

MINUTES
June 30, 2010
Government Services Committee
City of Batavia

PLEASE NOTE: These minutes are not a word-for-word transcription of the statements made at the meeting, nor intended to be a comprehensive review of all discussions. Minutes are intended to make an official record of the actions taken by the Committee/City Council, and to include some description of discussion points as understood by the minute-taker. Any references to discussion and /or statements are only to provide greater clarity to the public and they may not reference all, some, or any of an individual speaker's comments.

Vice Chairman Dietz called the meeting to order at 7:30 p.m.

1. Roll Call

Members Present: Aldermen Chanzit, Dietz, Liva, Sparks, Tenuta, and Thelin Atac

Members Absent: Alderman Schmitz

Also Present: Aldermen Frydendall, Jungels, and Volk; Peggy Colby, Finance Director; William McGrath, City Administrator; Randall Recklaus, Assistant City Administrator; Mayor Schielke (7:37 p.m.), and Connie Rizo, Recording Secretary

2. Approve Minutes

None.

3. Items/Removed/Added/Changed

Motion: To approve amending the agenda for the June 30, 2010, Government Services Committee meeting to delete item 2. Approve Minutes.

Maker: Tenuta

Second: Liva

Voice vote: 6 Ayes, 0 Nay, Motion Carried.

4. Acceptance and placement of gift windmill (WRM 6/21/10)

Vice Chairman Dietz welcomed molinologist, Bob Popeck. Bob Popeck began by stating he was a former City employee and holds the record for being a City employee for the longest time. Popeck introduced Kyle Hohmann and stated they were both members of the **B**atavia **H**istorical **S**ociety. Popeck explained the BHS is the recipient and funder of a rare Batavia windmill. Popeck conveyed that at one time Batavia was the home to six windmill companies. Popeck relayed that the rare windmill was found in northern Minnesota and has been totally restored.

Popeck recounted that at one time Mayor Schielke and the late Ald. Miller attended the BHS board meeting requesting information and receiving information from the BHS on items the BHS was hoping to accomplish. Popeck advised that Ald. Miller agreed to those items. Popeck pointed out he was unaware whether Ald. Miller brought the items to the Government Services Committee. Vice Chairman Dietz commented he could not recall whether Ald. Miller had brought the items to the Government Services Committee, but he was willing to look into it. Popeck advised the points in question were whether the Historical Society was willing to fund the purchase of the windmill, but did not want to retain ownership. The BHS wanted the City to retain ownership and place it on City property. The BHS desires the City to maintain the windmill after retaining ownership. Popeck advised the BHS did vote to fund the windmill. Popeck stated it was his understanding that Mayor Schielke and the late Ald. Miller agreed to the issues discussed.

Popeck advised that Bill McGrath contacted him regarding the placement of the rare windmill. Popeck stated the location of the rare windmill should be significantly close to the existing three windmills near the Government Center on Island Avenue. Popeck provided a photograph of a desired location near City Hall for the placement of the rare windmill.

Ald. Liva inquired as to the footprint of the rare windmill. Popeck replied the footprint was approximately four square feet and would not exceed the height of the existing windmills in the area. Vice Chairman Dietz inquired as to the name of the windmill company the rare windmill was from. Popeck replied the rare windmill is from the Batavia Windmill Company. Popeck pointed out the other two minor windmill companies were the Danforth Windmill Company and the Snow Windmill Company. Ald. Liva inquired as to the age of the rare windmill. Kyle Hohmann replied the windmill is from the 1900-1910 decade.

Ald. Volk inquired as to who would be covering the cost of the footings. Popeck replied that there is a windmill maintenance fund that can be used to pay for the footings of this rare windmill. Ald. Frydendall inquired if the windmill maintenance fund was a City fund. Popeck replied the windmill maintenance fund is not a City fund, but rather a private fund established by Arleen Nick.

Popeck shared that the Molinologists Of Batavia volunteer group would assist Batavia with providing a manual including a list of all windmills as well as part makers and restorers in an attempt to properly maintain the windmills. Popeck stated that the MOB would like to use City equipment (i.e. bucket trucks) to facilitate in the maintenance of the windmills on City property.

Popeck pointed out that the boundaries between the park district and the City are very definitely defined and went into a detailed description of the area around the Peg Bond

Center and Riverwalk. Popeck commented there is a sidwell map depicting the boundaries.

Bill McGrath commented that the City Staff is excited to obtain the rare windmill and want to assure that the legacy is absolutely protected. McGrath explained that the City would like to partner with the MOB in preparing a book to teach future generations about windmills and put the windmills on a regular maintenance schedule. McGrath stated if the City is going to maintain the windmill, the City should be responsible and the windmill maintenance fund could finance the maintenance. Mayor Schielke stated in October of 2009 he attended a meeting of the BHS along with Ald. Miller and there was general consensus that the City would support the idea of helping the BHS find a site to place the rare windmill and cooperate with the BHS as long as the BHS funded the efforts.

McGrath pointed out for protection of both the City of Batavia and the MOB there should be a formal agreement and perhaps be part of the Access Committee to provide appropriate insurance coverage for the windmills and those conducting maintenance on the windmills. W. C. Miller stated he is involved with the MOB and with Access and that there was a previous conversation regarding bringing the MOB under Access, but that nothing had yet been formalized. Miller stated he was a real advocate for developing the windmill maintenance manuals and history logs of the individual windmills. Popeck explained that he along with Hohmann have the most extensive historic information files on all types of windmills.

Vice Chairman Dietz inquired when the rare windmill would need to be put into place. Popeck replied that the rare windmill would be picked up the week of July 12, 2010. Popeck explained that Dennis Kintop of MIC who has put in the bases for the majority of the windmills in Batavia has offered to put in the base for the new windmill. Ald. Sparks inquired if the windmill was an all-metal construction. Popeck stated the rare windmill is an all metal construction and is considered an open-gear model.

Motion: To recommend to City Council approval to accept and receive the rare windmill gift from the Batavia Historical Society manufactured by the Batavia Windmill Company.

Maker: Chanzit

Second: Thelin-Atac

Voice vote: 6 Ayes, 0 Nay, Motion Carried.

CONSENT AGENDA

The members directed staff to formalize a relationship between MOB and Access. Popeck committed to work on the maintenance and history logs for the windmills. Popeck mentioned that the BHS would like to have a formal dedication of the new windmill in September 2010.

5. "Bulldogs on Parade" Proposed Project from Park, Library and School Foundations (WRM 6/25/10)

Nell Novak and Kerry Massie presented the community art project of Bulldogs on Parade on behalf of the Batavia Foundation for Educational Excellence, Batavia Parks Foundation, and Batavia Library Foundation (refer to handout provided). Novak advised the Batavia Library Foundation suggested the idea of a fundraiser/community art project in Batavia. Novak explained that the Bulldogs on Parade would be similar to Chicago's Cows on Parade and Woodstock's Rocking Horse display. Novak relayed that the project is in an exploratory phase at present. Novak presented a sample of the bulldogs and explained the fiberglass bulldogs could be made available in three heights (17, 30, and 44 inches) and would be painted and 100% weatherproofed for potential outdoor placement. Novak stated the 30-inch bulldogs are the ones the group anticipates would be on display in downtown Batavia.

Novak conveyed that ideally the kickoff for this project would be in August 2010 and that local artists and sponsors would be recruited this fall and winter for this high-level fundraiser. Novak pointed out that 2011 would be the 100-year anniversary of joining the east and west side school districts to form School District 101 and that the bulldogs would be displayed in June of 2011 and then auctioned off in the fall of 2011.

Novak informed the group that installation is typically a joint effort between the Committee, the sponsor and the Public Works Department. Novak explained that the foundations foresee up to 10 bulldogs in the downtown area and are interested in working with the City for acceptable locations. Novak relayed that the bulldogs can be secured by attaching them to a concrete base, a wheeled platform, or a nearby fixed structure.

Novak inquired as to the City codes, ordinances, permits or restrictions there might be on displaying items such as the proposed bulldogs. Novak added she would like to also know what acceptable locations might be available. McGrath commented the right-of-way permit could be waived and the main concern would be not blocking passage of pedestrians on the sidewalks or interference with vehicles. McGrath added there are three pedestals that do not have sculptures on the bridge where the bulldogs could potentially be placed, but spoke in favor of being open to other locations. Mayor Schielke commented that there is ample City-owned property where the bulldogs could potentially be placed and that he did not see any problem finding locations to display the bulldogs. McGrath pointed out that the installation to secure the bulldogs would be the challenge for the placement of the bulldogs. Novak mentioned that the bulldogs that have the concrete base are close to 300 pounds. Novak stated that stores could also sponsor the smaller bulldogs and display them in their store windows. Novak added the sponsorship of a 30-inch bulldog is \$1,000 to have it made, cast, and painted.

Ald. Volk spoke in favor of the bulldogs on parade project and mentioned they should be secured properly and when removed there should be no trip hazard left behind. The

aldermen directed the foundation representatives to work with City Staff and the Public Works Department to determine appropriate places to install the bulldogs.

6. Revolving Loan Fund Program Update (Randy Recklaus 6/23/10)

Randall Recklaus briefly reviewed his June 23, 2010, memo regarding the revolving loan fund program update (refer to memo). Recklaus commented this program is a good program that is underutilized. Mayor Schielke commented it would be favorable to have this program have maximum flexibility. There was a brief discussion of how this loan program would work for/against borrowers and local banks. Ald. Chanzit inquired how the RLF is communicated to the public. Recklaus advised through the Chamber of Commerce, Press Releases, and discussion with property owners. Recklaus pointed out there was a typo in the recapture strategy wording where the Department of Commerce and Community Affairs should be replaced with Department of Commerce and Economic Opportunity since that body has renamed themselves.

Motion: To recommend to City Council approval of updating the Revolving Loan Fund program.

Maker: Tenuta

Second: Chanzit

Voice vote: 6 Ayes, 0 Nay, Motion Carried.

CONSENT AGENDA

7. Status: Local Purchasing Preferences (WRM 6/25/10)

Bill McGrath reviewed his June 25, 2010, memo providing an update on local purchasing preferences (refer to memo). McGrath commented that after researching local purchasing preferences it was determined the City cannot setup a formal local preference process due to the State Statute requiring the lowest responsible bidder to be considered. McGrath advised that the creation and maintaining of a formal vendor list is feasible, could be publicized, and continually updated. McGrath pointed out the purchasing section of the City Code could be redrafted to eliminate the purchasing agent position and insert the intention of the City to be supportive of local vendors.

8. Budget Update (Peggy Colby, Bill McGrath)

Bill McGrath stated that Peggy Colby would make a presentation of the City's latest financial status (refer to documentation). Colby provided an update on sales tax by month and demonstrated how May and June of 2010 have surpassed the same months last year. Colby commented that she hoped that trend would hold true for the remainder of 2010. Colby also discussed the chart depicting sales tax budget to actual. Ald. Liva inquired as to the total revenue year to date vs. projected. Colby replied the City is \$250,000 under for sales tax, which is in the revenue report. Colby added that year to date income tax is \$80,000 under budget and is assuming the City would get

everything the State of Illinois has promised. Ald. Volk inquired whether the State of Illinois has been timely in their payments. Colby advised the State of Illinois is four months (\$761,000) behind in their payments. Vice Chairman Dietz inquired if the State of Illinois were to give Batavia the \$761,000 would the City still be \$80,000 short. Colby confirmed that would be the case.

Colby advised that the building permits for the year so far have been \$272,947.28, which is \$73,000 over what was budgeted. Mayor Schielke pointed out that despite the residential housing market being poor the building permits are more than anticipated. Colby added that the building permit revenue does not include Rubicon's permits.

Colby relayed that for the first six months of 2010 the City has collected \$134,559.00 from leaf and brush pick up fees. Colby explained that the City had budgeted for \$300,000, but will only be collecting approximately \$275,000 for 2010. Ald. Frydendall inquired if the expense for leaf and brush would also be less than what was budgeted for. Colby replied the expense would not be less than budgeted. McGrath pointed out that the brush fee brings in more revenue than just the brush removal contract.

Colby conveyed that interest has been very poor and the City has been fortunate what it has adding that the City has CDs, treasuries, and money markets. Vice Chairman Dietz inquired if the City has any bank account that is not producing any interest. Colby replied that the money in the clearing accounts for accounts payable/payable does not earn interest. Colby pointed out to the Committee that the bank the City has its primary banking relationship with, **Old Second National Bank**, had an article in the newspaper today advising that the bank needs to raise capital. Colby added that OSNB is participating in an FDIC program for collateralizing money, so the City's money is safe. Colby commented the other two financial institutions the City has money at are at Private Bank and Illinois Funds.

Colby advised in removing the lag in property tax collection from the totals YTD revenues are \$147,000 less than YTD 2009 revenues. However, the City budgeted revenues to be \$300,000 less than 2009, so the City is right on budget in total for revenues should all things remain equal (unlikely that permits will double, but optimistic that sales taxes will continue to rise). Colby briefly highlighted items from the expenditure comparison report. Colby relayed that there is \$8.7 million in cash in the General Fund.

Mayor Schielke stated that the encouraging factors to be aware of are that the big six tax generators (i.e. Target, Menards, Jewel) along Randall Road are in the process of renovating and expanding their operations.

Vice Chairman Dietz inquired what the sum total amount was of how far behind the City budget is at present. Colby replied for revenues the City is behind \$150,000.

McGrath explained that the City shares 10% of all the State Income Tax that is divided per capita among all the municipalities. McGrath added that every month the City receives a report of an estimate based on the States receipts of what the State believes that amount is. McGrath pointed out that the actual receipts at the State level have been decreasing.

McGrath commented the major points he wanted the Committee to keep in mind were: 1) The whole process is based on ongoing and moving assumptions, 2) Wages and salaries, 3) Lump sum concept, 4) Use of reserves, and 5) Revenue creation. McGrath read a letter that would potentially be distributed to the City employees on 7/1/10 if the aldermen were in agreement of the concepts in terms of approaching 2011 along with a timeline (refer to documents). Ald. Volk asked that the 7/1/10 letter be circulated to the entire City Council when sent to the employees. McGrath replied that the aldermen would receive a copy. McGrath provided a list of the 20.5 positions/23 individuals that have been eliminated since 2008 via layoffs, retirements, and unfilled positions. McGrath pointed out Human Resources has an ongoing wage and salary study to analyze external comparable salaries. Randall Recklaus stated the number of individuals per position is also being analyzed in the study.

McGrath advised once the 7/1/10 letter would be released to the employees the City would be maintaining an FAQ document for the City Council and employees similar to what is done for the budget process. McGrath stated that between 7/6/10 and 7/14/10 there would be a series of meetings with the employees to discuss the 7/1/10 letter and answer questions as well as take comments. McGrath explained that by 7/16/10 the department heads would complete a first draft of their 2010 estimates and 2011 non-wage expenses. McGrath advised it will need to be determined if there would be some kind of lump sum that would be available for wages and salaries and create some concepts for distribution and review. McGrath advised of additional Government Services Meetings and points on the timeline that would occur in 2010.

Ald. Thelin Atac inquired if the City Staff were looking to the Government Services Committee for ideas on revenue creation. McGrath advised the City Staff do have some tax ideas.

9. Closed Session: Land Acquisition (WRM 6/21/10) Personnel

Motion: To adjourn to Executive Session for the purposes of Land Acquisition and Personnel discussion.

Maker: Sparks

Second: Liva

Voice vote: 6 Ayes, 0 Nay, Motion Carried.

The meeting was adjourned to Executive Session at 9:28 p.m. and when Regular Session resumed at 10:03 p.m. all the same committee members were present.

10. Other

None.

11. Adjournment

A motion was made by Ald. Liva and seconded by Ald. Tenuta to adjourn the meeting at 10:03 p.m. All were in favor and the motion was carried.

Minutes prepared by
Connie Rizo