008 to live within our means and I don't know that the state has done the same. It is going to take shared sacrifice between the State and local government.

M. Saladin asked about the other funding mechanism that the state took away. R. Stelford replied that this is the replacement tax. The income tax brought out in 1969 in the State of Il allowed local governments to share in state income tax from day one when it was first initiated. My understanding is that in essence it was to prevent local income tax to start up. The state would impose one income tax and would share a small piece with local governments. Now because the

State is falling on hard times they want to renegotiate so they can retain more dollars. We're a small partner anyway; we are at 8% of total income tax the State collects. The legislature is talking about cutting that down to 4%. We've already been cut when they raised the income tax to 5%. The legislature and government in place at that time felt that the additional money being generated from higher income tax should only go to the State so that reduced us to 6% of the total tax. Now because they've gone down to 3.7 from 5% they have moved us back to 8% but we're still not at the 10% we were at when they were at 3.7. This is a long time history of revenue sharing that helps us pay for local government services. Not having this revenue is going to mean tough choices that fall upon Council to decide how we balance the budget as we go forward.

M.Saladin said as we came out of the great recession the budget considerations were primary with respect to the hiring freeze. The budget restraint was there and departments experienced belt tightening. There was a continued emphasis on that so we weathered that storm to have a balanced budget and got through those years. There was a balance of making sure that city services were maintained and yet knowing that you didn't have the same numbers of employees. We have been aware of this potential but now we are actually faced with making these decisions.

M Larson commented that it is exasperating. The municipal tax dollars are the most efficient tax dollars being spent in the State. They are the most directly applicable to our lives. Our budget is a reflection of a lot of decisions already made that were not made at the State level. I think it is a great time for hue and cry from the public. Unfortunately, I think the LGF acronym doesn't have meaning in the community. Even if they see in the paper that it's being cut by 50% it doesn't have real meaning in their lives until you start talking about police, plowing, and roads. That's actually what LGF applies to and that is the message that we need to get out.

R. Stelford said it is not possible to absorb this reduction without making changes in how we provide services to the residents if it is at that 1.2 million dollar number. We cannot cut another 13% out of the budget. If it were possible, we would be doing it already. It doesn't matter if revenues are growing or not. The department heads know that we find the most efficient way to get services to the residents.

The TIF is being over utilized to help with our downtown; the CIP is struggling, as well as the utility fund. These are issues that we keep looking at and work on fixing. I'm sure we'll be able to come up with some ideas and will be able to move forward but service levels will not be maintained at the existing level. We are going to have to look at where those cuts will be made, what are the priorities, and then implement those cuts.

We are running 22 full time positions below where we were in 2008. We had a hiring freeze for 5 or 6 years plus we didn't replace people that retired or moved on. We have reinstated the hiring freeze knowing that things are going to be tight. It's going to be challenging going forward. Our expenses have grown only by 1.2% totally from what they were in 2008.

I think it is pretty impressive that we're only at 1.2% rate of growth over the entire time totally, not each year. The state has expanded over 20% for the same period of time. It is a challenging environment that we're in. We are the economic engine of the State and our services and the

level of services we provide is what attracts business to the State. I hope the government and State legislature realize that it is an investment in local government that helps us grow our community. Growth at local government grows their tax base and helps grow them out of this mess vs making drastic cuts to us. This creates a negative cycle. We can't provide that service and businesses will not be attracted to come here and will go somewhere else.

Mayor Pro Tem Dillon stated that the City has always had a tight budget and watched every single dollar spent. J. Starzinski asked if there is a time frame when these proposed cuts are supposed to happen. R. Stelford said that by law the State is supposed to have a budget in place by July 1. They could wait quite a while before making their decision. I think the State has taken steps in the past where they have extended the time when they have to submit their budget. We don't have that liberty. We need to have the budget in place by May 1. As soon as we know and have hard facts, and if it is not a small manageable number, we will have to sit down with Council. At that time we will start giving Council ideas on changes that can be made, the side effects of those changes, and potential service losses. We want to make sure the legislature understands what the repercussions are for some of the choices they make. The State is not in the best shape. Their finances are in need of desperate help, but they need to realize that it needs to be a shared sacrifice.

M. Saladin asked how the City would become a home rule municipality to combat some of this reliance. R. Stelford replied that they have included funding in next year's budget to begin the process for the special census that would be required to be home ruled. He said we will probably have to wait until 2016 so the cost would be split in half. Home rule would provide Council with more financial options. Home rule communities are not subject to the property tax extension limitations. It can levy any level property tax it deems appropriate. Something that a lot of communities take a look at is sales tax. There is not a home rule community in McHenry County that does not levy a home rule sales tax which is allowed at the Council level. It doesn't go against auto dealerships and does not apply to car and car purchases. You don't get dollar for dollar if you were to impose the maximum home rule sales tax which is 1% and is the same thing as our non-home rule sales tax. It won't give you dollar for dollar the same amount of sales tax that we're currently generating.

This is an alternate revenue source that Council could look at. This tends to be looked at more favorably because they have people from an outside town that shop in the community so they are not viewed as negatively impacting local residents. The local community shops as well so it does have to be factored in and is not an easy choice. It completely changes the dynamic because right now the municipality can only do what is provided for in State law. Home rule allows the city to tackle other issues in different ways even though it is not defined in State law because unless the State law says it can't be done the home rule municipality can do what it thinks appropriate. It opens up a variety of tough issues and allows us to tackle them in a more efficient manner and maybe more cost effective as well. Home rule power comes with a lot of pros and a few cons as well depending on how it gets used. For the most part it is a pro to a municipality to have that power and give Council those choices.

R. Schlossberg commented with home rule you are not dependent on Springfield to solve problems. The City has more flexibility in problem solving and can have more tools in building the community.

RB Thompson said that Springfield Reps and Senators were once in local government and are aware of the impact State reduction has on cities. In our case Senator Altoff was the Mayor of McHenry, Mike Tyron was the County Board President and would be aware of these problems. Anna Muller works for us in Springfield. I think a lot of people started in their city and on the city boards and moved up to Springfield. It would help our cause if we can get them to really focus on their roots and have them reflect on their own experiences in local government.

M. Saladin moved to adopt a Resolution urging the Governor and General Assembly to protect Full Funding of Local Government Distributive Fund Revenues.

Motion by M. Saladin and, second by RB Thompson to concur with Consent Agenda Items D3.

A roll call vote was taken. Ayes: M. Saladin, M. Larson, RB Thompson, J. Starzynski, Deputy Mayor Pro Tem J. Dillon. Nays: None. Absentees: Mayor Sager, Mike Turner. Abstentions: None. Motion carried.

No additional comments

DISCUSSION ITEMS

FUTURE AGENDA ITEMS

Transmittal of FY / Budget

Professional Engineering Services Agreement

City Hall Annex Roof Replacement Contract

IMET Tolling Agreement

Multi-Use Path Design Agreement

Pavement Evaluation and Management Plan Professional Services Agreement

Road Resurfacing Design Agreement

Old Courthouse Change Order

No further comments on future agenda items

ADJOURNMENT:

Motion M. Larson, and second by RB Thompson, to adjourn the regular meeting of the Woodstock City Council to the March 17, 2015 City Council meeting. Ayes: M. Saladin, M. Larson, RB Thompson, J. Starzynski, Deputy Mayor Pro Tem J. Dillon. Nays: None. Absentees: Mayor Sager, Mike Turner. Abstentions: None. Motion carried.

Meeting adjourned at 7:50 P.M.

Respectfully submitted,

Arleen Quinn- City Clerk