

Mayor Lee called the Sterling City Council to order at 6:30 pm on Tuesday February 21, 2023. Roll call. Present: Mayor Lee, Aldermen Retha Elston, Christine Wilen, Josh Johnson, Kaitlyn Ekquist and Jim Wise. Absent: Joseph Martin.

Also attending were City Attorney Tim Zollinger, City Manager Scott Shumard, Finance Director Cindy Von Holten, Superintendent of Building and Zoning Amanda Schmidt, Superintendent of Public Works Brad Schrader, Police Chief Alex Chavira, Superintendent of Wastewater Cory Bradshaw, and City Clerk Teri Sathoff.

The Pledge of allegiance was recited.

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. IDOT Maintenance Engineering Agreement
- D. Resolution R2023-02-05 for Motor Fuel Tax expenditures in the amount of \$270,000.
- E. Request from The Sauk Valley Diversity Alliance to waive fees for the use of Grandon Civic Center on June 17, 2023

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

Alderman Johnson made a motion to approve the Master Plan for the Sterling Riverfront as presented by Gorman & Co; Seconded by Alderman Ekquist. Ron Clewer, the Illinois Market President with Gorman and Company was present in the Council Chambers to answer any questions. Mr. Clewer stated his team has been busy investigating proposed items for the riverfront. Clewer also advised the Council that the website for the riverfront has been updated. Voting: Ayes – Aldermen Elston, Wilen, Johnson, Ekquist, and Wise. Nays – None. Motion carried.

Alderman Wise made a motion to approve Resolution No 2023-02-06 Showing Support to the General Assembly from the City of Sterling for Tax Increment Financing; Seconded by Alderman Ekquist. City Manager Shumard stated the abuse of TIF mainly comes from the Chicago area. TIF is one of the few tools municipalities have to revitalize properties. The City of Sterling has benefited greatly from TIFs. Voting: Ayes – Aldermen Elston, Wilen, Johnson, Ekquist, and Wise. Nays – None. Motion carried.

Alderman Ekquist made a motion to approve Resolution No. 2023-02-07 Declaring the Support for Submittal of 2023 RAISE Grant Application and Local Matching Funding; Seconded by Alderman Johnson. City Manager Shumard stated the RAISE grant requires a project that is a minimum of \$1 million. This grant would be used to fund significant improvements to Griswold Avenue, Woodburn Ave and the connecting portions of W. 11th St and W. 13th St from Dillon to

Woodburn and W. 15th Street from Dillon to Griswold. Improvements include converting the roads from rural cross-sections with ditches to new curb and gutter roads including new storm sewers. The project will also add sidewalks to the neighborhood and a multi-use path to connect Scheid Park to Lefevre Road. Alderman Wise asked when this grant would be awarded, the answer is May of this year. Voting: Ayes – Aldermen Elston, Wilen, Johnson, Ekquist, and Wise. Nays – None. Motion carried.

Alderman Elston made a motion to award the contract to demolish 706 Park Place to Burke Excavating, Inc., Tampico, Illinois, in the amount of \$11,500.00; Seconded by Alderman Wilen. Superintendent of Building and Zoning Amanda Schmidt stated this property has been vacant for more than 4 years. The cost of demolition is slightly higher due to location. Attorney Zollinger stated the hearing for the judicial deed on this property will be held on Thursday February 23, 2023. Voting: Ayes – Aldermen Elston, Wilen, Johnson, Ekquist, and Wise. Nays – None. Motion carried.

Alderman Ekquist made a motion to approve the Assignment of Interest in the Redevelopment Agreement with Highlands Development, LLC to Highlands Sterling, LLC.; Seconded by Alderman Wise. Voting: Ayes – Aldermen Elston, Wilen, Johnson, Ekquist, and Wise. Nays – None. Motion carried.

Alderman Elston made a motion to approve the City Consent to Assignment of Redevelopment Agreement for purposes of collateral assignment from Highlands Sterling, LLC to Country Club Bank; Seconded by Alderman Ekquist. Voting: Ayes – Aldermen Elston, Wilen, Johnson, Ekquist, and Wise. Nays – None. Motion carried.

Superintendent of Building and Zoning Amanda Schmidt advised the Council that the Plan Commission approved text changes to the zoning code, the recommendation will be sent to the City Council on the March 6, 2023. The recommendation includes changes to parking, the sign code, fencing and accessory structures.

City Manager Shumard advised the Council that he has a template letter to support the RAISE grant if any members of the Council would like send a letter of support. Shumard stated there will be a meeting with engineers and the Federal Highway Administration in regards to LeFevre Road on Thursday this week, it is possible to have a contract this year. He also advised the bid opening for Tori Pines will be on March 14th, this will be a two-phase project. Lastly, there will be a PSAP meeting on March 6th to discuss the combined Dispatch Centers.

Alderman Wilen asked the status on the 2nd Street project, Shumard stated they are currently in the process of obtaining easements, the grant requires them to use the State of Illinois process to obtain the grants. This is a time consuming process.

Alderman Elston thanked Chief Chavira for the work his department has devoted to an intersection that has been troublesome. A traffic study was conducted and it resulted in a 2-way stop sign be installed in the near future.

Alderman Wise thanked Superintendent of Public Works Brad Schrader and the Public Works Department for the amazing job on cleaning up the snow from the latest storm.

At 6:55 Mayor Lee turned the meeting over to City Manager Shumard to for the budget study session.

City manager Shumard reviewed the following funds:

- Municipal Band Fund – Allen Lee was present to answer any questions. Revenues are up 22.8%, the projected fund balance for April 2023 is \$178,873. Improvements were made to Grandon, the roof was replaced on the band shell, lighting was improved as well as landscaping. The Band Commission was able to provide a \$3 per performance and rehearsal increase to band members, this is the first increase in 35 years, band members are now paid \$18. Attendance and donations were up for the 2022 season. Allen Lee thanked Finance Director Cindy Von Holten and Mary McCormick for all of their assistance. Lee stated McCormick has been a great deal of help.
- 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. Amended revenues are up 19.7%, the amended expenses are up 47.7%, this is due to radio replacement in the recently purchased used fire apparatus. The projected fund balance is \$58,496.
- 2022A Bond Fund – This is an in and out fund. The revenues will come from property tax levies. The proceeds from the 2022A Bond go into the general fund, the general fund then transfers them to the City's local fire and police pensions. The local pensions then transfer the funds to the downstate consolidated investment fund. Due to the market, the City waited to invest. The forecast is for a weak start to the year with some recovery later in the year.
- 2022B Bond Fund – This is also an in and out fund. Funds come from the local options sales tax as well as storm water fund. The proceeds from the 2022B Bond is split between the capital and the stormwater project funds.
- Police and Fire Pension Fund – This was a great time to issue the bonds however it was not the best time to invest in the market. The City has waited out the downturn and will start to contribute the bond proceeds to the downstate pension funds. Since the City

has delayed in contributing funds, it is reflected in the swings in the budget vs. amended vs. requested.

Alderman Wise asked Finance Director Cindy Von Holten if the State of Illinois has been sending out a performance report on the consolidated fire pension. Von Holten advised the reports are received monthly. Wise asked how performance has been, Von Holten stated, initially the performance was not great, she stated that it seems to be doing better with the change that appears to be happening in the market. Alderman Wise thanked City Manager Shumard and Finance Director Cindy Von Holten for monitoring the situation with the consolidated pension funds and keeping an eye on the market as it fluctuates.

Alderman Elston inquired about the lack of the bank expenses in the pension budget for the next year. Von Holten stated this is due to the consolidated funds. The monthly fee that has been paid to the money manager is a percentage of the money that has been invested. This will no longer exist with the consolidation.

The meeting adjourned at 7:07pm.

Teri Sathoff

City Clerk