
**SYCAMORE CITY COUNCIL – REGULAR MEETING
MINUTES OF JANUARY 19, 2010**

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, Terry Kessler, Rich Neubauer, Pete Paulsen, Chuck Stowe, Gregory Taylor, and Janice Tripp. Alderperson Steven Braser was absent.

INVOCATION

Mayor Mundy asked for a moment of silent reflection.

PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

Motion

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

Voice vote

Mayor Mundy called for a voice vote to approve the motion. All Alderpersons voted aye. Motion carried 7 - 0.

AUDIENCE TO VISITORS

Bjarne Christensen, 208 North Ave., asked Council to consider making North Avenue parking on one side only from Main Street to California Street because when both sides are full of parked cars there is little room and sometimes no room to pass through.

CONSENT AGENDA

- A. Approval of the Minutes for the Regular City Council Meeting of January 4, 2010.
- B. Payment of the Bills for January 19, 2010 in the amount of \$294,268.20.

Motion

Alderperson Bauer moved to approve the Consent 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 7 - 0.

PRESENTATION OF PETITIONS, COMMUNICATIONS, AND BILLS.

Alderperson Stowe said he had also received a suggestion from a resident to review parking on North Avenue.

City Manager Nicklas said the Police Department will look into the parking issue on North Avenue and report at the next meeting.

Mayor Mundy noted that 2010 Census jobs were available and encouraged residents to shop locally.

REPORT OF OFFICERS

Manager – Bill Nicklas thanked Don Thomas, Darrell Johnson, Lyle Doty, and John Brady for their work with the architects to get the plans for the police addition ready for bid. He said there was a mailing from American Water Resources to residents regarding water service line maintenance and repair and said he was researching the company's credentials and cautioned local residents to wait until more research is done.

Engineer – John Brady, Sycamore Municipal Engineering, noted that the site work for the police addition will go out to bid at another date. He said some of the preliminary work will be done by the public works department.

Building & Zoning Commissioner – Lyle Doty noted regarding American Water Resources that the work needed to be done by licensed plumbers. He said this past week he received applications for demolition permits for the old restaurant on the corner of Oakland and DeKalb Avenue and the old phone store next door.

Assistant Fire Chief – Mark Kessler said he had distributed to Council a press release for the new premise alert program.

Treasurer/Asst. City Manager – Brian Gregory reported that the budget is at the 66.23% benchmark and revenues and expenditures are below the benchmark, although expenditures are ahead of revenues to date. He noted that sales tax is down and pension returns continue to do well as the market continues a steady climb upwards.

Police Chief – Don Thomas said that his department is excited about the new police addition project. He distributed a brief report on the 2009 Police Department activity. He pointed out that overall criminal activity is down 14% and arrests are up 8% and that is a testament to the hard work of the department. He also noted that because they had a strong emphasis on traffic, accidents were down.

Public Works Director – Fred Busse reported that a break in the weather has allowed Public Works staff to repair equipment and focus on cleaning sanitary sewers. He said along with the better weather there have been four watermain breaks in the past two weeks.

REPORT OF STANDING COMMITTEES

Finance – no report

Public Safety – no report

Public Works – no report

PUBLIC HEARING

A. Public Hearing Regarding a Proposed Increase in the City's Home Rule Sales Tax Rate.

Mike Fogelsanger, 845 Sunset Ln., spoke in opposition to the sales tax increase. He said in the good times we expanded programs and now when things contract those programs have to be funded. He said he repeatedly asked Council to consider whether programs were wants or needs and now dollars are needed

for necessities. He said he did not think the tax increase if passed would be temporary because the nature of government is to spend the money they get.

Wes Howard, 536 Northgate Dr., said he thought the City needed to take a closer look to be more fiscally responsible and he was opposed to the tax increase.

Sean Smith, 27645 Hunters Ln., voiced his opposition to the proposed tax increase because he thought it was short-sighted and irresponsible fiscally and morally. He said he thought it was convenient to raise taxes when there is a low turnout at a meeting and said he was disappointed in the turn out, but spoke with many people none of which supported this measure. He said the FY2010 Budget \$5,866,223 in regular, overtime, and part-time wages and suggested that a mere 13% reduction in wages and salaries paid by taxpayers would amount to about \$762,000 which would be more than enough to cover what the increased tax revenue is projected to raise. He noted that of the \$5.8 million \$371,000 alone is for overtime and that makes no sense. He said he thought this was a minor sacrifice for those who have the most secure jobs in our community during these economic hard times when the taxpayers are also feeling the pinch.

Hearing no further comment, Mayor Mundy closed the Public Hearing.

ORDINANCES

A. Ordinance No. 2009.51—An Ordinance Amending Title 3, “Business and License Regulations,” Chapter 13, “Occupation Taxes,” Sections 3-13-1 and 3-13-2 of the City Code of the City of Sycamore, Illinois to Impose a Sales Tax of 1.75% on Gross Receipts and Services in the City of Sycamore, Illinois. First and Second Reading.

City Manager Nicklas noted that the ordinance and resolution were related as the ordinance would pass the tax increase and the resolution would review the impact of the tax increase September 2012. In response to Mr. Smith’s comment, Mr. Nicklas noted that 90% of the employees work under contract and it is not as simple for Council to cut wages 13%. He said in that environment there are constraints to what elected bodies can do. He said he very reluctantly proposed this tax increase because Council is mindful of the property tax burden. He noted that interestingly the City’s portion has dropped by 25% over the past 11 years. He said there is a limit to what the City can do according to business principles. He also stated that this year there is only \$113,000 in discretionary spending and \$50,000 of that goes to the Chamber and several grants to local agencies including the VAC’s Blue Line bus.

Motion

Aldersperson Bauer moved to hear Ordinance 2009.51 on first and second reading and Aldersperson Kessler seconded the motion.

Aldersperson Neubauer said he preferred to leave this on first reading.

Voice vote

Mayor Mundy called for a voice vote to approve the motion. Five Alderspersons voted aye and Alderspersons Bauer and Neubauer voted nay. Motion carried 5 - 2.

Motion

Aldersperson Bauer moved to approve Ordinance 2009.51 and Aldersperson Kessler seconded the motion.

Aldersperson Neubauer said he knew there had been a lot of discussion, but he had a conversation with Attorney Foster and found it is impossible to place an end date in the ordinance. He said that he researched the surrounding area and found that only DeKalb and St. Charles are at the top with 8% and he would not be happy to be at the top. He said if this cannot be passed as a temporary increase he had a problem supporting it. He suggested waiting one year and proposed taking ½ of the road money, plus the surplus in the motor fuel tax fund, and take \$150,000 out of the reserves. He said he knew this would mean less street repair, but he felt that was a sacrifice the City should make.

Aldersperson Bauer said he was not eager to pass any tax increase at all, but if this body had been frivolous he would not be in favor of this. He said this would not affect property tax and does not affect food, pharmaceuticals, or motor vehicles. He felt this was the least painful choice.

Aldersperson Kessler said when it comes to revenues; they are under constant watch by City Staff and City Council. She said it was not like Council passes taxes and ignores them; revenues and expenditures are reviewed regularly.

Aldersperson Stowe said he was offended when he heard that this would become a permanent tax because the City would find ways to spend it whether it was required or not. He said that property taxes have been lowered, we have cut the fat, and he felt encouraged that there is a resolution to remind us to review the tax. He said that if anybody shopped at Walmart or Target they paid 8% and gave it to DeKalb. He said that sales tax is paid by outsiders as well as residents. He said the road taxes were promised for roads and he would not consider using those dollars and reducing road maintenance.

Aldersperson Bauer said that a government you can trust is not one that raises a tax to fix roads and a year later takes it back and he does not want to go down that path.

Aldersperson Neubauer said he suggested taking road maintenance money for only one year. He said the City had surpluses for many years and the only thing that has changed is the recession so he does not want to raise taxes permanently.

Roll call vote

Mayor Mundy called for a roll call vote to approve the motion. Alderspersons Bauer, Kessler, Paulsen, Stowe, Taylor, and Tripp voted aye and Aldersperson Neubauer voted nay. Motion carried 6 – 1.

RESOLUTIONS

A. Resolution No. 532—Expressing the Intent of the City Council of the City of Sycamore, Illinois to Review of the Impact of the 1.75% Home Rule Sales Tax in September 2012.

City Manager Nicklas said there was no local tax he knew of that was permanent because taxes can be increased or decreased at any meeting. He said this Council is a more thoughtful group requires this type of resolution, but he supports it as it is the Council's will.

Motion

Aldersperson Paulsen moved to approve Resolution 532 and Aldersperson Taylor seconded the motion.

Roll call vote

Mayor Mundy called for a roll call vote to approve the motion. Alderpersons Bauer, Kessler, Neubauer, Paulsen, Stowe, Taylor, and Tripp voted aye. Motion carried 7 – 0.

Mayor Mundy said he was City Treasurer for 24 years before he became Mayor and through his historical perspective he knows that tax increases are not taken lightly.

CONSIDERATIONS - None

OTHER NEW BUSINESS

APPOINTMENTS

ADJOURNMENT

Motion

Aldersperson Stowe moved to adjourn the meeting at 8:00 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 7 - 0.

Approve:

Mayor – Ken Mundy

Attest:

City Clerk – Candy Smith