

Mayor Charles L. "Skip" Lee called a virtual meeting of the Sterling City Council to order at 6:30 pm on Monday, October 5, 2020. Roll call. Present: Aldermen Retha Elston, Josh Johnson, Joe Martin, John Stauter, and Jim Wise. Absent: Christine Wilen.

Also attending were City Attorney Tim Zollinger, City Manager Scott Shumard, Finance Director Cindy Von Holten, Superintendent of Building and Zoning Amanda Schmidt, Interim Police Chief Alex Chavira, Interim Fire Chief Mike Dettman and City Clerk Teri Sathoff.

City Manager Shumard, Interim Police Chief Chavira and City Clerk Sathoff were present in the council chambers, everyone else attended via Zoom. The meeting was recorded and will be kept on the city hard drive. All members in attendance could hear the other members in attendance.

City Manager Shumard requested the order of the agenda be rearranged to accommodate Joel Hopkins from Hopkins & Associates. Mr. Hopkins had another meeting he needed to attend. Mr. Hopkins presented the audit for fiscal year 2019/2020. Mr. Hopkins stated that a yellow book audit was done because the city received and spent over \$500,000 in Federal and state money. Based on the auditor's opinion this was a "clean" audit. Highlights from the audit include:

- The assets of the city exceeded its liabilities at the close of the most recent fiscal year by \$31,557,355.
- The city's total net position increased by \$5,484,674 from the prior year. The net position of the city's business activities increased by 7.8%.
- In the cities governmental activities revenues increased by 14.1% and expenses increased by 11.2%.
- In the city's business type activities revenues increased by 6.2% and expenses increased by 6.6%.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was 59% of the total General Fund expenditures.

Alderman Elston made a motion to approve the following items on the Consent Agenda:

- A. Approval of Minutes
- B. Approval of Bills and Payroll
- C. Trick or Treat Hours
- D. Proclamation for Domestic Violence Awareness Month

E. Pay Request #12 to Porter Brothers Asphalt and Sealing for the Public Market, in the amount of \$45,621.50

F. Pay Request # 2 to Twin City Construction Company in the amount of \$61,723.47 for Phase II Johnson Avenue from 14th Street to 12th Street

G. Pay Request #4 for Lynn Blvd/LeFevre Road New Construction of Roundabout to Martin and Company Excavating, in the amount of \$47,748.30

H. Petition from Whiteside Area Career Center to waive new construction permit fees

I. Petition from Girl Scout Troop 150 to waive Grandon Rental fees

Motion seconded by Alderman Stauter. Voting: Ayes – Aldermen Elston, Martin, Stauter, and Wise. Nays – None, Alderman Johnson abstained. Motion carried.

Interim Police Chief Chavira introduced Officer Bryce Stanley to the council, Officer Stanley is from Dixon, he graduated October 1st from the training institute in Champaign, IL. City Clerk Sathoff administered the oath of office to Officer Stanley.

Bob Vail from Bernardi Securities addressed the City Council on behalf of CGH Medical Center. CGH is requesting permission to issue a bond through the City. CGH would use the bond proceeds for capital projects and to pay down the amount they owe to the Illinois Municipal Retirement Fund to help avoid interest penalties on the outstanding balance. The bond would save CGH approximately \$22 million.

The timeline for the bond would be to pass the ordinance at the October 19th council meeting. The November meeting would be a public hearing and have the bond parameters approved in December or January and close on the bond the end of January or the first of February.

Alderman Stauter questioned the stability of the market. Stauter wanted to know if the rates would still be low in January. Mr. Vail advised that the bond market is steady or dropping. The bond market is unlike the stock market, the rates will be similar or lower in January and February.

Alderman Elston made a motion to award the bid for Street Construction Program Contract #2 to Martin & Company Excavating of Oregon, Illinois in the amount of \$484,931.77; seconded by Alderman Martin. Alderman Wise questioned why the city was conducting bids in October, City Manager Shumard stated it was when the engineer was able to complete the project and the availability of the contractors. Alderman Elston wanted to know if the projects included sidewalks and curb and gutter, City Manager Shumard stated that 18th Avenue does include a sidewalk to Platt park and curbs are repaired where they are needed. Shinkle does not warrant curb, gutter, or sidewalk since

there are limited houses in that block. Voting: Ayes – Aldermen Elston, Johnson, Martin, Stauter, and Wise. Nays – None. Motion carried

Mayor Lee opened a discussion on the current number of liquor licenses. He has received requests to raise the current number. The Mayor stated that the city has always wanted the gaming portion of the business to be part of the experience not the experience. Alderman Martin stated that Sterling does not have as many gaming establishments as the City of Dixon. Martin is concerned if the number of gaming licenses is limited, the businesses will open in other cities and the customers will follow them.

Alderman Wise stated it was an issue of economics, he is okay with bumping the number of licenses to a reasonable amount, but he is not in favor of having an unlimited amount licenses.

Alderman Johnson would like to keep the business in town to keep the money in the city.

Alderman Stauter is concerned that the City of Sterling will be promoting the wrong message to residents. Stauter is also concerned where the stopping point for licenses would be, he wants to make sure whatever decision is made it must be fair.

City Manager Shumard said the original thought to having the limited liquor licenses was to have a mix of businesses in the downtown area to have vibrant downtown.

Alderman Elston would like to make the decision on a case by case basis, instead of increasing the number.

Mayor Lee suggested that the City schedule a liquor commission meeting to discuss and recommend to the council a plan for future licenses.

Brick Boss addressed the council, he would like to open an upscale wine bar in the new building he put up adjacent to the Moose club. Mr. Boss stated he spent over \$500,000 on this building and he is now having trouble getting tenants.

Attorney Zollinger suggested to address the one liquor license for Mr. Boss at the next council meeting and have the Liquor Commission meet to address the more global discussion. The Mayor and Council agreed to this.

Mayor Lee opened the discussion on the increased usage in motorized bicycles in town. Complaints have been received about instances of dangerous operations of motorized bicycles. The police department has assembled a matrix of rights to roads and sidewalks

for different motorized forms of transportation. The City Attorney has provided a draft ordinance for review and discussion. A campaign to inform or remind users of motorized bikes and other bicycles would benefit the traveling public, both those on bicycles and those in automobiles.

Interim Police Chief Chavira stated that this ordinance would assist with enforcing the violations.

Alderman Wise questioned what the fine would be, Attorney Zollinger stated the fines could be inserted in this ordinance or it could be the general fine that is under the city code.

Alderman Johnson questioned how we would educate the public on the ordinance, stating signage could be option. Attorney Zollinger will present an ordinance at the next Council meeting.

Alderman Elston made a motion to approve the Emergency Operation Plan (EOP); seconded by Alderman Wise. At the last meeting that the EOP was discussed Alderman Wise suggested the Superintendent of Public Works hold the position of 2nd in command. It had since been decided that the Chief of Police would hold that position due to the amount of training the Chief receives in Emergency management. Voting: Ayes – Aldermen Elston, Johnson, Martin, Stauter, and Wise. Nays – None. Motion carried.

Finance Director Cindy Von Holten gave an update on the status of the current budget. Von Holten stated that we are close to where we were last year at this time. Property taxes are up about 1.5%, sales tax is up 8%, other sales tax is down 2.5% (Other sales tax includes gaming revenue and the use tax). Utility Taxes are down 13.5%, Franchise fees are down 6% (franchise fees go down every year due to the popularity of streaming). Income tax is down, and replacement tax is down 15%. Von Holten advised that even though several items are down the net is still \$92,000 to the positive. The expenses for this year are up .7%, we are definitely inline with where we were last year.

Alderman Wise questioned if any of the sales tax we collect is ecommerce sales, City Manager Shumard stated that increase is reflected in the use tax.

In staff reports, City Manager Shumard advised that Republic Services will be extending yard waste pick up to December 4th this year. Deputy Fire Chief Mike Dettman notified the council that the Fire Department received the new truck, he invited the council to stop and look at it.

Alderman Elston thanked Superintendent of Building and Zoning, Amanda Schmidt for her assistance with issues.

Alderman Stauter complimented Superintendent of Public Works, Brad Schrader, and the Public works crew, they have been accomplishing a lot of work.

Alderman Wise also complimented the public works crew he also noticed the gateway sign has been started and looks forward to seeing the finished product.

Mayor Lee mentioned that Sterling Police department chaplain, Pastor Jeff Coester, has accepted a position in Indiana. He will be honored later and information on that will follow.

Alderman Stauter made a motion to move to executive session to discuss Employment/Appointment Matters: 5 ILCS 120/2 at 8:24 pm; seconded by Alderman Johnson. Voting: Ayes – Aldermen Elston, Johnson, Martin, Stauter, and Wise. Nays – None. Motion carried.

Alderman Johnson made a motion to reconvene the open meeting at 8:36 pm, seconded by Alderman Martin. Voting: Ayes – Aldermen Elston, Johnson, Martin, Stauter and Wise. Nays – None. Motion carried.

The meeting adjourned at 8:38 pm.

Teri Sathoff
City Clerk