

Mayor Lee called the Sterling City Council to order at 6:30 pm on Monday March 6, 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, Fire Chief Michael Dettman Superintendent of Wastewater Cory Bradshaw, and City Clerk Teri Sathoff.

The Pledge of allegiance was recited.

Tom Brackemeyer, 1512 5<sup>th</sup> Avenue Sterling, addressed the Council with concerns about crosswalks and bicycle lanes in the City of Sterling not being properly marked on LeFevre Road. City Manager Shumard advised Mr. Brackemeyer that plans have been submitted to IDOT for approval to redo LeFevre from Avenue L to Rt. 40.

Karl Semancik, 301 West 3<sup>rd</sup> Street Sterling, thanked the City for working with him on the building at 301 West 3<sup>rd</sup> Street. Semancik stated the building has been challenging and it has been great working with the City staff, for every problem they have encountered the staff has worked with him to come up with a solution.

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

- A. Approval of Minutes
- B. Approval of Bills and Payroll

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

Alderman Ekquist made a motion to approve the Memorandum of Understanding between Sauk Valley Community College and the City of Sterling to Support Matching Funds for the Small Business Development Center (SBDC); Seconded by Alderman Wise. Voting: Ayes – Aldermen Elston, Wilen, Johnson, Ekquist, and Wise. Nays – None. Motion carried.

Alderman Elston made a motion to waive the Bid Process and Accept the Quote from Poligon to Purchase a Shelter for Platt Park; Seconded by Alderman Wilen. Voting: Ayes – Aldermen Elston, Wilen, Johnson, Ekquist, and Wise. Nays – None. Motion carried.

Alderman Ekquist made a motion to approve the Bid from Hopkins & Associates to provide audit services for fiscal years ending 2023, 2024, 2025, and 2026. Finance Director Cindy Von Holten advised the Council there were only two bids, she approached local companies about bidding,

they stated they would not be competitive as they would have to charge in the area of \$50,000. They chose not to submit bids because of this. Voting: Ayes – Aldermen Elston, Wilen, Johnson, Ekquist, and Wise. Nays – None. Motion carried.

Chief Chavira reported there are two new officers currently going through the hiring process. Chavira stated the process should be completed this week.

City Manager Shumard stated he attended the Dispatch meeting at Whiteside County. The County is planning to consolidate the two locations into one center at the Sheriff's office by the summer of 2024. By combining the centers, the County will be able to have four fewer dispatchers. Finding and retaining quality staff has been an issue for quite a while. Mayor Lee asked where the back up center would be located, this has not been decided yet, they are looking at other counties such as Ogle, Carroll and Jo Daviess. The County stated they would continue to answer our non-emergency phone calls.

Fire union negotiations have been in process, two meetings have been held and everything seems to be going well with the exception of wages.

City Manager Shumard thanked Superintendent of Public Works Brad Schrader for setting up CPR and first aid training. Thirty two staff members took advantage of the training. Officer Krause facilitated the training and did a great job.

Alderman Elston stated there are two openings for the Grandon Shoppes. Elston asked Janna Groharing if there was a completion date for the project. Groharing stated completion depends on the weather and when the concrete work can be completed.

Elston thanked Superintendent of Public Works Brad Schrader for saving the City money by planning to assemble and install the shelter at Platt Park.

Alderman Wise asked if a solution to the cost sharing issues with dispatch was discussed at the dispatch meeting. City Manager Shumard stated this is a complicated matter, it was discussed however, nothing was decided. It becomes complicated when they are trying to decide if they charge by fire district or by city limits.

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:

Stormwater Management Fund – The project list for FY 22-23 was discussed, the storm sewer was replaced on 2<sup>nd</sup> Avenue between LeFevre and Miller roads. Woodburn and Griswold are pending approval of the RAISE grant.

Future projects include; Griswold, Woodburn, Scheid Park, Sinnissippi Town Home alleys, West 16<sup>th</sup> (L to J), West 5<sup>th</sup> (L to Woodburn), North Central Phases 2 and 3 and North Street. If we receive approval of the RAISE Grant application most of these projects would be within budget. The fund balance is \$5,485,484. Sales tax has remained strong due to changes that have taken place in online collections.

MFT Fund – This fund is difficult to predict, we chose to go the safe route. The amended revenues are up 3.3% and expenses are down 32.8%. The projected balance for April 2024 is \$1.5 million.

SIDC Fund - SIDC controls land sales, owns the incubator and provides funds to GSDC for management of the incubator and land marketing services. Amended revenues are up 267%, this is due to the \$250,000 in ARPA funds that were received to invest in housing issues. Amended expenses are up 64.51%, this is due to the property on 1<sup>st</sup> Avenue. The CDAP funds have not been spent, the Building Department is working on sending letters out to those that qualify for the funds to see if they are interested.

Coliseum Fund – This fund is used for the maintenance of the Coliseum Building, it is subsidized by the general fund as well as the Coliseum levy. The parking lot lights have been budgeted for, however, there was no cost-effective way to add poles, lights will be added from pole to pole. Security cameras will need to be replaced, they are out dated, need to be moved lower and cameras need to be added for better security. The revenues are up 1.8% and expenses are up 3.5%. The projected ending fund balance is \$334,866. Mayor Lee asked if solar panels would be something that would be considered when the roof needs to be replaced on the building. Shumard advised this is something that could be considered at that time, we are at least 5 years away from needing the roof to be replaced.

Lincoln Highway BDD Fund – This is a special financing program to encourage the development of new business in targeted areas. It allows districts to impose and collect up to 1% additional retail sales tax to fund projects in the district.

Sewer Fund – The expenses for this fund include \$850,000 for future treatment plant replacement (this is \$75,000 more than we set aside last year). \$466,000 for lining projects, \$262,000 to clean 73,000 feet of sewer lines and \$243,733 for the 4<sup>th</sup> year of 5 to RedZone for televising the lines. The Revenues include \$15.50 base rate, which is a 50 cent increase. \$4.50

per 100 cubic feet, which is a 25 cent increase. By steadily increasing rates we can borrow less for replacement. Revenues are up 0.7% and expenses are down 5.3%.

Solid Waste Fund – Due to increase in the State Replacement tax we will not have to pass along the contract increases to the residents. Revenues are up 6.7% and expenses are down 3.8%. Alderman Wise asked if the levels of complaints have increased with Republic Services, Superintendent of Building and Zoning Amanda Schmidt stated we do not get a very good response from Republic when we do have complaints. Some of the complaints are not Republics fault, they are customer issues.

Health Insurance Fund – Claims have been down the last few years, a lot of this can be contributed to COVID, people were not having elective surgeries nor were they having diagnostic testing done. There have been several large claims due to genetic issues as well as cancer diagnoses. Revenues are up 23.4% expenses are 6.4%. Next year we may have to plan for a slight increase in premiums, the fund balance is high enough to safely draw down without passing an increase on to the employees.

The meeting adjourned at 7:26pm.

Teri Sathoff

City Clerk