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**SYCAMORE CITY COUNCIL – REGULAR MEETING  
MINUTES OF JANUARY 20, 2009**

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**ROLL CALL**

Mayor Ken Mundy called the meeting to order at 7:00 p.m. and City Clerk Candy Smith called the roll. Those Alderpersons present were: Grace Adee, Alan Bauer, Terry Kessler, Darren Knuth, Rich Neubauer, Pete Paulsen, Chuck Stowe, and Gregory Taylor.

**INVOCATION**

Pastor Steve Perrson of First Baptist Church gave the invocation.

**PLEDGE OF ALLEGIANCE**

**APPROVAL OF AGENDA**

**Motion**

Alderperson Neubauer moved to approve the agenda and Alderperson Kessler seconded the motion.

**Voice vote**

Mayor Mundy called for a voice vote to approve the motion. All Alderpersons voted aye. Motion carried 8 - 0.

**AUDIENCE TO VISITORS**

Ryan Hopper, 420 W. State St., said his family owns the Sycamore Theatre building and he is opening an arcade in the storefront formerly known as Domino's. He said there would be 20 games that give tickets that can be redeemed for prizes. He said there will also be a 600 sq. ft. room for birthday parties.

**CONSENT AGENDA**

- A. Approval of the Minutes for the Regular City Council Meeting of January 5, 2009.
- B. Payment of the Bills for January 20, 2009 in the amount of \$1,065,981.06.
- C. Plan Commission Minutes for the Meeting of December 8, 2008.
- D. Building & Zoning Department Annual Report for 2008.

**Motion**

Alderperson Bauer moved to approve the Consent Agenda and Alderperson Neubauer seconded the motion.

**Voice vote**

Mayor Mundy called for a voice vote to approve the motion. All Alderpersons voted aye. Motion carried 8 - 0.

**PRESENTATION OF PETITIONS, COMMUNICATIONS, AND BILLS.**

Mayor Mundy noted that this was an historic day for America with the inauguration of our first black president. He said that there are many challenges at home and abroad and the City is looking at our own bleak revenue picture that we will be exploring later in the meeting.

**REPORT OF OFFICERS**

Manager – Bill Nicklas thanked the Water Division with the cooperation of the Street Division for their work in the cold repairing a watermain break. He said there would be tough business to discuss later on the agenda.

He said they would begin the discussion and return for clear direction with a recommendation of his own at the February 2, 2009 meeting.

Engineer – John Brady, Sycamore Municipal Engineering, said the water tower re-bid project was out for bid.

Building & Zoning – Lyle Doty said he had distributed his annual building report and said it was a slow year for permitting. He noted that there were only 14 permits issued for detached single-family homes and 108 total dwelling units.

Assistant Fire Chief – Mark Kessler said they are compiling statistical data for the calendar year and preliminary data shows about a 2 ½% call volume increase.

Treasurer/Asst. City Manager – Brian Gregory said the Treasurer’s report through December is at the 66.67% benchmark with revenues tracking at 69% and expenditures are right at 67%. He said that Restaurant & Bar Tax and Income Tax and Fines & Services have been strong so far, but the Sales Tax is lagging behind.

Police Chief – Don Thomas said his department was also in the process of putting 2008 statistics together. He said it looked like crime was down slightly, but their calls for service increased 3.5%.

Public Works Director – Fred Busse reported on the Wastewater Treatment Plant project. He said the new bar screen was in place, 2 of the 4 motorized valve actuators were in, and the programmers were out this week and should have the bar screen functioning by the end of the week. He said the mechanical contractor still has the other 2 motorized valve actuators to install, some outside valves to work on, plus put an automatic transfer switch on the generator. He said the solids handling project should go out for bid the second week of February. He also noted that the Street Division is out removing snow from cul-de-sacs and intersections when they are not plowing snow.

Public Works Asst. Dir. – Ebe Smith thanked VAC for providing a warming bus during the work on the watermain break and also thanked Mark Kessler for borrowing a heater from DeKalb Fire Department. He said the Water Division is out working on another watermain break tonight. He asked residents to clear the snow from the fire hydrants on their property.

## **REPORT OF STANDING COMMITTEES**

Finance – no report  
Public Safety – no report  
Public Works – no report

## **PUBLIC HEARING**

- A. Public Hearing on a Petition to Annex Property Owned by Laura and Eric Mathey at 403 N. Main Street and to Rezone the Property to “M-1,” Light Manufacturing District.

Mayor Mundy opened the hearing and with no public comment closed the hearing.

## **ORDINANCES**

**A. Ordinance No. 2008.66—An Ordinance Amending the Fiscal Year 2008-2009 Budget. First and Second Reading.**

City Manager Nicklas said at the last meeting Council authorized the use of Motor Fuel Tax funds for salt purchases and this ordinance amends the budget to reflect that.

**Motion**

Aldersperson Bauer moved to hear Ordinance 2008.66 on first and second reading and Aldersperson Stowe seconded the motion.

**Voice vote**

Mayor Mundy called for a voice vote to approve the motion. All Alderspersons voted aye. Motion carried 8 - 0.

**Motion**

Aldersperson Stowe moved to approve Ordinance 2008.66 and Aldersperson Paulsen seconded the motion.

Aldersperson Taylor asked about the City's salt usage.

Public Works Director Busse said currently we run at 800 tons per year. He said we have about 500 tons in the shed and the City has to reach a 70% level with the state so we will need to purchase another 800 tons or we will have to pay anyway.

Aldersperson Taylor asked if the City was diluting the salt with sand.

Mr. Busse said they are using ice control chips in the alleys. He said that when ice control chips are used on the streets they get washed into catch basins that need to be vacuumed and the streets have to be swept in the spring.

**Roll call vote**

Mayor Mundy called for a roll call vote to approve the motion. Alderspersons Adee, Bauer, Kessler, Knuth, Neubauer, Paulsen, Stowe, and Taylor voted aye. Motion carried 8 – 0.

**B. Ordinance No. 2008.68—An Ordinance Concerning the Recommendation of the Plan Commission With Regard to the Petition to Annex the Mathey Property at 403 N. Main Street and to Rezone the Property to “M-1,” Light Manufacturing District. First and Second Reading.**

City Manager said this is 1300 square feet of an old railroad r.o.w. that is part of another parcel that is zoned M-1.

**Motion**

Aldersperson Kessler moved to hear Ordinance 2008.68 on first and second reading and Aldersperson Paulsen seconded the motion.

**Voice vote**

Mayor Mundy called for a voice vote to approve the motion. All Alderspersons voted aye. Motion carried 8 - 0.

**Motion**

Aldersperson Paulsen moved to approve Ordinance 2008.68 and Aldersperson Kessler seconded the motion.

**Roll call vote**

Mayor Mundy called for a roll call vote to approve the motion. Alderspersons Adee, Bauer, Kessler, Knuth, Neubauer, Paulsen, Stowe, and Taylor voted aye. Motion carried 8 – 0.

**C. Ordinance No. 2008.69—An Ordinance Concerning the Recommendation of the Plan Commission With Regard to a Special Use Permit Application from DeKalb County Youth Services for the Property at 203 E. State Street. First and Second Reading.**

City Manager said this property, which is now part of the wider County campus, is proximate to other court services and close to the County Sheriff's Department.

**Motion**

Aldersperson Bauer moved to hear Ordinance 2008.69 on first and second reading and Aldersperson Kessler seconded the motion.

**Voice vote**

Mayor Mundy called for a voice vote to approve the motion. All Alderspersons voted aye. Motion carried 8 - 0.

**Motion**

Aldersperson Kessler moved to approve Ordinance 2008.69 and Aldersperson Knuth seconded the motion.

Aldersperson Paulsen thanked Margi Gilmour, Deputy Director of DeKalb County Juvenile Court Services, for getting him the electronic version of what was in the background. He said he received support from his ward and said he thought this would be an asset to the community.

Aldersperson Bauer said he supports this endeavor.

Aldersperson Paulsen said he understood the house would accommodate 7 children maximum.

Aldersperson Kessler said she supported this.

Mayor Mundy said the City and the County have worked together for a long time and this is another good example of governmental bodies working together.

Aldersperson Neubauer thanked the County for taking the initiative and making this happen.

**Roll call vote**

Mayor Mundy called for a roll call vote to approve the motion. Alderspersons Adey, Bauer, Kessler, Knuth, Neubauer, Paulsen, Stowe, and Taylor voted aye. Motion carried 8 – 0.

**D. Ordinance No. 2008.70—An Ordinance Concerning the Recommendation of the Plan Commission With Regard to a Rezoning Petition from Commonwealth Edison for the Property at 385 South Avenue, with a Special Use Permit for a Utility Substation. First and Second Reading.**

City Manager Nicklas explained that partly because of a nearby fire a couple of years ago and ComEd's increased concern for safety, they have proposed the erection of a 15.6-foot fire wall to separate the facility from the residential properties nearby. He said the parcel is presently zoned R-3 and would more appropriately be zoned M-2 which is consistent with the utility use.

**Motion**

Aldersperson Neubauer moved to hear Ordinance 2008.70 on first and second reading and Aldersperson Taylor seconded the motion.

**Voice vote**

Mayor Mundy called for a voice vote to approve the motion. All Alderpersons voted aye. Motion carried 8 - 0.

**Motion**

Alderperson Neubauer moved to approve Ordinance 2008.70 and Alderperson Taylor seconded the motion.

**Roll call vote**

Mayor Mundy called for a roll call vote to approve the motion. Alderpersons Adee, Bauer, Kessler, Knuth, Neubauer, Paulsen, Stowe, and Taylor voted aye. Motion carried 8 – 0.

**E. Ordinance No. 2008.72—An Ordinance Amending Title 5, “Police Regulations,” Chapter 3, “Dogs,” Section 5-3-1, “Licensing and Rabies Inoculation Requirements; Fees,” of the City Code of the City of Sycamore, Illinois. First and Second Reading.**

City Manager explained that the requirement of rabies inoculation could be substituted by a serum vaccine antibody titer test that would demonstrate a rabies immune response.

**Motion**

Alderperson Paulsen moved to hear Ordinance 2008.72 on first and second reading and Alderperson Knuth seconded the motion.

**Voice vote**

Mayor Mundy called for a voice vote to approve the motion. All Alderpersons voted aye. Motion carried 8 - 0.

Alderperson Knuth asked about the cost.

Alderperson Bauer said the titer test was more expensive, but if you can avoid giving a dog the inoculation you might be able to avoid some down stream serious conditions.

**Motion**

Alderperson Paulsen moved to approve Ordinance 2008.72 and Alderperson Neubauer seconded the motion.

**Roll call vote**

Mayor Mundy called for a roll call vote to approve the motion. Alderpersons Adee, Bauer, Kessler, Knuth, Neubauer, Paulsen, Stowe, and Taylor voted aye. Motion carried 8 – 0.

**RESOLUTIONS - None**

**CONSIDERATIONS**

**A. Consideration of an Administration Recommendation Regarding Sealed Bids for a Demolition Project at the Former Harvester Square Facility on South Avenue.**

City Manager Nicklas said bids were invited for removal of contaminated soils from the area just north of the Blumen Gardens display area on the former Harvester Square facility. He said that Robinette Demolition came in with the lowest responsible bid of \$66,340. He said this was a good time of year to start excavating and they hoped to have the project completed in 30 to 40 days.

Alderperson Kessler asked if the whole project was nearly finished.

Mr. Nicklas said after excavation and remediation there would have to be testing of the property and adjacent properties with the sample reporting going to the IEPA. He said there would need to be a CLOSURE report that would cost between \$20,000 and \$30,000 for consulting fees. He said they would then invite proposals for redevelopment and future use.

Mayor Mundy explained that the previous owner of the property defaulted and it consequently became a hazard and the City stepped in to mitigate environmental issues.

Aldersperson Neubauer said he would love to sell this to the Park District to create a centralized park.

Mr. Nicklas said there are engineering barriers several feet below that must remain in tact in order to pass the IEPA standards. He said he did not think this property was desirable for the Park District.

### **Motion**

Aldersperson Bauer moved to award the bid to Robinette Demolition for \$66,340 and Aldersperson Neubauer seconded the motion.

### **Roll call vote**

Mayor Mundy called for a roll call vote to approve the motion. Alderspersons Adey, Bauer, Kessler, Knuth, Neubauer, Paulsen, Stowe, and Taylor voted aye. Motion carried 8 – 0.

## **B. Consideration of an Administration Request for Direction on the Proposed FY2009-2010 Fiscal Year Budget.**

City Manager Nicklas said he has projected that the total revenues will be less next year than this year and he has arrived at a deficit of about \$437,000 in the general fund. He said that includes removing salt purchases and some Public Works employees from that fund. He said because of the dismal economy he has not proposed any new taxes or fee increases but noted that each line item in every department budget will need to be justified and will be scrutinized as never before. Mr. Nicklas walked Council through Options A – E that he had presented in his background. He said as the CFO he had reservations about Option A- Allocating \$437,407 from the General Fund reserve. He said the reserve consists of about \$3,350,000 restricted funds and \$1,624,389 unrestricted funds. He said the restricted funds includes the cash equivalent to the sum of all compensated employee leave balances such as accrued sick leave, comp time and vacation time owed to full-time city employees plus about \$1,500,000 for emergency uses. He noted that since the late 1990's the unrestricted portion has been used for capital projects such as purchase and remodel of the Henderson building, purchase of the Henderson parking lot, construction of Fire Station 2, and the next targeted building construction project will be the Police department addition and remodel. Mr. Nicklas said that other communities and private organizations are considering Option B which would entail no wage and salary increases with the exception of contractual step increases and allocate the balance from the General Fund reserve. He said that Option C would authorize no wage and salary increases with the exception of the contractual step increases and lay off one person from the Management, IAFF, FOP, and AFSCME ranks for at least a year for a savings of \$344,275.70 and allocate \$93,131.30 from the General Fund reserve. He said that Option D considers transferring funds from the home rule tax proceeds accruing in the new Street Maintenance Fund to the General Fund to cover the deficit. He said that Option E considers transferring ½ the amount needed from the home rule tax proceeds accruing in the new Street Maintenance Fund to the General Fund and getting the rest by using variations of Options B & C or other options. Mr. Nicklas said this is a challenge and he will have a recommendation at the next regular meeting. He pointed out the CPI handout and said it shows a remarkable deflationary trend in the cost of living.

Alderson Neubauer said things could be worse because we have \$1.5 million in unrestricted funds and thanked Mr. Nicklas, staff, and past Councils for that. He said that he was opposed to Options D & E because when he was knocking on doors during his campaign the resident's main concern was the streets. He said he liked Option B and said he thought that raises should coincide with the CPI.

Alderson Taylor said he has gone through two layoffs and they are very painful, but he said what bothered him was the concept of being a public servant and having the expectation that they get a significant raise each year. He said he did not want to put an automatic 4% yearly increase in the City Clerk's wage and he was not happy that they had to go to arbitration with the IAFF. He said he thought they had to consider some layoffs and felt it was important to protect the General Fund, although he felt it was there for extraordinary circumstances. He said they could look at some of the money coming from the restricted and some from the unrestricted, but he did not want to use the street maintenance dollars. He asked if they could hold off on the water tower.

Mr. Nicklas said that will come out of a different source of revenue. He said if we got to a point that the reserve set aside for accrued leave balance was such that there was no feasible way that it would all be drained in a short period of time, they could do some type of tiering. He said the State of Illinois is a great example of frittering away reserve. He recommended not touching the restricted portion.

Alderson Kessler asked what money would be put into those funds this year.

Mr. Nicklas said he did not see anything new going into our reserve this fiscal year and next fiscal year.

Alderson Bauer said he did not want to use street maintenance dollars. He said he thought Option B was the most reasonable. He said the bargaining units and management are astute to understand this type of situation and that they have to work together to avoid job cuts.

Mr. Nicklas said he met with the union presidents and provided them with this background.

Alderson Kessler said except for the street program she thought all the options should stay on the table. She said they should look at the restricted and unrestricted funds and agreed that layoffs might increase overtime, but that needed to be examined. She said she would like to avoid that, but felt realistically it had to be on the table. She said the only option she was not interested in was using street maintenance dollars and said they need the flexibility to look at this over and over during the year.

Alderson Stowe said that last year they ran into a cash flow problem for the street maintenance program and he said he would be willing to see that amount go back and the rest should not be touched. He said they should look at unrestricted reserve and hold the line on raises.

Alderson Knuth said he does not want the road tax to be used, but would pay back the money that was fronted. He said he does not like Option C because they are talking about families. He said Options A & B are using money for a rainy day and he felt it was raining. He said he preferred Option B, but would work with Option A.

Alderson Bauer said the money shifted to the street maintenance program came from capital dollars not the General Fund.

Alderson Adey said she liked Option B.

Alderson Neubauer suggested Option F which would eliminate the \$70,000 contract for the lobbyist.

Mr. Nicklas said he did not include that in the hotel-motel tax budget, so it is not a savings to the General Fund.

Alderson Paulsen said he thought everybody was going to have to take one for the team. He said maybe taking no salary increase to save a co-worker's job and cutting programs such as the tree program would help close the gap.

Alderson Kessler asked how many employees were affected by the step program in the contracts.

Mr. Nicklas said about one half of the members of each union. He said the step program is a savings to the organization because the steps allow us to hire at a lower level. He said we would have to negotiate our way out of step increases.

Alderson Kessler said then one half of the members of each union would get raises because of the steps.

Mayor Mundy said this was good discussion and asked them to keep thinking about this. He said they can talk about layoffs and buyouts, but the work still has to be done and we have a service level to maintain, but something has to give. He said that early buyouts and layoffs generally increase overtime and that is a dilemma. He said they worked long and hard on the street maintenance funding and he would be reluctant to handicap that program. He said he appreciated all the discussion.

## **OTHER NEW BUSINESS**

### **APPOINTMENTS**

### **ADJOURNMENT**

#### **Motion**

Alderson Stowe moved to adjourn the meeting at 8:37 p.m. and Alderson Paulsen seconded the motion.

#### **Voice vote**

Mayor Mundy called for a voice vote to approve the motion. All Aldersons voted aye. Motion carried 8 - 0.

Approve:

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Mayor - Ken Mundy

Attest:

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City Clerk – Candy Smith