

Mayor Lee called the Sterling City Council to order at 6:30 pm on Monday February 7, 2022. Roll call. Present: Mayor Lee, Aldermen Retha Elston, Josh Johnson, Joe Martin, Christine Wilen, Kaitlyn Ekquist and Jim Wise. Absent: None.

Also attending were City Attorney Tim Zollinger, City Manager Scott Shumard, Finance Director Cindy Von Holten, Superintendent of Building and Zoning Amanda Schmidt (Zoom), Superintendent of Public Works Brad Schrader, Police Chief Alex Chavira, Fire Chief Michael Dettman and City Clerk Teri Sathoff.

The Pledge of allegiance was recited.

Josh and Megan Coward, Harmon, IL. have a mobile axe throwing business, Mr. Coward would like the liquor commission to reconsider approving a liquor license for a brick and mortar store located at Northland Park Mall. Coward is concerned that since Sterling is not actually a tourist destination that without the liquor license he will not be able to sustain a viable business. Alderman Martin asked what occupancy in the mall the Coward's are looking at, they are looking at #9 the old Rue 21. The operating hours for the business will be Thursday through Sunday until 10:00pm. Mayor Lee advised the liquor commission would decide if this is a good fit for the City.

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. Pay Request # 5 to Fischer Excavating for the 4th and 5th Avenue drainage project in the amount of \$337,001.22.
- D. Pay Request #6 (Final) to ERA Valdivia Contractors in the amount of \$25,013.33 for Avenue G Bridge Rehabilitation.
- E. Pay Request to R.N.O.W., INC. for the purchase of the A9 Monsoon Street Sweeper in the amount of \$258,658.00.

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

Fire Chief Dettman introduced firefighters Nick Hammer, Lucas Pfister and Michael Mackey. Hammer and Pfister were pinned for completion of their probationary period. Hammer's pinning was delayed due to COVID. Mackey was promoted to the rank of captain.

Alderman Elston made a motion to approve Mayor's Lee Appointment of Dr. Thomas King to the hospital board. Dr. King is a Vascular Surgeon and has been elected by the medical staff at CGH to fill the vacancy left by the retirement of Dr. Thomas McGlone; seconded

by Alderman Martin. Voting: Ayes – Aldermen Elston, Martin, Wilen, Johnson, Ekquist and Wise. Nays – None. Motion carried.

Alderman Ekquist made a motion to approve Resolution R2022-02-02 for Motor Fuel Tax expenditures in the amount of \$270,000; seconded by Alderman Wise. Voting: Ayes – Aldermen Elston, Martin, Wilen, Johnson, Ekquist and Wise. Nays – None. Motion carried.

Alderman Elston made a motion to approve the IDOT Maintenance Engineering Agreement; seconded by Alderman Wilen. Voting: Ayes – Aldermen Elston, Martin, Wilen, Johnson, Ekquist and Wise. Nays – None. Motion carried.

Alderman Ekquist made a motion to approve Ordinance 2022-02-04 Approving Water Utility Easement; seconded by Alderman Martin. Voting: Ayes – Aldermen Elston, Martin, Wilen, Johnson, Ekquist and Wise. Nays – None. Motion carried.

Alderman Wise made a motion to approve Ordinance 2022-02-06 Amending Chapter 34, Article II, to Implement amendments regarding removal of the annual fee for alarm systems and to modify the penalties associated with false alarms; seconded by Alderman Ekquist. Voting: Ayes – Aldermen Elston, Martin, Wilen, Johnson, Ekquist and Wise. Nays – None. Motion carried.

Alderman Elston made a motion to approve Ordinance 2022-02-05 Repealing Section 50-38, of Chapter 50, Article II, Division 2 to remove the permit process for soft drink retail sellers; seconded by Alderman Wilen. Voting: Ayes – Aldermen Elston, Martin, Wilen, Johnson, Ekquist and Wise. Nays – None. Motion carried.

Alderman Elston made a motion to approve Ordinance 2022-02-07 Amending Chapter 78, Article VI, Section 78-195 to provide for annual submission of bonding and insurance for Tree Trimming Maintenance; seconded by Alderman Ekquist. Voting: Ayes – Aldermen Elston, Martin, Wilen, Johnson, Ekquist and Wise. Nays – None. Motion carried.

Alderman Wilen made a motion to Refer to the Planning Commission for rezoning 3818 River Road from R2-Special Use to I-1; seconded by Alderman Johnson. Voting: Ayes – Aldermen Elston, Martin, Wilen, Johnson, Ekquist and Wise. Nays – None. Motion carried.

Alderman Wise made a motion to accept the proposal from Freeport Metal specialties, Freeport, Illinois for Paint and Repairs to Fire Apparatus in the Amount of \$56,708.28; seconded by Alderman Martin. Voting: Ayes – Aldermen Elston, Martin, Wilen, Johnson, Ekquist and Wise. Nays – None. Motion carried.

Alderman Wise made a motion to obligate \$395,000 in ARPA funds for addressing the negative economic impacts caused by the public health emergency; seconded by Alderman Johnson. Mayor Lee stated there are still items on the list for consideration. Alderman Ekquist advised the council that these are time sensitive projects and that is why they have been brought to the council first. Alderman Wilen asked who is on the committee and what other projects are being considered. The committee consists of Alderman Ekquist, Mayor Lee, Janna Groharing, Kris Noble, City Manager Shumard and Heather Sotelo. Some of the other items that are on the table for discussion are; Whiteside County Healthier Communities Partnership, mental health, housing, City sewer infrastructure and child care. Mayor Lee stated the committee will not spend ARPA funds without of council approval. Alderman Martin requested the minutes from the ARPA Committee meetings to be shared with the Council. Alderman Elston questioned if there would have to be bids approved for the deck and roof, the Council will not have to approve the bids but the funds that are spent will have to be reported. Alderman Martin asked for more information on the incubators, Groharing explained they are modeled after the ones in Batavia, IL. The buildings will be leased for one year, the business will be able to assess if they would like to open a brick and mortar store front. The \$50,000 in ARPA funds will be the start of funds needed, Groharing will raise approximately \$200,000 more in funds to complete the six initial buildings. The Main Street will manage and maintain the upkeep on the facility. Groharing would like to have the buildings available in the spring of 2023. Citizen, Shirley Sharp questioned the use of ARPA funds for the deck at the Farmer's Market. Mayor Lee assured Sharp that the funds are being used within the guidelines set by the Federal Government. Voting: Ayes – Aldermen Elston, Martin, Wilen, Johnson, Ekquist and Wise. Nayes – None. Motion carried.

Chief Chavira thanked the Council for their concern following office Nease being struck by a vehicle while on a call. Officer Nease is doing well and has returned to work.

Attorney Zollinger advised the Council that he will be sending a letter for the Council's consideration reference the cul-de-sac that Mrs. Sharp is concerned about.

City Clerk Sathoff reminded everyone that the yellow statements of economic interest have been mailed out, they are different this year from previous years. Please fill them out and return them. Sathoff also reminded everyone the next meeting will be on Tuesday February 22, 2022 as Monday is a holiday and City offices will be closed.

Alderman Martin thanked City Clerk Sathoff for the work on updating the ordinances. Martin thanked Chief Dettman for the card that was sent out as a thank you.

Alderman Elston announced she is a new grandmother and congratulated Mayor Lee on the addition of a grandson to his family.

Alderman Ekquist thanked City Clerk Sathoff for the work on the ordinances.

Alderman Wise stated he had the opportunity to speak with the Dixon Mayor, Li Arellano, Arellano announced his candidacy for State Representative. Alderman Wise thinks it a great opportunity to have someone local represent our community.

Mayor Lee congratulated Attorney Zollinger and everyone at Ward Murry Pace and Johnson. WMPJ is celebrating 160 years in business.

The meeting adjourned at 7:48pm to the budget study session.

City manager Shumard reviewed the following funds:

- NWSW Redevelopment Fund – this fund was created out of the bankruptcy court order. Revenues come from CGH Reimbursement for issuing bonds and rent from a cell tower on Wallace Street. The cost for the pedestrian bridge was more than expected and left the fund at a negative balance. The Projected fund balance for April 2022 is -\$32,730. The projected fund balance for April 2023 is \$0.
- Coliseum fund – is used for maintenance to the coliseum building. This is primarily funded through a specific levy allowed by statute. This fund has a negative balance that has been exacerbated by the \$5m remodel. The general fund gradually transfers money into this account to reduce the negative balance. The projected fund balance for April 2023 is \$54,8500.
- Civil Defense Fund - This fund has a separate levy, it maintains the storm sirens and is in place to protect the public from natural disaster as well as aid in case of a disaster. Projected fund balance is \$65,697.
- TIF Lincolnway-Lynn – This fund was created in 2010, this is where Kohls and Pet Smart are located. The bonds were reissued in 2020 at a slightly lower rate saving some money. The bond payoff is 5/1/2031. Projected fund balance for April 2023 is \$130,969.
- TIF Rock River – This fund was formed after the NWSW bankruptcy to help Sterling Steel reestablish the Mill area. The primary expense for this fund is the bond payments. Projected fund balance for April 2023 is \$1,731,707. This TIF expires 12/31/2027.

- TIF CBD East - This is the original downtown TIF, this is where County Market and Library Plaza are located. Projected fund balance for April 2023 is \$9,422.
- TIF Lincoln Highway – This TIF was established in 2021 to address the former K-Mart Plaza area. This is a pay as you go TIF. The City will recover past and ongoing fees, the developer will get the remaining money.
- 2012 CGH Bonds – This is an in and out fund for the repayment of refinancing a bond for CGH. This is a ten-year bond.
- 2021A CGH Bonds - This is an in and out fund for the repayment of refinancing a bond for CGH. This is was issued for the purpose of funding a portion of the unfunded IMRF pension liability for CGH Medical Center.
- 2021B CGH Bonds - This is an in and out fund for the repayment of refinancing a bond for CGH. This is was issued for the purpose of financing capital projects at CGH Medical Center.
- Special Service Area - This fund consists of Greenridge and Tori Pines. Due to sub-standard roads installed by the developer, Tori Pines has agreed to pay an additional assessment that was escrowed with the city. The balance is \$41,523. That money will be put toward road repairs, the engineer is currently working on a proposal for this work.
- Police Pension - There is an increase in revenues by 19.5%, the expenses were up by 14.3%. In 2021 the fund was 56.01% funded.
- Fire Pension – The assets for this fund were transferred on October 1, 2021 to the Consolidated firefighters fund, at this point we are not sure how the consolidated fund will report investment information.
- Trust Committee - This fund has a balance of \$1,200 for future Veteran’s Park, possibly on the riverfront.
- Strong Communities Program – Sterling was awarded \$246,400 in IHDA grant funds.

At 8:35 Alderman Elston made a motion to adjourn to executive session Pursuant to 5ILCS 120/2(c)(11) to discuss pending or reasonably anticipated litigation; seconded by Alderman Wise. Voting: Ayes – Aldermen Elston, Martin, Wilen, Johnson, Ekquist and Wise. Nays – None. Motion carried.

At 9:05 pm Alderman Martin made a motion to return to open session; seconded by Alderman Wise. Voting: Ayes – Aldermen Elston, Martin, Wilen, Johnson, Ekquist and Wise. Nays – None. Motion carried.

The meeting adjourned at 9:06 pm.

Teri Sathoff

City Clerk