
**SYCAMORE CITY COUNCIL – REGULAR MEETING
MINUTES OF DECEMBER 21, 2009**

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: Alan Bauer, Steven Braser, Pete Paulsen, Chuck Stowe, Gregory Taylor, and Janice Tripp. Alderpersons Terry Kessler and Richard Neubauer were absent.

INVOCATION

Pastor Steve Best of Harvest Time Chapel gave the invocation.

PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

Motion

Alderson Braser moved to approve the agenda and Alderson Taylor seconded the motion.

Voice vote

Mayor Mundy called for a voice vote to approve the motion. All Aldersons voted aye. Motion carried 6 - 0.

AUDIENCE TO VISITORS

Steve Kuhn, 1119 Daniel Ct., said if Council was considering raising taxes, he would like to see budget control at the department level.

CONSENT AGENDA

- A. Approval of the Minutes for the Regular City Council Meeting of December 7, 2009.
- B. Payment of the Bills for December 21, 2009 in the amount of \$957,705.28.

Motion

Alderson Bauer moved to approve the Consent Agenda and Alderson Stowe seconded the motion.

Voice vote

Mayor Mundy called for a voice vote to approve the motion. All Aldersons voted aye. Motion carried 6 - 0.

PRESENTATION OF PETITIONS, COMMUNICATIONS, AND BILLS.

Alderson Taylor acknowledged his appreciation for those decorating the windows in the Sycamore Center.

Alderson Paulsen praised Public Works for their good job of plowing after the last heavy snow.

Mayor Mundy said he received a thank-you from the high school athletes, said he attended a regional conference at NIU that provided good networking opportunities, and encouraged residents to shop locally.

REPORT OF OFFICERS

Manager – Bill Nicklas thanked Public Works for their work beautifying the downtown by hanging lights in the trees.

Engineer – John Brady, Sycamore Municipal Engineering, reported that he started working on Phase I of the water tower project which is the site utilities, storm, sanitary, and the water. He said they would be getting that out to bid in order to start work in late March.

Building & Zoning – Lyle Doty said he was working on the Police Department addition review.

Fire Chief – Bill Riddle said the traditional red wreaths are hung at both Fire Stations and the white bulbs represent a holiday related incident. He also noted that the new health legislation refers to health care providers and that would include ambulance billing so he would pass that information forward as it becomes available.

Treasurer/Asst. City Manager – Brian Gregory noted the budget was at the 58.33% benchmark and sales tax continues to drop off. He said the current numbers represent August transactions and the Home Rule sales tax receipts collected are off \$21,000 from last year. He said that income tax was down. He noted that he and the City Manager talk to Department Heads regularly and encourage them to tighten spending wherever they can and he applauded the departments for making do with what they have.

Police Chief – Don Thomas reported that they are down two police officers and have hired one replacement, Jonathan Miller. He noted that over the next two holiday weeks they historically see more domestic quarrels and DUI's and he encouraged residents to celebrate with moderation.

Public Works Director – Fred Busse said the water tower workers will take time off over the holidays and will return to work January 4, 2010. He also reminded residents that it is illegal to push or blow snow into the streets.

REPORT OF STANDING COMMITTEES

Finance – no report

Public Safety – no report

Public Works – no report

PUBLIC HEARING - None

ORDINANCES

- A. Ordinance No. 2009.41--An Ordinance Levying Taxes for the Corporate Purposes of the City of Sycamore for the Fiscal Year Commencing May 1, 2010 and Ending April 30, 2011. Second Reading.**

City Manager Nicklas said the Corporate Levy of \$3,464,142 includes the City levy of \$2,624,621 plus the Library levy of \$839,521. He noted that with this action Council was committing to a one-time \$15,000 grant to the Library.

Motion

Alderson Braser moved to approve Ordinance 2009.41 and Alderson Bauer seconded the motion.

Alderson Taylor said that earlier he was pushing for a lower rate and emphasized that the City's portion of the property tax bill is only about 8% and that he was reluctantly going along with the 3%.

Roll call vote

Mayor Mundy called for a roll call vote to approve the motion. Aldersons Bauer, Braser, Neubauer, Paulsen, Stowe, Taylor, and Tripp voted aye. Motion carried 6 – 0.

B. Ordinance No. 2009.42--An Ordinance Abating the Debt Service Levy for the General Obligation Bond Issue Series 2002 for the City of Sycamore, DeKalb County, Illinois for Fiscal Year 2010-2011. Second Reading.

City Manager Nicklas explained that the City abates the whole or part of the debt service and does not levy taxes to pay for the debt service for capital projects.

Motion

Alderson Stowe moved to approve Ordinance 2009.42 and Alderson Taylor seconded the motion.

Roll call vote

Mayor Mundy called for a roll call vote to approve the motion. Aldersons Bauer, Braser, Paulsen, Stowe, Taylor, and Tripp voted aye. Motion carried 6 – 0.

C. Ordinance No. 2009.43--An Ordinance Abating the Debt Service Levy for the General Obligation Bond Issue Series 2003 for the City of Sycamore, DeKalb County, Illinois for the Fiscal Year 2010-2011. Second Reading.

City Manager Nicklas said this bond series is 100% abated.

Motion

Alderson Bauer moved to approve Ordinance 2009.43 and Alderson Taylor seconded the motion.

Roll call vote

Mayor Mundy called for a roll call vote to approve the motion. Aldersons Bauer, Braser, Paulsen, Stowe, Taylor, and Tripp voted aye. Motion carried 6 – 0.

D. Ordinance No. 2009.44--An Ordinance Partially Abating the Debt Service Levy for the General Obligation Bond Issue Series 2005 for the City of Sycamore, DeKalb County, Illinois for the Fiscal Year 2010-2011. Second Reading.

City Manager Nicklas said that this particular indebtedness goes back to the early 1990's and has been refunded twice and \$155,000 is levied and \$172,327.50 is abated.

Motion

Aldersperson Braser moved to approve Ordinance 2009.44 and Aldersperson Tripp seconded the motion.

Roll call vote

Mayor Mundy called for a roll call vote to approve the motion. Alderspersons Bauer, Braser, Paulsen, Stowe, Taylor, and Tripp voted aye. Motion carried 6 – 0.

E. Ordinance No. 2009.45—An Ordinance Abating the Debt Service Levy for the General Obligation Bond Issue Series 2007 for the City of Sycamore, DeKalb County, Illinois for the Fiscal Year 2010-2011. Second Reading.

City Manager Nicklas said this would be 100% abated.

Motion

Aldersperson Braser moved to approve Ordinance 2009.45 and Aldersperson Tripp seconded the motion.

Roll call vote

Mayor Mundy called for a roll call vote to approve the motion. Alderspersons Bauer, Braser, Paulsen, Stowe, Taylor, and Tripp voted aye. Motion carried 6 – 0.

F. Ordinance No. 2009.46--An Ordinance Abating the Debt Service Levy for the General Obligation Bond Series 2009 for the City of Sycamore, DeKalb County, Illinois for the Fiscal Year 2010-2011. Second Reading.

City Manager Nicklas noted that this is the newest Bond Series to finance the Police addition and will be 100% abated.

Motion

Aldersperson Bauer moved to approve Ordinance 2009.46 and Aldersperson Stowe seconded the motion.

Roll call vote

Mayor Mundy called for a roll call vote to approve the motion. Alderspersons Bauer, Braser, Paulsen, Stowe, Taylor, and Tripp voted aye. Motion carried 6 – 0.

G. Ordinance No. 2009.47—An Ordinance Abating Certain Real Estate Revenue Due for Property Owned by Emmaus Holdings/d.b.a. Superior Industrial Equipment at 1609 Afton Road in the City of Sycamore, DeKalb County, Illinois for Fiscal Year 2010-2011. Second Reading.

City Manager Nicklas said this is a 3-year property tax abatement that all taxing bodies are supporting.

Motion

Aldersperson Tripp moved to approve Ordinance 2009.47 and Aldersperson Taylor seconded the motion.

Aldersperson Bauer said it was good to see all the taxing bodies involved in this abatement that helps the City attract businesses.

Roll call vote

Mayor Mundy called for a roll call vote to approve the motion. Alderspersons Bauer, Braser, Paulsen, Stowe, Taylor, and Tripp voted aye. Motion carried 6 – 0.

H. Ordinance No. 2009.49—An Ordinance Amending Title 3, “Business and License Regulation,” Chapter 2, “Liquor Control,” Section 3-2-7, “Number of Licenses,” Subsection A,4, “Class D; Package Goods,” to Remove the Population-Based Limit on the Number of Package Liquor Licenses in the City of Sycamore, Illinois. First Reading.

Mayor Mundy said Walgreen’s store manager, Ms. Nottingham, was in the audience. He said the question is whether the Council wanted to maintain the population control on package liquor sales and the impetus for the ordinance is Walgreen’s request to return to package liquor sales.

Aldersperson Bauer said he did not have a problem with this. He said he felt it was not the government’s position to protect existing businesses as much as it is to encourage business growth.

Aldersperson Taylor questioned how Walgreen’s could have a segregated area where liquor could be sold and asked if they were talking about a small area. He said he was not looking to get another full-service liquor store in town.

Mayor Mundy said their request is to sell beer and wine and with permission they would confine those sales to one area.

City Manager Nicklas said there is nothing in the Code about square footage.

Aldersperson Taylor said he did not see a significant reason to limit the number of package liquor establishment. He said that should be market driven. He said his concern was whether the liquor sales area would get larger and the other areas diminish.

Mayor Mundy said that Walgreen’s primary mission is the general merchandising of goods and not liquor sales.

Aldersperson Paulsen said he did not have a problem with this.

Aldersperson Stowe said he does not feel this would make much difference.

Aldersperson Tripp said she would support this.

Mayor Mundy said this would not be on a fast track because Walgreen’s is going to remodel the whole store and their intent is to comply with our Code.

Aldersperson Braser said he wanted to encourage Walgreen’s to grow and would support this.

Mayor Mundy said if this ordinance were to proceed and be approved as is, then Walgreen’s would be included in that base of package retail and the second part of a $\frac{3}{4}$ -vote of corporate authorities would not apply.

Mr. Nicklas said he would bring this back on January 4.

RESOLUTIONS - None

CONSIDERATIONS

A. Consideration of a Revised Lease Between the City of Sycamore and the Sycamore History Museum.

City Manager Nicklas said the Board of the History Museum is interested in a long-term extension to the current lease. He said there are not really any comparables for a lease amount so he calculated an amount that took into consideration a relationship between the value added to the property by the Museum and a fair rent over a ten-year period as shown in the table below:

Year	Monthly Rent	Annual Rent
2010	\$10 (current rent)	\$120
2011	\$50	\$600
2012	\$100	\$1,200
2013	\$150	\$1,800
2014	\$200	\$2,400
2015	\$225	\$2,700
2016	\$250	\$3,000
2017	\$260	\$3,120
2018	\$270	\$3,240
2019	\$280	\$3,360
	Total:	\$21,540

Mr. Nicklas noted other aspects of the proposed lease in his background as follows:

1. Utilities. The Tenant pays all monthly utilities (e.g. natural gas, electric, phone and cable) except for the water and sewer charges, as under the present lease. The two houses are currently on well and septic. The City has already committed to water and sewer line extensions to the houses when the water tower and well construction on the site are completed.
2. Refuse. The Tenant is solely responsible for refuse pickup.
3. Insurance. The Tenant pays the cost of casualty insurance for the leased premises, and shall carry worker comp insurance, loss of rents insurance, and comprehensive general liability insurance, showing the City as an additional insured.
4. Maintenance. The Tenant has the standard obligation of maintaining the premises in a condition of proper cleanliness and orderliness, and in a state of attractive appearance, which would include exterior painting.
5. Common Areas. The City will continue to maintain the exterior common areas (e.g. snow removal on the drives and parking areas; lawn-mowing).
6. Right of First Refusal. In the event the City decides to sell, transfer or otherwise convey the subject property to another governmental entity, then prior to the City's execution of any agreement to sell, transfer, or convey the property the City shall notify the Tenant in writing of the proposed conveyance and the Tenant shall have the right to purchase said property on the same terms and conditions within thirty (30) days of the receipt of the Landlord's notification. In addition, the Tenant has a first right of refusal to lease the

property after December 31, 2019 according to the terms and conditions determined by the sole authority of the City Council of the City of Sycamore, Illinois. The Tenant's election to exercise the right of first refusal with respect to continued possession of the property after December 2019 must be made in writing and submitted to the City by certified mail, return receipt requested, by December 1, 2019;

Aldersperson Braser questioned the first right of refusal and asked if it was worth it for the City to accept any rent. He said he would rather have control of the property

Mr. Nicklas said the language in the text does not allow the Museum to dictate the terms and it does not bind the City to what might be a bad tenant.

Aldersperson Bauer said there was an incredible amount of work done at no expense to the taxpayer.

Motion

Aldersperson Paulsen moved to approve an extended lease between the Sycamore History Museum and the City and Aldersperson Bauer seconded the motion.

Roll call vote

Mayor Mundy called for a roll call vote to approve the motion. Alderspersons Bauer, Braser, Paulsen, Stowe, Taylor, and Tripp voted aye. Motion carried 6 – 0.

City Manager Nicklas said he would bring this back for approval at the January 4, 2010 meeting.

B. Consideration of an Administration Request for Direction Regarding the FY2010-2011 Fiscal Year Budget.

City Manager Nicklas said because we are still in extraordinary times he decided to accelerate our review and reflection about where we are heading with next year's budget. He said we are looking at a substantial shortfall in our general fund revenues of \$1.28 million. He noted that if we dip any further into our reserves, we would lose our bond rating which would increase the cost of what we have borrowed and impact the general fund. He said he recommended Option #5 which increases the Home Rule tax by ½% and adds \$228,358 in non-personnel cost-savings or capital fund transfers.

Aldersperson Bauer said he did not want to dip into reserves and asked Mr. Nicklas to explain what that would do to the bond rating.

Mr. Nicklas said it would cost \$630,000 over the life of the newest 2009 Bond Series.

Aldersperson Taylor said he did not want to touch the reserves and said that Option #5 seemed like the best option and it shares the burden with non-residents. He said because we are a lean organization he did not want to look at layoffs, but he did think we could put off some purchases of new vehicles for a year. He asked about the need for an additional Assistant Fire Chief position.

Mr. Nicklas said that without a chief in town there is no incident command at a fire. He said with 3 chiefs there would always be one on duty or on call. He said it is also an opportunity to build in more affective chain of command.

Aldersperson Taylor said that he hopes the lieutenants are trained to fill the incident command.

Mr. Nicklas said the lieutenants are not trained to cover incident command. He said there has been anxiety expressed by the IAFF about what happens in the absence of a chief.

Aldersperson Taylor asked if the Union was good with this.

Mr. Nicklas said he has not discussed this with the Union because he wanted Council to see this first. He said that he makes operational decisions that affect the budget and Council votes on the budget.

Aldersperson Bauer said he thought Option #5 was the best although none were pleasing and history shows that we are not a group who arbitrarily raise taxes.

Mayor Mundy said the worst thing we could do is ignore this and he felt a consumption tax was the most fair. He said that Option #5 looked like a reasonable approach.

Aldersperson Tripp said she does not want a utility tax, nor would she support a Telecommunication Tax increase. She said she favored Option #5.

Aldersperson Stowe said he did not want to raid the reserves and agreed that Option #5 was the best.

Mayor Mundy said he that having no utility tax was used to our advantage to attract businesses.

Aldersperson Paulsen said he felt that Option #5 had the least impact on the most people. He said we need to look at non-essential services and programs to cut like the tree program and the holiday party.

Mr. Nicklas said the holiday party costs \$4,000 and the tree program costs \$14,000 and those types of cuts would not add up to nearly enough. He said that training has been cut for 5 years to only minimal training to maintain licensure.

Aldersperson Bauer said he hoped they continue safety training.

Mr. Nicklas said that was done at the staff level.

Aldersperson Paulsen asked if this would be a short-term tax increase.

Mr. Nicklas said Council could put a sunset clause in the ordinance and suggested going out 2 or 3 years.

C. Consideration of an Administration Request for a Closed Session to Discuss Personnel Matters.

Motion

Aldersperson Taylor moved to go into Closed Session at 8:45 p.m. 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 6 - 0.

Motion

Aldersperson Taylor moved to return to Open Session at 9:05 p.m. 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 6 - 0.

OTHER NEW BUSINESS

APPOINTMENTS

ADJOURNMENT

Motion

Aldersperson Stowe moved to adjourn the meeting at 9:05 p.m. 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 6 - 0.

Approve:

Mayor – Ken Mundy

Attest:

City Clerk – Candy Smith