

**SYCAMORE CITY COUNCIL**  
**AGENDA**  
**January 4, 2010**

**CITY COUNCIL COMMITTEE MEETINGS**  
**No Meetings Are Scheduled**

**REGULAR CITY COUNCIL MEETING**  
**7:00 P.M.**

1. **CALL TO ORDER**
2. **INVOCATION**
3. **PLEDGE OF ALLEGIANCE**
4. **APPROVAL OF AGENDA**
5. **AUDIENCE TO VISITORS**
6. **CONSENT AGENDA**
  - A. Approval of the Minutes for the Regular City Council Meeting of December 21, 2009.
  - B. Payment of the Bills for January 4, 2010.
7. **PRESENTATION OF PETITIONS, COMMUNICATIONS, AND BILLS.**
  - A. Swearing-in of Bob Maciejewski as Fire Lieutenant and Nick Young as Career Firefighter.  
Both are replacement positions.
8. **REPORTS OF OFFICERS**
9. **REPORTS OF STANDING COMMITTEES**
10. **PUBLIC HEARINGS--None**
11. **ORDINANCES**
  - A. **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. Second Reading.**

Liquor Commissioner Ken Mundy received an inquiry from Walgreens in early December regarding the possibility of a package liquor license for the store at 1340 DeKalb Avenue in Sycamore. The City Code presently limits the number of Class D (i.e. package) liquor licenses to one for each 3,000 Sycamore residents, as computed by the latest regular or special federal census. The special federal census certified for November 2005 set the Sycamore population at 14,866; the preliminary 2010 decennial census results will not be known until later in 2010. Walgreens is aware that the present population-based restriction would not accommodate their interest.

On December 21, the Council considered the possibility of removing the population proration as a basis for any additional package licenses. It was the consensus of the Council that it was time to end the proration of package licenses based on population. The attached ordinance would accomplish this end. City Council approval on second reading is requested. An inventory of all current City liquor licenses is attached for the Council’s reference.

**B. Ordinance 2009.50—An Ordinance Approving a Lease Between the City of Sycamore and the Sycamore History Museum for the Property at 1730 N. Main Street in the City of Sycamore, Illinois. First and Second Reading.**

At the December 21 Council meeting, the Council directed the City Manager to prepare an ordinance that would allow the Mayor to execute a lease between the City of Sycamore and the Sycamore History Museum. The terms of the lease were detailed at the December 21 meeting, but a brief summary is provided below:

1. The term is for ten years.
2. The escalating monthly rent over the ten year period is as follows:

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

\*Beginning on September 1, 2010 and increasing on September 1 each year thereafter.

3. 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.

4. Refuse. The Tenant is solely responsible for refuse pickup.
5. 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.
6. 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.
7. Common Areas. The City will continue to maintain the exterior common areas (e.g. snow removal on the drives and parking areas; lawn-mowing).
8. 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.

City Council approval is recommended.

**C. Ordinance No. 2009.51—An Ordinance Designating Basic Medical Coverage Under the Public Safety Employee Benefit Act (PSEBA). First and Second Reading.**

This ordinance addresses a “hole” in the City's current health plan options when certain unique and extraordinary circumstances occur. The Public Safety Employee Benefit Act (PSEBA), 820 ILCS 320/, was enacted in 1997 to provide health insurance benefits to public safety employees covered by the Act who suffer a catastrophic injury or are killed in the line of duty. PSEBA defines a public safety employee as any full-time law enforcement officer, correctional or correctional probation officer, firefighter, or licensed emergency medical technician who is a sworn member of a public fire department.

PSEBA requires employers of public safety employees (as defined above) to pay the entire premium of the employer's health insurance plan (supplemental benefits such as dental and vision that are not a part of the basic health plan are not included) for the injured employee, the injured employee's spouse, and for each dependent child of the injured employee until the child reaches the age of majority or until the end of the calendar year in which the child reaches the age of 25 if the child continues to be a dependent for support or if the child is a full or part-time student and is dependent on the injured employee for support. If the injured employee subsequently dies, the employer must continue to pay the entire health insurance premium for the surviving spouse until remarriage and for the dependent children as previously defined. The Act also requires the employer to provide educational benefits to the dependents of public safety employees covered by this Act who are killed in the line of duty.

In order for the law enforcement, correctional or correctional probation officer, firefighter, spouse, or dependent children to be eligible for insurance coverage under this Act, the injury or death must have occurred as the result of the officer's response to fresh pursuit, the officer or firefighter's response to what is reasonably believed to be an emergency, an unlawful act perpetrated by another, or during the investigation of a criminal act.

The PSEBA requires that the health insurance benefits be provided to the injured employee and his/her dependents for life, which is a substantial cost for a municipality. In order to minimize this cost, many municipalities designate a specific health insurance plan as their "PSEBA" or "basic benefit plan". This plan must be one that provides basic health benefits and must also be available to all employees. To date, the City of Sycamore has not had any injured employees apply for health insurance benefits under PSEBA, as those who have left City employment in recent years due to work-related injuries have been eligible for medical benefits for life under City Ordinance number 92.80. As the number of public safety employees not covered by this ordinance continues to grow, it is in the City's best interest to begin to annually designate one of its three health insurance plans as its "basic plan".

The City's Health Savings Account (HSA) insurance plan offers the same basic benefits as the PPO plan but at a lower premium cost, since it is a high deductible plan (\$1500 single/\$3000 family). For the past three years, the City has funded 100% of the deductible for participating employees, which has helped to minimize their out-of-pockets expenses as compared to the PPO plan, while still saving the City premium costs. In addition, any employees eligible for benefits under PSEBA are allowed to pay the difference between the plan in which they are currently enrolled and the HSA plan if they prefer to remain in their current plan.

In the future, as the September 1 renewal date approaches, the Council will be asked to designate a "basic plan" based on the plans being offered and the cost. For the present plan year, the City Manager recommends that the Council adopt the HSA plan as the "basic plan."

City Council approval is recommended.

**D. Ordinance No. 2009.52—An Ordinance Amending Title 3, "Business and License Regulations," Chapter 2, "Liquor Control," Section 6, "Classification of Licenses; Fees; Hours and Days," and Section 3-2-7, "Number of Licenses," of the City Code of the City of Sycamore, Illinois to Establish a New "J" License for Outdoor Ball Park Facilities. First and Second Reading.**

The Sycamore Park District and Liners Baseball have reached an agreement to bring summer collegiate baseball games to Sycamore in the summer of 2010. The "Liners" will play in the Prospect Summer Collegiate Baseball League which is comprised of teams located in Illinois, Missouri, Indiana, Ohio and Pennsylvania. Nearby teams include Springfield, Danville, Quincy and Lisle, Illinois. The games will be played on the District's main field off Airport Road and will be scheduled so as not to conflict with other summer competition leagues. General admission tickets will cost \$5.00.

Alcoholic beverages are typically served in limited seating areas at these games, so the principal league promoter, Ken Wise, has approached Sycamore's Liquor Commissioner for a

license similar to those permitted in other league cities. The City of Sycamore's liquor codes do not presently contemplate such a license. Accordingly, a new license classification has been drafted for the Council's review. The attached ordinance has the following provisions:

1. it establishes a new "Class J" license that authorizes the sale of beer and wine at ballpark facilities located in the Park District;
2. it establishes an initial license fee of \$5,000 and an annual fee of \$1,500.
3. it limits the service of alcohol to the time that the athletic event is in progress.
4. it limits the sale of alcoholic beverages to designated concession areas of the ballpark facility, with controlled access in and out of the designated areas, and from authorized vendors.
5. no outside liquor may be brought into the ballpark facility.

City Council approval is recommended.

## 12. RESOLUTIONS

### **A. Resolution No. 531—Authorizing the City Manager to Designate Freedom of Information Act Officers Pursuant to the Freedom of Information Act and Open Meetings Act of the State of Illinois.**

As of January 1, 2010, Illinois law requires municipalities and other governmental agencies to designate one or more officers to handle Freedom of Information Act ("FOIA) requests. Such officers will now be required to annually complete electronic FOIA training through the Illinois Attorney General's office and the names of the FOIA officers must be displayed on the City's web site.

The City Manager recommends the designation of the following officers:

- Adam Orton, City-wide FOIA Officer;
- Brian Gregory, City-wide FOIA Officer;
- Megan Petit, Police Department FOIA Officer.

Because of the daily and frequent requests for case information from the Police department, a separate officer with special training has been designated to aid the public in such requests.

City Council approval is recommended. An internal procedural memorandum that has been circulated to all City departments is included for the Council's reference.

## 13. CONSIDERATIONS

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

On December 21, the Council considered a report from the City Manager regarding assumptions about revenue trends and spending priorities for general operations in the coming fiscal year. The assumptions were based on the most current financial information available, and were offered to elicit Council direction as the City staff begins the months-long process of preparing a new fiscal year budget. As noted on December 21, the timing of this review was moved up because operating revenue trends are more challenging than normal, and the options for addressing these trends may reasonably invite more public discussion.

The City Manager’s report projected an operating revenue shortfall of just under \$1 million and provided ten options for addressing that shortfall. Mayor Mundy took a straw poll of the Council members present on December 21 and a general consensus surrounded Option #5, which proposed a capital transfer of \$228,358 from Fund 6 and an increase in the City’s home rule tax from 1.25% to 1.75%, which would be identical with DeKalb’s home rule tax rate. During the discussion prior to the informal polling, the possibility of a “sunset” clause limiting the life of the proposed tax increase for 2-3 years was suggested. This would force a Council review of the impact of the proposed tax increase after a reasonable time had been allowed to measure its impact. The Council was not polled on this specific suggestion.

A copy of the City Manager’s full report has been appended to this agenda. More formal Council direction regarding Option #5 is recommended so that the City Staff can take further steps in preparing the FY2010-2011 City Budget. The City Manager welcomes a close review of the City’s operating revenues this year and every year as the fiscal budget is prepared. In principal, a sunset clause would be compatible with this longstanding embrace of transparency and accountability. After meeting with the Sycamore Chamber of Commerce Board and Public Advocacy Committee following the December 21 Council meeting, it appears that the Chamber businesses would welcome a sunset clause if a tax increase is approved.

However, it would be disingenuous for the City administration to represent the present operating shortfall as a passing dilemma. It is extraordinary and rests on a structural problem: going forward, the ½% home rule tax proceeds presently going into the City’s general operations will not keep the City’s General Fund in balance. This will be the case two years out or three years out, even if there is a dramatic rebound in local sales. A realistic projection of revenues over the next few years will not support a rescission of any home rule tax increase. A quick look at the numbers unfortunately supports this assumption. If a ½% home rule tax increase is approved and goes into effect on July 1, 2010 the City’s General Fund will still have a shortfall of \$228,358 which will be covered by a transfer of monies from Fund 6 in FY2010-2011. Since the annual allocation for vehicle replacement, equipment, and small capital purchases cannot be long ignored, and because the Fund 6 reserves are limited, this bailout from the City’s general capital fund monies will not suffice to balance the General Fund in future years, based on a conservative appraisal of annual operating needs as well as the routine capital “bill” that will need to be met in the future.

	FY10-11 (5/1/10-4/30/11)	FY11-12 (5/1/11-4/30/12)	FY12-13 (5/1/12-4/30/13)	FY13-14 (5/1/13-4/30/14)
Operating Revenue Target	\$12,578,358	\$12,955,709 (+3)	\$13,344,380 (+3%)	\$13,744,711 (+3%)
Actual Operating Revenue	\$11,600,000	\$11,948,000 (+3%)	\$12,306,440 (+3%)	\$12,675,633 (+3%)
Plus ½% Home Rule Tax Increase	\$750,000 (10 mos.)	\$900,000 (12 mos.)	\$918,000 (+2%)	\$936,360 (+2%)
Plus Fund 6 Transfer	\$228,358	\$0.00	\$0.00	\$0.00
Surplus/(Deficit)	\$0.00	(\$107,709)	(\$119,940)	(\$132,718)

However, the proposed ½% home rule tax increase will enable the City government to resist more onerous exactions such as a utility tax or a significant property tax increase. City Council direction is recommended.

**14. OTHER NEW BUSINESS**

**15. APPOINTMENTS**

**16. ADJOURNMENT**