City of Mt. Sterling

General Council Meeting

Police Training Center - #5 Jefferson Road

June 20, 2016 at 6:30 p.m.

Mayor Flesner calls the general City of Mt. Sterling Council Meeting to order at 6:30 p.m. with roll call. ROLL CALL – Jim Jennings here, Schenk here, Myers here, Scranton here, Buss here, Lauren Jennings here.

Fire Chief Brian Gallaher, City Treasurer Cheryl Flynn, City Attorney Lonnie Dunn, Police Chief Brandon Norris, Public Works Director Dusty Buss, and City Administrator Vada Yingling are present.

Mayor Flesner- I would like to entertain a motion to approve May minutes.

Alderman Jim Jennings makes a motion to approve the May minutes, seconded by Scranton. Schenk yes, Myers yes, Scranton yes, Buss yes, Lauren Jennings yes, Jim Jennings yes.

Mayor Flesner-motion to pass the May minutes passes unanimously.

Mayor Flesner- I would like to entertain a motion to approve the May expenses with the addition of $1507.50 to Dunn Law Office.

Alderman Scranton makes a motion to approve the May expenses with the only addition of $1507.50.00 to Dunn Law Office, seconded by Buss. Myers no, Scranton yes, Buss yes, Lauren Jennings yes, Jim Jennings yes, Schenk yes.

Mayor Flesner- motion to approve the May expenses with the addition of $1507.50 to Dunn Law Office passes with 5 yes and 1 no.

Mayor Flesner- Guest/Citizens opportunity to address the council- there is a large group of people here, we are going to proceed like we do at every council meeting, per Mt. Sterling City Ordinance whomever is at the podium gets 5 minutes. We will keep a clock on it and we will let you know if it is getting close if you are still talking at that point. We ask that tonight everybody in the crowd keeps it you know kosher you know any loud outbursts or any negative stuff hollered back and forth, we do have the authority to entertain a motion to remove anybody from council chambers, I don’t believe that to happen but it is just something we wanted to go over with this many people and something this sensitive so I just wanted to throw that out there. I don’t believe we are going to have a problem with it at all but I was just letting you know. Action Brown County? No one here.

Ok Mike Oeser, shut off and bill policy for water bills, you have the podium sir. Mike- Mayor and Council members I am here as a citizen of Mt. Sterling, a tax payer, a voter, I am also an employee of the Western Illinois Correctional Center and a proud Union member, welcome to our fight. I am concerned, I placed my name on this agenda to question the shut off and payment policy of the Mt. Sterling water department. Specifically what are the time frames and dollar amounts which would initiate a shut off? Dane- with the state or with a citizen? Mike- period. Dusty Buss- the current policy Mike is, the bills are all out by the 1st if it is not paid by the 10th there is a 10% penalty and if it is not paid by the 20th that is when a disconnect would occur. And anything under $10.00 does not get shut off, it has to be above $10.00, our minimum bill is like $15.80. Mike- I assume that doesn’t include commercial accounts such as the prison? Dusty- well every account except for the prison. Mike-ok and their policy is? Dusty- we don’t have a policy with them. Mike- ok so, who is responsible and under what authority and what latitude is authorized there? Dusty- well that is what we are trying to do now get something underway. Mike- Ok, well if the media reports are accurate then Western owes over $500,000.00 there about and is somewhere or has been 2 years late on payments, is that accurate? Dane- no, the number is $313,579.66 we received the $55,000.00 check today. Mike- and the reports say that they have been up to two years delinquent, is that anywhere near accurate? Dusty- the payment we received today was November of 2015. Jim Jennings- there has been some misreporting that is what has happened, they started getting delinquent at least two years ago, they got slower and slower and slower and the past two years have been the worst where they are paying about once every third month. And then whenever we come to them and say we would like to have two months and they say no we will give you a month, it is always that way we never get what we ask for. It was around $200,000.00 when we started saying we can’t let this go on any longer and that is what we have been trying to do ever since then is keep is under $200,000.00. Mike- Rauner’s turnaround agenda the way I understand this board approved and adopted is the primary cause of this extreme lack of payment, there is a lack of a budget at this time. Our legislators have failed us and they continue to do so. Rauner is wrong, Hammond is wrong partisan politics are wrong. Jim- where did the board do the turnaround agenda, I don’t remember this was that before I got back on? Mike- I believe when it was initiated they came to the City of Mt. Sterling I think they asked for an endorsement or adaption of Rauner’s turnaround agenda. Dane- do you know when that was? Mike- somewhere around his inception somewhere around January, February, 2015. My concern is that at best you have a 50% chance of winning this battle and a 100% chance of losing this war. The City of Mt. Sterling is like donkey ho fighting windows right now. If you intend to pursue this shut off action everyone in our community and everyone in every other adversely effected community would benefit with you building a coalition. Danville, Decatur, Galesburg, Canton, Pittsfield, Macon, Logan, Jacksonville these are all small communities that I am sure are in the same place. If we fight this alone, this in one of those losing battles, you build a coalition and you go forward, reach out to other utilities companies find out where their at, state vendors they are all hurting. Before you do more harm than good think about building a coalition. Ask yourself what effect this shut off would have on securing payment anyhow, if there is a budget impasse you aren’t going to get $313,000.00, he is starving nursing homes by golly, he is starving children activities, schools, Western Illinois University is hurting. You got to think about the unintended collateral damage that will caused if a shut off was executed what would be involved in the restoration of service, if and when payment was received. Dane- Mike you got about 30 seconds. Mike- again I am going to ask what is your goal? I am going to tell you, I urge you for a no vote on pursuing a shut off at this time, I urge you to press our legislators to build a coalition of similarly impacted communities in preparation of future actions. Because you’re not going to get $313,000.00 from the state right now, and again welcome to our fight. Dane- thank you Mike we appreciate it.

Dane- Mike Bradbury- address the issue the WICC water bill. Matt- I am here neither as an advocate for City, I am not here as an advocate for the prison, I am here as a private citizen and a concerned individual about this situation. The reason I got myself on the agenda is because there are only 2 people in our community that had the ability to talk from both sides of the perspective, one as a former Mayor and one as a former employee of the department. So, with that being said, my first concern is has anybody ever thought about the safety and security of not only the inmates but the staff? There are some of us in this room that have been privy, Mr. Roberts, Powell, Burge, Woodward, that have been privy to staff assaults have witnessed them have saved somebody else’s life. I have been privy to watch 250 inmates go at it at one time all wanting to kill each other. I know Pontiac years ago had 8 million dollars’ worth of damage in a riot because of a chocolate chip cookie. Had 12 million dollars’ worth of damage over a Muslim rug. In ’78 the security was so short that 3 staff members were killed. My point is that we have violent criminals in our facility in this community when they find out the water is shut off 1st they are going to mad at the City, then they are going to be mad at the State, then their eyes are going to turn right at the staff members with the badges on the uniforms that feed them and so forth and so on. You say, well you keep them locked up when something like that happens, you have to open the doors to feed them. So my concern is for the staff, with everyone that is here tonight for corrections, they either worked under me or was associated with me, they know that is my main concern. Second of all, my issue with this is and Mike brought it up, it has been longer than 2 years that they have been delinquent. The problem here is that we don’t have a budget so the people that write the checks can’t write them because the Governor, the Representatives, the Senators have not given them a budget in which gives them direction on where the money is going in order to write the checks so therefore they have no authority, that is the issue. My call to you guys is to call every single Senator not even just yours call the ones out of your district because now like Mike said it is going to become 4 fold with all the other penitentiaries is going to have a dot on them. Call your reps, call the Governor’s office, like Mike said welcome to our battle we have been fighting for everybody to keep these jobs let alone anything else. So I think another avenue needs to be taken, I was Mayor they were delinquent maybe I should have been more proactive but they always paid when we called. My Treasurer and my City Clerk knows because they are the same people that I had. So anyway, the contract they have was 25 years old when it came up for renewal, it was done in 1987 or 88. As of Friday morning I went in to get a copy of the contract because it was a renewal contract that had my name on it, at that point in time nobody had read it but it was all over the County that they were going to shut the water off. How can anybody even bring up shutting off water if you don’t even know what it is in the contract? So I read and I talked to a couple of alderman, I don’t blame you the people that want to shut it off but I think there is a different avenue because you are bringing in a lot of collateral damage. Dane- Matt you have 30 seconds. Matt- and not only is Mt. Sterling going to be affected but Western Illinois is going to be affected, it is going to affect gas prices, it is going to affect property value it is going to affect the tax base it’s going to do a lot of things. Somebody said, the officers will still have a job, yeah it might be in Pontiac, it might be in Shawnee, some that got hired 6 months ago won’t have one. So they are going to have to relocate for the ones that can get a job. Dane- wrap it up please Matthew. Matt- that is all I got to say, I hope you guys do the right thing. Dane- thank you Matt.

Dane- Jerry Koch. Jerry- good evening Mayor and City Council member’s I don’t envy any one of you sitting in those chairs right now. I am 60 plus years old and I have been and I have been a member of this county my whole life. I have seen a lot of good changes come about. And I am a co-owner of a big fancy restaurant in Mt. Sterling called Renee’s Place and a few other names I have given it. But I am not up here to tell you about or take the State’s side or tell you what influences it is going to have on businesses in Mt. Sterling, we are all smart enough to know that. But what I mere to say is that I personally remember the chain gang and how hard they worked timelessly for free to get the prison here. Do I agree with the State of Illinois? No. But if we shut off the water we are going to create new family problems, household problems, marital problems, foreclosures. Sure I have a son and 2 son in-laws that work out there but I know a hell whole of a lot of good family people besides them. And that is my request guys, give it some other thought. You know if nursing homes and hospitals shut down things you would have old people out in the yards because of no money. I still believe there is an alternative if you give it some time, listen to the other speakers and I thank you for my time. Dane- thank you Jerry.

Dane- Mark Render. Mark- some of the points I was going to bring up have been said. I do believe this Governor would close this facility to strike fear in the rest of the State. That is how he has be governing. I think that if you guys want to do something you need to join forces with other Cities that are in the same boat because they might be able to absorb one but they are not going to be able to absorb three or four or five or six. They won’t have room for all those inmates that is the only way you are going to get anything down. Because if you shut it off and they shut that place down you are not going to see that money any time soon. You will lose every bit of leverage you got with the State to get paid. So, I think if you want to see anything any time soon you better not shut them off and try to go another avenue. Like they said the economic impact on this area would be devastating and talk about the chain gang legacies are made by things that you do in your lifetime. I don’t think anybody here wants to be remembered as costing this area their jobs and shutting the place down. So I am asking you please give it some thought and try to work another avenue as the rest of us have. Thanks. Dane- thanks Mark.

Dane-Keith Powell. Keith, my name is Keith Powell I am the President of ASCME 3567 at Western Correctional Center, we all know the City of Mt. Sterling is suffering as a result of the failure of the Department of Corrections to pay what it owes. Many other small communities in the State are in the same situation, therefore Mt. Sterling is not alone. Without a State budget Universities, Western are making layoffs college students can’t get their MAP grants to afford school, and the universities may not be able to stay open. Agencies that provide human services for people with disabilities, mental health care, substance abuse, treatment of domestic battery, shelters, and more are not getting paid many are closing down or cutting back leaving people without what they need. The list goes on and on, we don’t even know if K-12 education will be open this fall. Seniors are being denied, home care working families are being denied, child care and much more. And State employees like us, we are going to work every day continuing to serve even though we don’t have a contract and the State isn’t paying our health insurance claims. It is important to understand why this is happening, the responsibility fails on the shoulders of only one person, Governor Rauner. There is no budget because we don’t have we won’t agree to want the Senate wants to push down the wages and strip the rights of all working people, it’s a hostage situation. You don’t have to take the words of it from me, everyone from former Governor Edger a Republican to Senator Dick Durbin a Democrat has told Bruce Rauner to stop his non budget personal agenda which will hurt working families and do it job which is to develop and attack the budget. What I am hoping for it that everyone in this room will make a call to their legislators, governor, to Norrine Hammond and find it in their hearts to keep the water on at Western Correctional Center. Thank you. Dane- thanks Keith.

Dane- Scott Woodword. Scott- everyone has pretty much hit on everything but I am going to go through it again. 1. The community will suffer, the stores the restaurants, the local gas stations, banking, current and future loan, bankruptcies are going to go up, housing market will go down, the downtown beautification will have been for nothing. There will not be a lot of people walking around the area, this would be a shame. 2. The Community, there will be families that have to leave, the school enrollment will become less, the taxes collected will be less when families do leave. If this community loses these good middle class jobs it won’t be just felt economically. The school will take a huge hit the schools scores will suffer the schools moral will suffer, the teachers will suffer and our community will suffer. The confirmation of it is in towns close by, these towns that had great jobs have become ghost towns. Where will we have to go when we hear those ugly words consolidation? By a show of hands, how many of you eat at Renee’s, Hagel’s, Uptown, or Pizza Plus? Raise your hands if you have a mortgage or car loan or you bank here in town? Who buys groceries at IGA? Who trades with Kassing’s? I can go on and on, who hits the local watering whole? Who has trash picked up? We all do right? If jobs are lost it will trickle down my friend’s it will trickle down. My family and I have been here for 12 years, we have become a part of this community, we are the Brown County school system, we are the Brown County Hornets, we are the Brown County Little League, we are the Brown County YMCA, we are Brown County. We do not want to leave our community, we do not want to have to uproot our boys from this community. The streets and parks in this town is all that my boys know. We have taken family bike rides on every street and Side Street this town has for 12 years. We have went from hauling them around in a bike cart, to training wheels, to big bikes and now I have one that is getting ready to get into a car. Both of my boys have best friends that they have met in pre-K, I can’t fathom taking them from their buddies and the only school that they have ever known. If we have to leave to chase a job they will be devastated. I can only imagine the fear and anxiety that they will feel. I am not saying we can never put our feet down and demand the money from this State and this guy I just don’t think that now is the time. There is not even a State budget, as a tax payer and as a person of the community as a person that works there and as a husband and a father I don’t think we want to play chicken with this administration. Thank you. Dane- thanks Scott.

Dane- Lance Grady. Lance- Mayor and council thank you for the opportunity to speak with you tonight. I am here not as a local business owner worried about the effects this would have on our economy, because we all know that there would be effects on the economy. I am here as a citizen of Mt. Sterling and I am proud to be from Mt. Sterling and I am here to commend the council for being a part of that. I am proud of what you guys have accomplished I sincerely mean that. The City Administrator position the uptown revitalization project, we can do down the list and make bullet point for bullet point of things that you guys have been on board with. That goes without saying that you are thinking about the future of our community generations to come, my children some of your children grandchildren. You have proved what I believe is one of the best City Councils that has ever set around this table and I mean that. I think you guys have proved that with the decisions you have made. You are faced with a decision here, you see the faces of the people that work here you see the faces of the people that it would affect directly. There are people it would affect indirectly and you get the consequences that this would have and I ask as you make your decision to think about the future of Mt. Sterling. We know as somebody said earlier I don’t envy any of you that are in that seat tonight that have to make a decision to say hey we are going to shut the water off or we are going to continue to let this debt ride. You have been faced with choosing the less of two evils. There is not a good choice, we know that. As you make your decision I just want to ask you to thoughtfully consider the future of Mt. Sterling which you guys have already done and put that at the forefront of this decision and know that you have made the right decision for the future of the City. Thank you. Dane- thanks Lance.

Dane- Philip Krupps. Philip, I talked to the Mayor and I am more a data guy than just speaking, so I thought I would pass these around to everyone. These are just some statistical data analysis as far as what it would look like with the respect to the change in the water billing process if you decide to shut off. I think the most important thing to realize is that, siding with Lance’s commits, the City is in a position where they can withstand the derivate of not being paid. That is not necessary something you should raise your flag about but we do have the wherewithal to do that. So what I did in your analysis was I ran it on an estimate of $400,000.00 and looked at it from a carry cost. Looking at it purely economically assuming you could get 2% on your deposit which is probably high plus the 7% capitalization rate and that is just saying what if we could have the money to go do other projects, a water/sewer project anything of that nature. What would be the highest rate out there as far as bond rating you would have, and what it would actually cost us with that capitol so I put that at 7%. So, I am giving you the flavor of a worst case scenario with those 2 things as opportunity costs that you can see in a 30 day carry loss it is about $3,000.00. So that is truly what you are missing by not having those funds in place. Then I worked down and did the economic impact simply on the prison and the population and you can see there is a huge disparity in those carry cost numbers. So, really and truthfully economically there is no sense in doing that because of the risk it runs, again that just assumes that someone spends $10-$20 within the community. As you see a 30 day loss carry would be about 2.1 million dollars as what the community would actually lose in lost wages. Put to take that a step further I appreciate everyone’s comments but if I can I would also like to elaborate on solutions if you don’t mind. I know everyone mentions collaborative efforts of calling Representatives and so forth and I agree again the voice of the people reign’s out but I would encourage the City to look at something that I previously suggested. That is the vendor payment participation program that was enacted in 2010, I actually have clients that have lines up over 5 million dollars who utilize this program. Basically what it is it’s a collection of private equity that will come in and buy your receivables from the State of Illinois, up to 90% of those receivables that are due. In buying those basically they are on the hook to collect that from the State. The reason they do that is because they can charge the State up to a 9% annual premium. So if you think about as I have mentioned you know a 2% rate return on your money would be pretty astronomical they can get 9% return on their investment. So that is a program I would really encourage the City to look at, there are other entities in the State that are using that with very good success. And as you get payments as the Mayor mentioned like the $55,000.00, as those are collected and as long as that vendor receives their payment then they are coming back and getting that remaining 10% from you as well. Dane- Philip, correct me if I am wrong, the main difference in that is that if we did do that, that bank would get the interest where as if we kept the debt then we would get the interest correct? Phillip, yes you are foregoing that is the opportunity cost and if you would notice that matches up to the 9% it is costing you. Really truthfully to me that is a small number for you to have the security of the funds in hand. But it is a program I have given you all the information on it I would be happy to educate you. It is actually not banks that are underwriting though it is private equity that it typically individual investors that are pulling their funds together. City bank is the lead on it who has been facilitating the program overall. But it is highly used throughout the State of Illinois. So not to disparage the thoughts about coalition but quite honestly think of home plate first protect yourselves I would encourage you to take a look at that. I also just included some general statistics about the prison and just the overall evaluations audits all those things. As you can see the ladies and the gentlemen in the audience do a fine job based on the exceptional standards audit from the State of Illinois. Jim Jennings- quickly Philip is there some type of administrative fees in that program. Someone may be privy to this program but I just wanted to know what it is going to cost us. Philip, you are foregoing the opportunity to penalize the State for their late payment. You are saying I will take my dollar today rather than that dollar plus interest whenever that might happen. Again as a wise fiduciary I think that is a wise option to explore. Like I said I do have clients from food services to the prison to other entities and they have all been utilizing the program so much so some of them are transitioning off of it and self-financing it as well because they are so confident how it is working they think they can do it. Jim- so no administrative fees or anything like that? No And do you have any knowledge of any vendors that has done this and a time frame from how long it takes from when they first say that they want to do it and when they are paid. Philip, it is in your packet typically what has to happen is you go through the process they have to have verification, the State has to give them verification that you are an eligible vendor which you are. I have seen this program being used since 2010 and quite honestly as Matt Bradbury mentioned this has been going on for quite some time and if you remember in 2010 mostly in 2012 we got really bad as I remember the bank was doing a lot of taxing participation warrants at that time to help offset some of the slow funding. The State actually passed this, this is State legislation that allows this to happen it is an act. So it is legitimate it does work like I said my most recent client they were caring 5 million dollars’ worth of receivables from the State and it worked just like a charm for them. Jim- that is new information thank you sir.

Dane- the discussion about the water bill is down a little below, so to elevate this and get you guys an answer and stuff I would like to entertain a motion to suspend the rules of the meeting and move the Western Illinois Correctional Center water bill discussion to right now below Philip Krupps on the agenda.

Alderman Jim Jennings makes a motion to suspend the rules of the meeting and move the Western Illinois Correctional Center water bill discussion to the position on the agenda right below Philip Krupps, seconded by Schenk. Scranton yes, Buss yes, Lauren Jennings yes, Jim Jennings yes, Schenk yes, Myers yes.

Dane- motion to suspend the rules and move the Western Illinois Correctional Center water bill discussion to below Philip Krupps on the agenda passes unanimously.

Dane- I am just going to kick off the discussion, I am sure all you guys have seen the interviews done on many t.v.’s, newspaper’s and everything else. And my sentiment has not changed I think it is pretty bad that the City of Mt. Sterling, you know 1900 people are getting piggy backed off the State of Illinois. And it is disappointing that we need that money, we are a small community and that money helps us with operations and getting ready for future programs we have worked so hard to put this community in. But at the same rights I echo the sediments of a lot of the people in here, is it a bluff how do we know that 100%? How can we gamble a lot of you guys in here’s jobs, families, our communities, our economics, our housing market all that stuff. So as the Mayor I am very disappointed in the State and I have been talking to all my representatives all those suggestions that the speakers make I have been doing along with others of us. But I am in the same right of mind as everybody here it’s no secret I don’t think we need to pursue a shut off tonight. I just don’t think it is worth it, I just think the repercussions and the unknowns are just way too many. So, as the Mayor of Mt. Sterling yes I am disappointed I know we need we need our money I know there are citizens out there, why do you shut our water off comparing apples to gorillas in that sense. But I do understand their frustrations. So I just wanted to get that out there and that is my opinion but we have to aggressively work for a solution I hope you guys all understand that. This is a lot of money for us, it is not something that we can just say ok we will wait for 5 months and then hope that this doesn’t keep happening we are a small community we got to keep fighting to get our money so if you hear more discussions then you know next month or the month after or however it rolls you guys have to understand we need that money top rate just like you guys need the prison for a job. Basically the same kind of difference, so everyone is done hearing me talk so I will be quite for a while and turn it over to the council. We thank all you guys for coming though. Jim Jennings, I have some questions do you want me to talk to just you Keith or do you have someone else I don’t care who answers them. Keith, Mike is a better speaker than I am. Jim, first I would like to say there is nobody in this room that is more sick to their stomach than the people at this table right now and we have been for 2 or 3 weeks when we knew we were going to have to do this. We absolutely hate the position we are in. So it doesn’t go on deaf ears we have already been thinking it. Secondly, we start kicking and screaming harder at the $190,000.00-$200,000.00 mark we aren’t asking for the full $300,000.00. This latest poke in the eye they have given us, when we said you are almost going to hit $400,000.00 we cannot absorb that we are too small of a community. We have 1100 water meters in the City of Mt. Sterling so every person whether they work at the prison or not they are holding $300,000.00 of the States debt. Now those are the people, and I am telling you there are an awful lot of people pulling me to the side saying the same thing how come you shut my water off 2 years ago and now they get to keep theirs on. Like I tell Dane, there are repercussions for doing that it is a totally different thing but there are many people in the community that actually think we have procrastinated too long and they have griped to me personally that we should have done this a long time ago for less money. So, we are not asking for $300,000.00 we wanted to at least keep it around $200,000.00 or something like that. Now, like I say Philip gave me new information because someone mistakenly told me it was going to cost us $40,000-$50,000 in administrative fees to do the buyout options so that is good news. But this is what I want to know is number 1 and there is a recording of this maybe a year and a half ago. The State told us I think they sent a letter to Dusty saying we are pulling $50,000.00 of your Motor Fuel Tax. MFT is money that municipalities get from gas that is being purchased and all of that and then they distribute it amongst all municipalities. It can only be used for streets and sidewalks so that is what we use it for. So we had the discussion well what are we going to do, should we complain should we go to Springfield what do we do? And I was the one that made the comment, this is just what I think, it’s a new day in Illinois ladies and gentlemen we are screwed. And it is because of the budget you are taking about that they are going to pass is 7 billion dollars overspending that is why we are here. And this is what I hate it that their behavior in Springfield has split a community cause I have people on both sides of me and I know everybody else does too. And that is why we are here you know. My question is, we agreed to absorb $200,000.00 we have went ahead and did away with $100,000.00 of Motor Fuel Tax saying we all need to solve this together. What is ASCME going to do, because I don’t want to kick the can down the road, somebody has to finally get their attention in Springfield and make something happen. And it has got to be all of us it can’t just be 6 people right here right now. So far what I have looked up online it has all been no how no way we will not cut anything anyway. Is that true? Mike Oeser, absolutely not, thank you for that question. We had a rally in Springfield of over 10,000 members of the Statewide about a month ago. We were stopped at the table we were in the mist of negotiations we have in good faith offers on the table but they walked away. They declared an impasse on a Friday or a Thursday Keith was at negotiations they declared an impasse that day they questioned Rauner he said no impasse then he turned on Monday and declared an impasse. So this is gamesmanship and what is out in the media is a war being fought in the media. But I would like to address if I could, I understand that you say you are $400,000.00 into this but at cost out of pocket what is Mt. Sterling out? And the reason I ask is you don’t make the water you buy it and deliver it you are a middle man you don’t even handle it or trade it. I believe it probably bypasses us and goes straight to the prison so realistically out of pocket not your profit but out of pocket, what 50%? Dusty, it is about 65% by the time you figure everything into it. Mike, ok so we are not talking $400,000 we are talking 65% of out of pocket because we do have to pay for it regardless. So we aren’t talking $400,000.00 and if you go down to $200,000.00 so realistically we have to talk real numbers here. The impact is far less than we are talking here and that thing that Philip put out is not really that is the profit in it. And it is a very lucrative contract because over the 20 years it has been there that profit has been there. So I don’t think our water department is starved. It has been a goose that has laid a gold egg so I just want that on the table. Jim, sure and my comment on that is the reason we do have reserves is because we have been financially responsible and the State has not. And no I feel like people are requesting us to adopt the type of behavior they are doing in Springfield. We had reserves and I can tell you right now, is the engineering done on the, we were wanting to build a new water department building we have been planning this for years and that is what we want to use the money for. If this continues, now once again Philip gave new information on that, but if people were asking us to just keep soaking that up and then we want to move on this building it is going to be gone in no time, and then we are going to be sitting here with nothing. Mike, and that would be irresponsible we won’t even ask you to do that. We would ask that you would probably pause on that until this cleared. We all need this to clear, look individually some of these people in here are owed over $5000.00 in back wages that the State refuses. This is out of your budget is the same percentage that they owe to these people in their back wages. We are carrying them as well, we are willing to do a lot of things we have talked to them about health care we have talked to them about all kinds of things. We have been consistently, I would talk moderate. We are not setting a hard line on one end or the other, we spoke eloquently in Springfield, no one came out to listen. So the fact of the matter is we have some flexibility and we are willing to talk and we want to get back to the table. Norrine Hammond crafted a letter, she and six other legislators crafted a letter to Rauner saying get back to the table with ASCME. He said no, she cowered and voted no on 580. So that was her in action and that is his in action that is where we are at we are willing to what it takes. We are not going to take dramatic cuts we are not going to work for a third of it you heard Matt Bradbury I will take you out there right now. And anybody that wants a State job apply, go out there and apply. These people put their lives on the line every day, so to sit there and say that it is a lucrative contract, nobody handed that to us we went in and fought for it, we negotiated in good faith. This man will not negotiate in good faith. Jim, so more to answer my question to my point, is ASCME been discussing, and I am not talking about going out there for a 3% cut, benefits, health care something, are you guys talking about doing something? Mike, we had a coalition we had meetings across the State asking people what their best and last offer might be but we are at an impasse we can’t even offer that. This guy walked out on negotiations he called it over. He took his ball and went home. Jim, ok because the reason I am asking is the article I say and I am sorry I forget your president’s name, the four options they were talking about was either suspending tax cuts to raising taxes, they mentioned lower health care cost but they wanted that done by legislators forcing pharmaceutical companies to sell ASCME drugs for less price. Getting a grant from the federal government that is already 19 trillion in debt and/or municipalities in the State dipping into their reserves. Which, I view as starting to behave like them and there is no way I will be a component of that. So, an issue that I have, I felt like I was coming in here as a part of a group that has been bending and bending and bending and you guys were going to come in and say, we refuse to bend in Springfield but we want you guys to bend some more. Mike, absolutely not. Jim, so are you guys promising me that you are going to try to be part of the solution and not the problem, we have to have a balanced budget, we can’t over spend anymore that is why we are here. Mike, we are here for ASCME 3567 we met Norine Hammond at McDonald’s had an informal conversation. Chief Powell, myself, Eric Schenk, and Jamie Rensch. And we begged her to take our message back we got some flexibility get us back to the table this impasse is not serving anyone. She took that message back on that Monday and then voted no on the 580 bill. Which the other option was, Jim, send it to an arbitrator, arbitrators don’t rule in our favor arbitrators rule fairly across the board. This would have been an opportunity for them to say look package this and send it out there. Absolutely not this man wants nothing to do with it, he campaigned on an agenda of I am going to crush unions, he talked about it the first two years you are going to hate me, I am going to crush everyone I am going to do it all on your backs. This is what he campaigned on and now he is doing it to you as a City he is doing to us, welcome to our fight. And I am about out the door but I am still here to fight because I don’t want to leave behind this kind of wreckage. I have been on three other contract negotiations committees and this is my fourth and I have never received nonsense like this, ever. Jim, then that is what concerns us is that it has gotten, what I am worried about is if we do just kick the can down the road, granted it won’t happen if we go the route of using the credit line that Philip talked about, but I don’t want to six months from now have them owing us $700,000.00-$800,000.00 and then watch them say we passed our budget and oh by the way we are closing Western Illinois Correctional Center and then we are screwed anyhow and everybody else is screwed. What I am worried about is how bad is it going to get? I don’t envy you guys, but like it or not your liabilities is in the hands of elected officials. And that is not anything that I would want to do right now. Years ago it used to be you got a job with the State because you had job security. That is not the case anymore, and that sucks. And that is what our concern is, we are supposed to represent all the citizens and make sure we make good sound financial decisions and I would have trouble looking people in the eye if we just keep kicking it down the road and then all of a sudden they say. What I look at, and I never thought I would see in my lifetime is what the federal government did to General Motors. And the shareholders lost all their money and I am afraid they are going to do that to you guys and you are going to lose your pensions. And that is why I want to see us try to, I would like to see a community come together all of us and just like your saying talk to our elected officials and all that. But when we do it we have got to be realistic, we can’t pass a 7 billion dollar over spending budget, we can’t do it. That is why we are here, that is why nobody is getting paid. And that is reason we aren’t getting paid because you guys are getting paid, not back pay I understand, but you are still getting paid. So we have got to start talking about this realistically you know. Mike, we had to sue in court to get paid. Jim, I am aware of that. Mike, his first job once he got into to office was to stop our pay, we sued in court. He hasn’t given us anything, the only thing we have gotten is what we sued for and won in court and won through arbitrations. This man is a one man wrecking ball and the people his cronies that follow behind him and bull down partisan politics, this is never ending. And he again campaigned on the fact that I will uproot collective bargaining in Illinois. H wants to get rid of your prevailing rates, this was his agenda. This is what he is doing and this is the tip of the iceberg, you hit is exactly on the head, where does it go down the road. We don’t have a 16 budget and we are 9 days away from 2017 budget. Jim, and we are required by law to have a budget every June. Mike, absolutely, and if you call these people they will all tell you the same thing, we are in committee. I know because I call every one of them every day, they are so tired of hearing from me it’s crazy. I am face to face with them, I go to the capitol, again I am four months from out the door. I am just not looking to leave this wreckage in my path. Jim, correct and I do what to make the comment, first of all I want to play devil’s advocate. I never say these ads obviously where Rauner said he was going to crush everybody. I look at it, Mike, that they are of course they are saying, I am worried about I would like to see everybody suffer a little bit now instead of losing everything five years from now because we keep kicking the can down the road. We got to start talking about it, and that being said is I look at it as is some of the elected officials are being called names like this all the time because they are saying no we have to have a balance budget. Then we will move forward. Because they are basically throwing themselves on their sword to try and save everybody. I respect some of the people that are refusing to vote for a budget that is 7 billion dollars over because they know it is only going to worsen the problem. Mike, and I good with that but the percentage of every State worker if you eliminated every State worker State wide. The people at Motor vehicles, the people at the State Police everyone the child care workers, the in home service workers everyone Statewide you are talking about less than 10% of the overall budget including our benefits including our pension you are talking about less than 10% of the overall budget. To try to balance that on our backs is ludicrous. This is dozen of years of many politicians, I don’t mean to sit here and badger Norine Hammond she is just happens to be front and center at this time, but this is many years continued as Illinois politics as usual. And the fact of the matter is this guy has brought it to a pinnacle and we are going to have to address, but the fact is no matter what it was the one thing I heard here was our cost our out of pocket cost our cost at the City is not the number that is being thrown out there. That is a fact. That was the one thing I wanted to make certain of that we are losing some of our profit. We are holding some of our profit as debt. Jim, right and like I say we do that in case a water main blows our tower, the EPA says this tower has to be replaced. We are trying to be good steward of the money and part of it is making sure the State doesn’t take it all from us. And I do want to comment and I am just going to be honest, you are talking about partisan politics and I saw it online today ASCME spent $87 billion dollars last year on campaigns. To me, we are all going to have to start talking about what is the root of the problem and I think part of it is, if you guys are holding an elected official hostage they are not going to bargain in good faith, they are going to go ahead and say let’s go ahead and do this $7 billion dollars over. Once again, I am not talking about just ASCME I am talking about everybody we have got to start talking about this, and everybody be willing to take a little bit of a kick. Mike, we don’t disagree. Partisan politics on our behalf, we campaigned big behind the camp, it is not in our district we walked every weekend for him he is a Republican. We vote for people who vote in our favor we vote people who vote our agenda we vote people that vote our families, our retirements our future, they didn’t give that to us we made a contribution to that retirement wee make 8.5% of every dollar I earn goes into that contribution that goes into that, we are the only one. The State has never paid it, they take it, it disappears much like social security we pay every paycheck we pay State taxes. This guy first thing in office he allowed a 1.75% income tax to sunset you had the kind of income and you allowed it to drop and now you are claiming poverty. Does anybody remember that? Nobody seems to mention that the State income tax had been raised we worked hard to raise income tax and it had already been raised and it sunseted on his watch. And everyone sits around afterwards and claims poverty well I don’t know how many dollars he gave away on that one but that was just foolish. But that is politics. Jim, right because taxes run businesses out of Illinois. Like I say I think I have said enough you guys are tired of listening to me talk so if anybody else has anything to say please do. I think that was all I had. Emily, we have options we need to research them, I am not going to give him a hand if we need to figure out what Philip was talking about if it fits us and go with the best worst case scenario for ourselves. Jim, because coming in here with what Philip was talking about people hadn’t gotten that to me but like I said I was mistakenly informed on what it would cost us, it would cost the citizens $50,000.00-$60,000.00 and that is why I was having trouble swallowing it. If it true what he is telling me that we don’t lose anything at all I wouldn’t mind supporting it. I told you I was against it and I may be changing my mind right now. Dane, and I think before a motion is entertained a couple people have made comments on you guys on prison guard safety and all that stuff you guys have to realize that we have common sense sitting here. We have thought about all those options we have thought about your families we know most of you guys so we just don’t want it talked about that we aren’t thinking of everything. Because we have thought about it like Jim said my stomach has hurt for two weeks. So, what I would like to ask is, is there any kind of motion that you would like to put on the table?

Alderman Myers makes a motion that we continue in good faith to negotiate for the balance of what is owed by Western Illinois Correctional Center to the City of Mt. Sterling and that the water remain on, seconded by Schenk. Buss yes, Lauren Jennings yes, Jim Jennings yes, Schenk yes, Myers yes, Scranton yes.

Dane- the motion to keep in good faith negotiations with the State of Illinois on our water bill owed and to leave the water on at the Western Illinois Correctional Center for the time being passes unanimously.

Dane, alright that will be all that we will be discussing on that issue, don’t feel like you will offend us if you want to leave that is completely up to you guys.

Dane, I would like to entertain a motion to return to normal rules on the council agenda.

Alderman Myers makes a motion to return to normal rules and return to the agenda in the normal order, seconded by Schenk. Lauren Jennings yes, Jim Jennings yes, Schenk yes, Myers yes, Scranton yes, Buss yes.

Dane, motion to return to the normal agenda passes unanimously.

Dane, Keith Hufendick. Hello, I am Keith Hufendick I am the general manager of Prairieland FS and with me I have John Roher location manager here in Mt. Sterling, operations manager at WGM, and Tony Reische WGM, and my director and we are here to discuss the beautification that is going on downtown. And the concern about the intersection of Main and South Capitol Street. We did a quick diagram here and based on a, this may not be 100% correct but it is pretty close based on the newspaper, orange indicates the turn radius for us. As we look at the traffic per day at that intersection we have 15-20 suppliers coming in a day. When they come in and go out that makes it 30-40. We have deliveries going out 35-40, in and out makes that 70-80. I represent WGM too and they have 50 trucks a day. Over a course of a year that’s 750 trucks in the grain site and X2 for the out makes 1500. It is a very important intersection for us, you can see we did all four angles there and if you look at how the turn radius is on that road it gets pretty tight as you look at the turn lane out, going East and turning South. That turn lane will be gone there as well as the other direction as well and most of our trucks are getting bigger today verses smaller. And we do not want to stop your project but we also want to challenge the turning radius and what it does for that intersection for us as a company. And we feel that Capitol Street is the best exit in and out because of the fact if you look at our facility there is not one that fits our traffic flow at our current plant at our scale and really we need to exit North of our plant and go back up to Route 24. Dane, so if you are heading down Capitol and we are coming to you guy’s establishment where do you weigh trucks or how does that work. Keith, if you look right here on the map, the one coming around Mr. Mayor and you can see that all of our traffic goes North off the scale comes in Southbound. And we weigh trucks in from the North heading Southbound on the scale and then back out going North. And then the other street going North goes between our plants. Dane, so the trucks come in here and get weighed here and then they go around. Keith, yes and then they all go back the same way. Dane, how do they go back that same way? Keith, John you want to show him? Dane, I just want to know how they exit. John, they weigh come around here pick up the supplies off then come back around and weigh again they run around in our lot. Then they head back out after they reweigh. Dane, so my question to you is just something I thought about personally, what would be the biggest benefactor, other than I know we have a small town, what would be the problem going like this where we have minimal residential and then up by Dot West where we would have less residential? Other than the 3 blocks maybe a total of 4 ½ minutes and I am just asking. John, I would say a lot of it is probably the Street condition, the Street here is a lot better than Cross. And it is less over grown with trees than Cross. Dane, because I know Dot West is in the processes of moving all those employees over to big Dot West in the next couple of years. Keith, what Street are you talking about going up to? Dane, Railroad up to Buckhorn, where you would come out by Kitchell’s and Napa. Which a lot of your sprayers come up that way anyway. Keith, right but the semi’s come up 24 which is Main I believe and then go South on Capitol. We looked over Cross Street as well and done a map on Cross that intersection becomes complicated to. Dane, I will give you guys a couple more minutes because I interrupted your talk. Keith, we represent WGM to and you have them on there as well. One concern I have got with exiting the scale and heading down Railroad Street its faint to see on that map but there is a couple of overhead power poles there that I think would be a pretty big problem as we exit the scales to turn left. Dane- that was just a question that I thought of. And just so you guys know this is just a plan none of these things we have are set in stone and we are not dead set on doing any of this, this is why we appreciate you guys coming and talking to us and we hope as we move on with this, not just when the bump outs are mentioned, but the whole time you have a representative here. We want you to know that we are not stuck in stone and we aren’t going to stink Main Street. Keith, I guess you had a meeting on May 16th and we missed that we were busy so we just wanted to express our concerns we are not here to complicate it we are here to look at the efficiency of that intersection. Because you look at the number of cars in a day and we don’t want one of our trucks make a turn and hit a car. Casey- there will be more public meeting before anything happens. Dane, and just so you know we have been thinking about the semi’s in our community and it is definitely being thought of and is a concern. Keith, if you need help from our stand point on the number of vehicles in and out or we have our engineering people too available to look at turn radius and stuff like that. And once again we don’t want to cause a backup in traffic nor have somebody get hurt because trucks keep getting bigger. Jim, yes and Mayor is right we said we want to do downtown beautification but we need to understand the reality of our community, AG based and how busy everything is. And when we started talking about this and using a different truck route we did talk about the power line poles and they said it would be alleviated because when they make it a truck route everything changes the criteria of height and everything we will make it work for you I can promise you that. Keith, thank you we have talked about some expansion here in Mt. Sterling and that would effect that thought process. Dane, we know how huge our AG is they got us by the tail, if you could send a representative or even an engineer, Tony you can let them know when those meetings are it would only add great conversation and knowledge of what we are doing. Jim, I do want everyone to know there is misinformation out there everyone keeps saying how come we are not fixing pot holes and this and that, the money we are using for the downtown beautification is strictly from the TIF funds and it cannot be spent anywhere else but in the TIF boundaries. I just want that to get in the paper hopefully so it does away with that because that is wrong we cannot spend that money anywhere else. It is all increment off the real estate of properties within the TIF district. Everybody is saying we are just ignoring the rest of the town that cannot be farther from the truth.

Dane- New Business

Treasurer’s Report

Public Works Report- Dusty, I have nothing.

Committee Reports

Ad Hoc

Airport-Mick, we had a quorum for an airport meeting on the 3rd of June. We discussed a number items. I think I asked Stacy to pass around the minutes of that meeting. But we had three bids that we voted to accept. It’s for the seal coating repairs for the surfaces out there. The first bid was $18,400.00 and that is for the taxiway, I will pass that around. It is to sealcoat, repair the cracks and put reflective material on it in the color of yellow. The next one was for the apron, repairing it again with reflective yellow material that total is $6,158.00. And the final bid was the parking lot again to stripe it of yellow, blow off and seal the lot. Two colors and that bid was $2,448.00. Each of the bids is from Roberts Sealcoating here in Mt. Sterling. Allen, I understand it sounds like a lot but there is a lot of square footage out there people. We need to try to take care of it so we don’t have more problems later on the way things are going now. Mick, so that takes care of the major things we discussed.

Alderman Myers makes a motion to accept the 3 bids as presented by Roberts Sealcoating, seconded by Buss. Jim Jennings yes, Schenk yes, Myers yes, Scranton yes, Buss yes, Lauren Jennings yes.

Dane, the motion to accept the 3 bids by Roberts Sealcoating for the airport passes unanimously.

Mick, we will have to advertise for bids for the runway. Repainting for the markings on the runway, the bid that was presented exceeded $20,000.00 and they have to be in accordance with the Federal Aviation Administration bullets and standards.

Alderman Myers makes a motion to advertise for bids for the repainting of the runway in accordance with the specs of the FAA, seconded by Schenk. Schenk yes, Myers yes, Scranton yes, Buss yes, Lauren Jennings yes, Jim Jennings yes.

Dane, motion to put out for the repainting of the marking on the runway to meet with the FAA regulations passes unanimously.

Mick, we discussed briefly the erosion on the airport property that is leased to Pat Tracy. It is the committee’s recommendation to look into the use of rip rap, dry dam’s, or better yet engage the tenant to look into putting that piece of land into the CRP program. The inference is being made that the airport is strongly opposed to any tiling due to the expense and the long payback time it would take to recoup any proceeds for having it tiled. And I think we had a bid of around $13,000 to tile it, and the committee is opposed to doing any tiling of the ground and that was the motion that was made by the committee. Dane, so who it going to look into that Mick? Mick, I think Dusty is. Mick, we are going to look at getting an electric heat cart for the main gate. Paul was directed to contact the Illinois Department of Transportation to determine how tall the gates should be. And he has also been instructed to get a price on getting a fence around the weather station. To keep it from being damaged by the wildlife that is present. And the last item, Mark Vincent is wanting to possible rent the small North garage. Because there is a possibility that Mark can bring an aircraft maintenance business in and use that portion of the garage for that purpose. Which would be a selling card for the airport.

Alderman Myers makes a motion that the council look into possibly renting the North garage to Mark Vincent for a fair price for the rent, seconded by Jim Jennings. Scranton yes, Buss yes, Lauren Jennings yes, Jim Jennings yes, Schenk yes, Myers yes.

Cemetery

City Planning- I would ask that Jim give us an update on our ITEP application please. I just want everyone to know I turned in your ITEP application and I received a file copy here for the City. I turned it in last week I was well ahead of the deadline. So, you are in the mix. We have also sent a copy over to the Illinois Department of Transportation, District 6 the local projects in the district he will make the recommendation out of the district, which projects qualify and which ones will not. As of right now you are the only project in the district that I am aware of. I think that is subject to change I think the deadline was up last Wednesday and they had until Friday. I heard conversation tonight about the turning radius off the highway on South Capitol. I just wanted to make sure everyone understands we are very much in the infancy of the project and what we have drawn is to simply come up with an estimate. A representative action we would take at that intersection and the associated cost. We tend to engineer over design but by all means moving forward one of the things we would have to do we will have a traffic study completed. That will help us determine what movements are being made and what kind of vehicles and how often and those volumes. We use that information then for the supply and intersection design committee with the State of Illinois because you are required to do so when making improvements off of a State right ways. So again I just want to make sure everybody understands there is nothing gospel about any of the pictures we have represented. We are very much aware and sensitive to that part of town and we wouldn’t want anything to happen to that. We will throw out some options though for the things that I think are worth investigating. As far as your money coming, what we would anticipate, I’ll be honest I really don’t think we will hear anything until late, guessing in the October time frame. Those could be carried over to next year but you will not have to redo your application. Moving forward we anticipate two more public meetings, make sure everyone understood that we will have a minimum of two. We will probably have the next one when we have a better idea of what we are going to do with the intersection. Dane, thanks for your work Jim.

Finance/budget

Fire-Brian, I didn’t have anything that needed action but I wanted to advise the council on our ISO survey that was conducted back in March. We got the results of that last month, I am very happy and proud to report that we dropped from a class 5 to a class 4, within a point of dropping to a class 3. That is a testament of the acquisition of the ladder truck for one thing that was a big boost and the work that the fire department has done in training and the additional equipment needs that we have had. This new class will take effect September 1st and people should be seeing a drop in their home insurance due to that. Jim, and that lower ISO is a testament to our fire chief as well. Brian, I do want to go on the record saying thank you for not shutting the water off at the prison that would make our job a lot harder and from a safety point of view I had some real concerns so thank you for taking a harder look at that.

Lake/Lake Development

Personnel

Plan Commission

Police-Brandon, I will keep it quick this month we had 289 contacts we had 75 traffic stops 21 citations 54 warnings 4 criminal arrests and handled 7 accidents. On the ordinance violation stuff I think most of you drive around town have seen a substantial improvement, we do have one but I won’t name any names put on the way to my house that has made substantial improvements. Jess was just over there on Sunday and talked to them again. Out of the 31 that I reported to you last month most of those have taken care of the issue except for some of our main ones, so we are still working with those, we have a couple of citations out there. If anybody wants to know what I have done with the one on the South West corner of town come and see me how I have worked with them on this, he does have a $500.00 citation pending.

Street and Alley

TIF-Vada, what this is the redevelopment agreement for the Tastee Treet’s project. It is at 70% funded. Dane, just what we talked about last meeting correct? Vada, it is.

Alderman Jim Jennings makes a motion that we pass ordinance #06-01-2016 the Mt. Sterling TIF district ordinance approving and authorize the execution of the agreement between the City of Mt. Sterling and the property known as the Tastee Treet, seconded by Myers. Buss yes, Lauren Jennings yes, Jim Jennings yes, Schenk yes, Meyers yes, Scranton yes.

Dane, ordinance #06-01-2016 for the Tastee Treet redevelopment passes unanimously.

Water/Sewer-Dane, Dusty at your convenience or is Mick the chair on that. Dusty, I can call one. Dane, is that where we want to do that, I want to get that discussion started immediately on our options for the moving forward with the State. Dusty, I can get something for next week here.

Zoning

Zoning Board of Appeals

Other Business

Executive Session

Motion to Adjourn.

Alderman Myers makes a motion to adjourn at 7:58 P.M., seconded by Scranton. Lauren Jennings yes, Jim Jennings yes, Schenk yes, Myers yes, Scranton yes, Buss yes.

SoSo

Respectfully submitted,

Stacy Dunlap, City Clerk / Collector