

**CITY OF MASCOUTAH
CITY COUNCIL MINUTES
#3 WEST MAIN STREET
MASCOUTAH, IL 62258-2030**

APRIL 6, 2015

The minutes of the regular meeting of the City Council of the City of Mascoutah.

PUBLIC HEARING

Mayor Gerald Daugherty called the public hearing to order at 6:30 p.m.

Present:

Mayor Gerald Daugherty and Council members Ben Grodeon, Paul Schorr, John Weyant and Pat McMahan.

Absent:

None.

Other Staff Present:

City Manager Cody Hawkins, City Clerk Kari Haas, City Engineer Ron Yeager, and Assistant City Manager Lisa Koerkenmeier.

Mayor Gerald Daugherty stated that this public hearing is to consider and review the proposed Fiscal Year 2015/2016 budget for the City of Mascoutah.

City Manager provided an overview of the proposed budget.

Council Discussion:

Councilman Schorr asked if the revenues were accurate with the EAV changes. City Manager stated that the new rate calculations for the property taxes are in the revenues.

Councilman Grodeon asked if there was a projection done on the General Fund after North 10th Street was complete. City Manager stated that they did do some number projections and figured the loan payment would be around the \$400,000 range.

Councilman Grodeon asked about the new Public Works Coordinator position and the intent of the position with regards to the part-time employee who does permits. City Manager stated he does want someone doing permits full-time so eventually the part-time employee will be phased out and this new full-time employee will do permits along with project management and oversee the day-to-day operations of the public works department. City Manager stated that this position will also help with construction management which will help free up the City Engineer's time so he can do more project management. Councilman Schorr commented on the work load and if there would be enough in the future to keep the position since the street projects are maxed out for the next few years. City Manager stated that it would have to be discussed with the new employee and if in a few years the work load

wasn't there, then the position would have to be scaled back, but there will always be waterline projects, electric projects, and other street projects within the TIF 2B district that will keep the position busy along with the permit issuance.

Public Comments:

None.

There being no further questions or comments from the Council, Mayor Gerald Daugherty closed the public hearing at 6:43 p.m.

PRAYER AND PLEDGE OF ALLEGIANCE

City prayer was delivered by City Clerk Kari Haas. The Council remained standing and recited the Pledge of Allegiance.

CALL TO ORDER

Mayor Gerald Daugherty called the meeting to order at 7:00 p.m.

ROLL CALL

Present: Mayor Gerald Daugherty and Council members Ben Grodeon, Paul Schorr, John Weyant and Pat McMahan.

Absent: None.

Other Staff Present: City Manager Cody Hawkins, City Clerk Kari Haas, City Attorney Al Paulson, City Engineer Ron Yeager, and Assistant City Manager Lisa Koerkenmeier.

Establishment of a Quorum: A quorum of City Council members was present.

AMEND AGENDA

None.

MINUTES

The minutes of the March 16, 2015 regular City Council meeting were presented and stood as presented. The minutes of the March 16, 2015 Executive Session meeting were presented and stood as presented.

Motion passed. Passed by unanimous yes voice vote.

PUBLIC COMMENTS

Thiry Cameron – thanked the City for trimming trees on Route 4 and thanked the City for fixing the big dip in the road on John Street.

REPORTS AND COMMUNICATIONS

Mayor

Mayor recommended appointing Amy Gaultney to the Parks and Recreation Commission to fill the vacancy created by the resignation of Bill Witts. Weyant moved, seconded by Schorr, to ratify the appointment of Amy Gaultney to the Parks and Recreation Commission.

Motion passed. Passed by unanimous yes voice vote.

Mayor presented proclamation proclaiming April 2015 as Child Abuse Prevention Month.

Mayor presented proclamation proclaiming April 7, 2015 as National Service Recognition Day.

Attended the following meetings and functions: IML Executive Board meeting, meeting with Ed Weilbacher regarding Heartland Conservancy, SLM Water Commission meeting, Air Force Jr ROTC ball, business summit with Governor Rauner in O'Fallon, Good Friday Way of the Cross.

City Council

Grodeon – Attended the following meetings and functions: St. John's trivia fundraiser, Coverdell Dash, Lions Easter Egg Hunt.

Schorr – Attended the following meetings and functions: Meals on Wheels delivery, trimmed shrubbery around Chapel and the planters along Main Street, Library book sale.

Weyant – Attended the following meetings and functions: MIA meeting, Police trivia night.

McMahan – Attended the following meetings and functions: MIA meeting, Coverdell Dash, Police trivia night, worked on kiddie playground in Maple Park.

City Manager – Nothing to report.

City Attorney – Nothing to report.

City Clerk – Nothing to report.

COUNCIL BUSINESS

PC 15-04 – FINAL PLAT FOR PRAIRIE VIEW ESTATES (FIRST READING)

City Manager presented report for Council consideration of approval of an ordinance approving the final plat for Chief View Estates, a six (6) lot single-family residential development located at the southwest corner of North 6th Street and Fuesser Road.

Councilman Grodeon asked if this subdivision is surrounded by Phase 3 of Indian Prairie and if there will be a timeframe where this subdivision will be completed and the final phase of Indian Prairie will fill in. Assistant City Manager stated that there will probably be a few years where the final phase of Indian Prairie will be filling out to the south and west along this subdivision.

Councilman Schorr commented on a section of Fuesser at Fox Run and the entrance to this subdivision where a sidewalk will be missing and if the City is going to connect the two sidewalks. City Manager stated that when the time comes, the City will have to find funding to connect the two sidewalks so that there is no gap.

First reading. No action required.

BUDGET 15/16 – PUBLIC HEARING AND ADOPTION OF ORDINANCE (FIRST READING)

City Manager presented report for Council consideration of approval and adoption of the City's FY15/16 Budget.

First reading. No action required.

CODE CHANGE – ELECTRIC, WATER & SEWER RATES (FIRST READING)

City Manager presented report for Council consideration of approval to revisions to Chapter 11 – Electric System and Chapter 38 – Water and Sewer Rates of the City Code by adoption of ordinance to reflect no change in utility rates for FY15/16.

Councilman Schorr asked about the lamp charges and if those charges have been checked to make sure they cover our costs. City Manager stated that he will double check with the Electric Department. Councilman Schorr asked if rates for LED lighting needed to be added. City Manager stated that he will double check but LED lighting will need to be added as a rate or further defined within a current rate.

Councilman Godeon commented on the rate study and the recommendation to equalize the commercial rate structure but did not see that in the proposed ordinance. City Manager stated that restructuring of the commercial rate structure and also the fuel adjustment charges along with other rate changes will be coming in the next fiscal year after further review of the recommendations resulting from the rate study since the restructuring will be very comprehensive.

First reading. No action required.

CODE CHANGE – BUILDING CODE, ADOPTION OF ENERGY CONSERVATION CODE (SECOND READING)

City Manager presented report for Council consideration of approval of revisions to Chapter 6, Article I – Building Code Adopted, Sec. 6-1-5 – Adoption of Energy Conservation Code of the City Code by adoption of ordinance.

Councilman Schorr asked if this will be applicable to sales of existing homes. City Manager stated that it would not unless they did a renovation or remodel.

Godeon moved, seconded by Schorr, to approve and adopt Ordinance No. 15-06, thereby modifying Chapter 6, Building Code, Article I, Building Code Adopted, Sec. 6-1-5, Adoption of Energy Conservation Code.

Motion passed. AYE's – Grodeon, Schorr, Weyant, McMahan, Daugherty. NAY's – none.

IDOT RESOLUTION / EXPENDITURE OF MFT FUNDS FOR MAINTENANCE OF STREETS AND HIGHWAYS

City Manager presented report for Council consideration of approval of resolution approving the 2015 Motor Fuel Tax Maintenance Program beginning May 1, 2015 and ending April 30, 2016.

Councilman Weyant asked about the dust from the previous oil and chipping and if that was going to be addressed. City Manager stated that it will be addressed when it is time to bid for oil and chipping but does not have to be identified specifically in this resolution.

Councilman Schorr asked if South 10th Street will be asphalt. City Manager stated that it will be asphalt.

Councilman Grodeon asked about the amount of construction within the new Brickyard subdivision and if the road will be torn up during construction. City Manager stated that the hope is to have the streets put into the subdivision first before South 10th Street is redone to eliminate any possible problems with the new road.

Schorr moved, seconded by McMahan, to approve and adopt IDOT Resolution No. 14-15-23, a resolution for Maintenance of Streets and Highways by Municipality under the Illinois Highway Code.

Motion passed. AYE's – Grodeon, Schorr, Weyant, McMahan, Daugherty. NAY's – none.

AMENDED DEVELOPMENT AGREEMENT – DOUGLAS APARTMENTS

City Manager presented report for Council review and discussion to amend Development Agreement for the Douglas Avenue Apartment Project.

City Attorney provided a legal opinion to Council regarding the building permits:

Pursuant to the City's Code as well as applicable Land Use Law my opinion on building permits is that commencement of construction on one lot is not considered commencement of construction on all lots. Since building permits are issued on a per building basis, work started on one building or lot is not considered beginning of construction on all lots within a development project. If construction on any remaining lots has not commenced during the applicable building permit period, an extension of time is required or absent an extension the building permits will expire.

City Attorney stated that foundation grading has begun on building 2 so would consider that construction has commenced. City Attorney stated that nothing has been done on buildings 3 and 4 so those would either need extensions granted or the building permits will expire and will need to be reapplied for.

Councilman Schorr commented on how the building permits were issued for all 4 buildings to allow for construction to occur under the 2009 building codes but all new construction permits issued now are having to follow the new codes so does not see how the Council can grant another extension.

Mayor agreed with Councilman Schorr's comments and further stated that he cannot see granting more and more extensions.

Councilman Grodeon commented on the development and saw where there has been an attempt to get construction starting on building 2. Councilman Grodeon commented that he agrees with the attorney that building 2 have begun, but that building 3 and 4 have not had any construction started. Councilman Grodeon stated that he would agree that permits need to be reapplied for on buildings 3 and 4.

Councilman Weyant stated that he spoke with the developer regarding the commencement of work. Councilman Weyant stated that he would be in favor of granting a 90 day extension to allow all foundations to commence construction but would have a condition that this would be the final extension.

Councilman McMahan stated that he would not be in favor of an extension of time on the construction for buildings 3 and 4.

Matt Stukenberg, developer, addressed the Council with regards to the issue. Stukenberg stated that the plan all along was to construct building 1 and construct buildings 2, 3 and 4 at the same time. Stukenberg commented on the conversations he has had with the City Manager with regards to the definition of commencement of construction. Stukenberg stated that the infrastructure (water and sewer lines) has been completed on the three remaining buildings and the parking lot has been stubbed out. Stukenberg stated that if an extension was not granted they would have to review their financial impact to see if they would be willing and able to complete the project. Stukenberg stated that their timeframe was to have building 2 completed by August, building 3 by September and building 4 by October. Stukenberg commented on how the City still owes them for the reconstruction of Douglas Avenue. Stukenberg stated that they would like an extension if possible.

Mayor asked Matt Stukenberg what the cost difference would be between the old code and the new code. Matt Stukenberg stated that the costs would vary and that with the new code, the construction documents will have to be redesigned and resubmitted to the City and there could be a 6-9 month delay in construction plus the costs of revising the plans, etc. Mayor asked City staff if it would be a 6-9 month process. City Engineer stated that if the construction documents were to be revised, then there would have to be a review of the new documents which includes the plans being sent to Chicago and so there would be a delay in the construction and could be up to 6-9 months. Mayor asked Matt Stukenberg if he had sent a bill to the City for the reconstruction of Douglas Avenue. City Manager stated that they have received the bill but there were

some changes that occurred in the reconstruction due to the condition of the road so they are working on renegotiating the price and are very close to an agreement.

Mayor asked Matt Stukenberg if commencement of work was defined as foundation being constructed, how much of a time extension would be needed. Stukenberg stated that if weather conditions were optimal, the two foundations could be done within a week or two. Stukenberg stated that if they had a 30 day or 45 day extension, they could get the work done.

Councilman McMahan commented on the development agreement being signed May 2, 2014 and commented on how the weather was good last year and commented on how there has to be an end to extensions at some point otherwise there is no incentive for any work to get done on time.

Weyant moved to amend the Development Agreement between the City of Mascoutah and M.T.S. Development (Matt Stukenberg) for the Douglas Apartment Complex to grant a time extension of 45 days to commence construction on the building foundations for apartment buildings 3 and 4. ***Motion died*** due to a lack of a second.

Grodeon moved, seconded by Schorr, to deny a time extension for construction of apartment buildings 3 and 4.

Motion passed. AYE's – Grodeon, Schorr, McMahan, Daugherty. NAY's – Weyant.

ENGINEERING SERVICES – EAST-WEST BERM TRAIL, PHASE I CMAQ PROJECT NO. 4469025

City Manager presented report for Council consideration of approval of Engineering Services Agreement with Horner & Shifrin, Inc. for the East West Berm Trail, Phase 1 located on the south side of the Big Ditch between 10th Street and IL Route 4.

Councilman Schorr commented on the cost estimate not matching the cost identified in the engineering contract. City Engineer stated that on the cost estimate provided which was done for the grant approval, the phase 1 engineering identified is for the development reports and the phase 2 engineering identified is for the construction documents. City Engineer explained that this engineering contract is for the development reports and construction documents for phase 1 of the project which is identified as North 10th Street to IL Route 4. City Engineer stated that phase 2 of the project will be North 10th Street to County Road. Council decided to clarify the motion by adding North 10th Street to IL Route 4 to define the location of Phase 1.

Grodeon moved, seconded by Schorr, to accept the City Manager's engineering recommendation to approve Horner & Shifrin, Inc. for engineering services for the East West Berm Trail, Phase 1 (North 10th Street to IL Route 4) and authorize appropriate City officials to execute the necessary documents, in an amount not to exceed \$54,681.53.

Motion passed. AYE's – Grodeon, Schorr, Weyant, McMahan, Daugherty. NAY's – none.

**ECONOMIC DEVELOPMENT INCENTIVE REVIEW AND PRE-APPLICATION
CONCEPT APPROVAL TO BILL MILLIKIN / MILLIKINS LLC FOR
REDEVELOPMENT OF PROPERTY AT 101 E. MAIN / 104 N. MARKET STREETS**

City Manager presented report for Council review of economic development incentives request and consideration of approval of a pre-application concept to establish parameters for a Development Agreement with Bill Millikin, Millikins LLC for redevelopment of the property at 101 East Main / 104 North Market Streets.

Councilman Grodeon asked about the enterprise zone incentives being used in the proposed calculation. Assistant City Manager stated that the recommendation from the review board (Finance Commission and Economic Development Commission) was to not include the enterprise zone incentives but staff reviewed the request and decided that the enterprise zone should still be valued and be part of the 15%. Assistant City Manager stated that it is not entirely in the City's control of to either expand the boundary or grant those incentives, and some people will get it while others will not. Council discussed whether the enterprise zone incentives should be included or not since it isn't something the City is actually providing. City Manager stated that the enterprise zone incentive cannot be guaranteed to all applicants and if it is possible to include a property within the enterprise zone that is not currently it does take the City requesting an amendment of the enterprise zone by three other communities and other processes through the state. City Manager stated that not all cities have an enterprise zone either.

Council discussed the proposed incentives. City Attorney stated that if the Council is okay with the proposed incentives, then it will give them the concept of items to discuss and negotiate with the applicant to draft a development agreement that will come back to Council for final approval of all incentives to be used for this development.

Bill Millikin addressed the Council and commented on the proposed incentives. Bill Millikin commented on the original incentive request being around \$260,000 but was decreased since new construction cannot be used for incentives within the TIF 2B district.

McMahan moved, seconded by Weyant, to approve the pre-application concept to establish parameters for a Development Agreement to provide economic development incentives to Bill Millikin / Millikins LLC for the redevelopment project at 101 East Main / 104 North Market Streets.

Motion passed. AYE's – Grodeon, Schorr, Weyant, McMahan, Daugherty. NAY's – none.

ECONOMIC DEVELOPMENT INCENTIVE REVIEW AND PRE-APPLICATION CONCEPT APPROVAL TO MARK RATTERMAN / MBR IL LLC FOR DEVELOPMENT OF PROPERTY ON HAYDEN DRIVE

City Manager presented report for Council review of economic development incentives request and consideration of approval of a pre-application concept to establish parameters for a Development Agreement with Mark Ratterman, MBR IL LLC for development of property on Hayden Drive.

Councilman Schorr asked about the sales tax rebate and if the City is responsible for any shortfall if the sales do not meet projections. City Manager stated that the sales tax rebate would be performance based so the developer would only receive the rebate on how much sales tax they generate with a cap of the amount they can receive.

Councilman Grodeon asked about the business district sales tax rebate and the recommendation to rebate only a portion of the 1% tax instead of the full when the Huddle House project is getting full use of their 1% tax. City Manager stated that the rebate was estimated that way because the development estimations does not require the full 1% to get to the 15% incentives, but when they are preparing the development agreement and have final development expenses, that portion of the 1% business district sales tax rebate could increase. Assistant City Manager stated that the full 1% tax generated from the Huddle House project is being used to pay down the bond for the reconstruction of Perrin Road.

Mark Ratterman asked about the estimations provided and that the estimations do not appear to include the equipment, furnishings and fixtures for the building. Assistant City Manager stated that she had received estimates from his property manager which included estimations for the building shell and finish. City Attorney stated that when they are negotiating the developer agreement, they will be sure to look at all expenses for the capital investment and decide on the incentives at that time. Mark Ratterman commented on the incentive proposal and the reason why he had chosen this location was to serve both Mascoutah and Lebanon.

Grodeon moved, seconded by Schorr, to approve the pre-application concept to establish parameters for a Development Agreement to provide economic development incentives to Mark Ratterman / MBR IL LLC for the development of property on Hayden Drive.

Motion passed. AYE's – Grodeon, Schorr, Weyant, McMahan, Daugherty. NAY's – none.

PUMP HOUSE GENERATOR – BID AWARD

City Manager presented report for Council consideration of approval and authorization of bids for furnishing an emergency backup generator for the Pump House located on North Railway Street.

Councilman Schorr asked when the City receives water from SLM how it is received. City Engineer stated that the water from SLM is pressurized through the piping system to

get to the City. City Engineer stated that when we receive the water from SLM, we house it in the ground storage water tank and use pumps to push the water into the tank towers. City Engineer stated that we will still get water without the emergency backup generator, but cannot force the water into the towers if the pumps are not able to run due to an electric outage.

Schorr moved, seconded by McMahan, to reject all bids for the emergency backup generator for the Pump House, correct the bid specifications and re-bid the project.

Motion passed. AYE's – Grodeon, Schorr, Weyant, McMahan, Daugherty. NAY's – none.

COUNCIL – MISCELLANEOUS ITEMS

None.

CITY MANAGER – MISCELLANEOUS ITEMS

None.

PUBLIC COMMENTS

Matt Stukenberg – commented on fairness and how MTS did not ask for any incentives when building the apartments. Commented on the fees that MTS was required to pay for the Douglas Avenue right-of-way vacation. Commented on the incentive packages presented tonight.

Bill Millikin – commented regarding the new energy conservation code and the new building codes and the costs involved to the developers on having to follow these new codes. Commented on the denial for an extension on the apartments and that in his opinion the fact that the water and sewer lines have already been installed that he would consider that as having commencement of construction since it is his understanding that the building permits include installation of water and sewer lines.

ADJOURNMENT TO EXECUTIVE SESSION

Schorr moved, seconded by Grodeon, to adjourn to Executive Session to discuss Personnel – Section 2(c)(1) and Collective Bargaining – Section 2(c)(2) at 9:17 p.m.

Motion passed. AYE's – Grodeon, Schorr, Weyant, McMahan, Daugherty. NAY's – none.

RETURN TO REGULAR SESSION

Schorr moved, seconded by Grodeon, to return to Regular Session at 9:56 p.m.

Motion passed. Motion passed by unanimous yes voice vote.

MISCELLANEOUS OR FINAL ACTIONS

UNION CONTRACTS – POLICEMEN’S BENEVOLENT LABOR COMMITTEE AND MASCOUTAH EMS LOCAL 4412

McMahan moved, seconded by Schorr, to approve the Union Contracts with Policemen’s Benevolent Labor Committee and Mascoutah EMS Local 4412 for the period of May 1, 2015 through April 30, 2018.

Motion passed. AYE’s – Grodeon, Schorr, Weyant, McMahan, Daugherty. NAY’s – none.

ADJOURNMENT

McMahan moved, seconded by Grodeon, to **adjourn at 10:00 p.m.**

Motion passed. Motion passed by unanimous yes voice vote.

Kari D. Haas, City Clerk