

Mayor Lee called the Sterling City Council to order at 6:30 pm on Monday, April 17, 2023. Roll call. Present: Mayor Lee, Aldermen Retha Elston, Josh Johnson, Christine Wilen, 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 (Zoom), Superintendent of Public Works Brad Schrader, Police Chief Alex Chavira, Fire Chief Michael Dettman, Deputy Fire Chief David Northcutt 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. Ordinance No. 2023-04-05 Amending the Budget for Fiscal Year beginning May 1, 2022.
- D. Resolution R2023-04-09 to Close Fourth Street for Sterling Municipal Band Concerts.
- E. Resolution #R2023-04-11 to Close Fourth Street for Memorial Day Services on Monday, May 29, 2023.
- F. Proclamation for Arbor Day.
- G. Taste of Fiesta request to hold a bucket brigade on May 6, 2023.
- H. Sterling American Legion Auxiliary request to hold a bucket brigade on May 27, 2023.
- I. Sauk Valley Pride request to waive fees for the use of Grandon Civic Center on August 26, 2023.

Motion seconded by Alderman Wilen. Mayor Lee stated the City of Sterling has been designated a Tree City again this year. Administrative Assistant, Deb Dillow, has been working very hard with the tree board to ensure that the City maintains this designation. Voting: Ayes – Aldermen Elston, Johnson, Wilen, Ekquist, and Wise. Nays – None. Motion carried.

Alderman Elston made a motion to approve Mayor Lee's Appointments and Re-appointments to Boards and Commissions; Seconded by Alderman Wise. Voting: Ayes – Aldermen Elston, Johnson, Ekquist, Wilen and Wise. Nays – None. Motion carried.

Mayor Lee presented Alderman Wilen with a certificate of appreciation and flowers. Mayor Lee thanked Alderman Wilen for serving as the Second Ward Alderman since May of 2015. Mayor Lee stated it has been a pleasure working with Alderman Wilen and he appreciated her dedication to the citizens of Sterling.

Alderman Wilen thanked City staff, Mayor Lee, City Manager Shumard and Clerk Sathoff for the support and assistance they provided her for the last eight years. Alderman Wilen is excited for Joe Strabala-Bright to become the next Alderman for Ward two. Alderman Wilen received a standing ovation from the Council and City staff.

Alderman Ekquist made a motion to approve Ordinance No. 2023-04-06 Adopting Fiscal Year 2023-2024 Budget; Seconded by Alderman Wise. City Manager Shumard gave a brief presentation on the budget. The 2023-2024 fiscal year budget total is \$67,499,156. The largest funds are;

- General Fund \$28,283,366
- Capital Fund \$11,965,651
- Sewer Fund \$4,363,888
- Fire Pension \$2,813,323
- Police Pension \$2,673,91

Alderman Wise asked if Wallace was included in the \$4.9 million for the roads, Shumard stated yes. Wise stated he often hears that the City is not doing enough in road repairs, by spending \$4.9 million in roads shows the City is doing quite a bit of road repairs. Wise also commented that with the projected expenditures of \$11 million in the capital fund, that is a great amount of money to improve the quality of life in Sterling. Voting: Ayes – Aldermen Elston, Johnson, Ekquist, Wilen and Wise. Nays – None. Motion carried

Alderman Ekquist made a motion to approve Ordinance No. 2023-04-07 Amending Pay Plan for Fiscal Year 2023-2024; Seconded by Alderman Wise. Voting: Ayes – Aldermen Elston, Johnson, Ekquist, Wilen and Wise. Nays – None. Motion carried.

Alderman Ekquist made a motion to approve Ordinance No. 2023-04-08 Amending Chapter 94, Section 34 regarding wastewater service charges and Section 35 regarding billing and collection of service charges; Seconded by Alderman Wilen. Voting: Ayes – Aldermen Elston, Johnson, Ekquist, Wilen and Wise. Nays – None. Motion carried.

Alderman Elston made a motion to approve the Write-off of uncollectible accounts for public billings for fiscal year 2022-2023; Seconded by Alderman Wilen. Finance Director Cindy Von-Holten stated there is one large account noted, this property has a shared service and the City is unable to shut off water for shared services. The owner of this property passed away, the property was foreclosed on and the individual was turned into IDROP for seven years. Once these accounts are written off the City still attempts to collect the accounts. Alderman Elston inquired about the account belonging to Coventry Village, Von Holten stated they went out of business and they have been unable to find additional information. Mayor Lee thanked Von Holten and the finance department for doing a fantastic job of collecting accounts. Voting: Ayes – Aldermen Elston, Johnson, Ekquist, Wilen and Wise. Nays – None. Motion carried.

Alderman Ekquist made a motion to approve the Authorization to Rescind Prior Acceptance of Kunes Country Auto Group Fleet Management Bid for Two Police Interceptor SUV's; Seconded by Alderman Elston. Voting: Ayes – Aldermen Elston, Johnson, Ekquist, Wilen and Wise. Nays – None. Motion carried.

Alderman Ekquist made a motion to approve Waiving the Bid Process and Accepting a Quote from Sutton Ford of Matteson, Illinois in the amount of \$80,446.00 for two Police Interceptor Utility SUVs; Seconded by Alderman Wise. Voting: Ayes – Aldermen Elston, Johnson, Ekquist, Wilen and Wise. Nays – None. Motion carried.

Alderman Ekquist made a motion to approve Resolution R2023-04-11 Authorizing the Police Department to Sell Surplus City Property; Seconded by Alderman Elston. Voting: Ayes – Aldermen Elston, Johnson, Ekquist, Wilen and Wise. Nays – None. Motion carried.

Alderman Ekquist made a motion to approve Resolution R2023-04-10 Authorizing Public Works to Sell Surplus City Property; Seconded by Alderman Wise. Voting: Ayes – Aldermen Elston, Johnson, Ekquist, Wilen and Wise. Nays – None. Motion carried.

Alderman Ekquist made a motion to approve Resolution R2023-04-12 Transferring Jurisdiction and Control of Real Property to the Industrial Development Commission; Seconded by Alderman Wise. Voting: Ayes – Aldermen Elston, Johnson, Ekquist, Wilen and Wise. Nays – None. Motion carried.

Alderman Elston made a motion to approve \$150,000 in ARPA Funds to the Greater Sterling Development Corporation (GSDC) to Assemble Property for New Multi-family Housing; Seconded by Alderman Wise. Voting: Ayes – Aldermen Elston, Johnson, Ekquist, Wilen and Wise. Nays – None. Motion carried.

Alderman Ekquist made a motion to Accept the High Bid for the Sale of the 2002 Pierce Engine Pumper from White Hall Volunteer Fire Department in the amount of \$15,000; Seconded by Alderman Wise. Voting: Ayes – Aldermen Elston, Johnson, Ekquist, Wilen and Wise. Nays – None. Motion carried.

City Manager Shumard opened the discussion for a residential sewer lateral service line repair program. This program was previously discussed as a way to assist homeowners with unforeseen costs due to breaks in privately owned sewer lateral lines which connect homes to the City's sanitary sewer system.

City Manager Shumard stated staff looked into the following concerns raised by the Council during the last discussion;

- Rental Properties
- Caps on Work Eligible to be Reimbursed and considering projects not worth the value of the property served
- Other Communities
- Fees
- Opt-in vs. Opt-out

With tenants receiving the sewer bill, it's would be near impossible to prevent a tenant from opting out and putting the City in a bad position between tenants and property owners if this was an opt-out program. As tenancies change, it could be difficult for the City to administer and monitor, especially since our billing information comes from an outside party and we do not receive direct notice of tenancy changes. For this reason, an opt-in program vs opt-out program for property owners should be considered.

Private maintenance programs cap in the area of \$8,000. Caps of \$10,000 to \$15,000 were found in municipal programs. Most programs have a small flat or percentage cost share. Consider a cost share of the first \$100-\$250 and/or a 90/10 split up to \$10,000 and 50/50 split over \$10,000 up to a maximum of \$15,000.

Fees: We originally proposed a \$4 fee. In discussing further with staff and a private contractor, it was determined the permit values may underrepresent the true cost of projects. A 25% increase of \$1/month, \$12/year (\$5/month), combined with some cost share noted above, would make up for the underreporting that takes place in some cases. The program would still provide better coverage for less cost to the residents of Sterling. Fees can always be adjusted in the future based on actual experience, but early on, it is likely the Wastewater Fund would need to temporarily loan the plan funds until the lateral replacement fund accumulates enough funds to become self-supporting.

Opt-in vs Opt-out: The opt-in method would guarantee more revenue to offset costs, especially in the early years before a collection of funds is established to pay out reimbursements. However, managing landlord-tenant issues involving voluntary opt-outs would likely create undue burden on staff and be a source of unneeded conflicts with tenants and landlords. The opt-in method will require much more public education to the benefits of the program and participation will not be as high. We would still allow landlords to opt-in to the program, but they would either need to pay on their own, or come to agreements with their tenants. The City would need to make it clear that it is not responsible for tenants choosing to opt-out and have the coverage terminated.

Alderman Ekquist stated she is concerned about the program being sustainable if it is opt-in as opposed to opt-out. Mayor Lee stated he believes the opt-out method would be the only way to make the program sustainable.

Finance Von Holten asked Council how rental property would be handled. Alderman Johnson stated the property owners could be given the opportunity to opt-out and require an annual payment. Alderman Johnson asked if the property owner could opt-in and require the tenant to make the payment. Attorney Zollinger stated the property owner is not allowed to require the tenant to pay the fee.

Alderman Wise stated there are 2,600 rental units in the City. He asked if the landlords should deal with the tenants individually or swamp the staff with the responsibility. Alderman Ekquist stated the landlord association would be a good resource, the information could be sent to them to distribute.

Von Holten stated the system will not accommodate billing the property owner a separate bill. A separate billing system will have to be used.

Mayor Lee suggested having a flat fee with no option to opt-out. City Manager Shumard stated he will look further into the idea of having a flat fee that is required by everyone to pay. Von Holten will speak with the utility billing staff.

Chief Dettman stated that staff Engine 6 will be picked up by the new owners by the end of April. Engine 3 is in Wisconsin for service.

Chief Chavira reported the Police department is in the hiring process, May 13th will be the testing date. Three officers along with the Community Service Officer attended Sauk Valley Community College's job fair, they will be attending the job fair at Western Illinois University. May 13th is the 5K run for the badge, all proceeds will go to the Salvation Army, it is free to run, however, donations will be accepted. May 20th will be the public auction of surplus items at 10:00am at the Public Works Building. Alderman Wise asked Chief Chavira how many officers are they short, Chavira stated they are currently short four officers.

Superintendent of Public Works Brad Schrader reported on April 28th they will be planting trees at Jefferson School for Arbor Day, Council is invited to attend. The lights at Locust Street and 5th Street are currently flashing; the cabinet is outdated and needs to be replaced. IDOT will pay for 75% of the replacement cost. May 12th and 13th are the dates for the Clean and Green. Schrader reminded everyone Public Works is hiring seasonal help.

Superintendent of Building and Zoning Amanda Schmidt reported Sonny's, a local window washing company, will be washing the building next weekend. The summer intern will return in May and the mowing bids are due May 4th.

City Manager Shumard reported the contract for 301 West 3rd Street has been given to the property owners. Work on Locust street will start on May 1, 2023.

City Clerk Teri Sathoff thanked Alderman Wilen for her service to the residents and for her contributions to the City.

Alderman Elston reminded everyone about the car show scheduled for May 7th. Elston asked when the lights would be replaced at Locust and 5th, Schrader stated he does not have a date yet. Elston thanked Alderman Wilen for her service to the City, she will be missed.

Alderman Wise inquired about the designated detour for the work on Locust. Wise asked if the detour information could be put out to the public as soon as possible

Mayor Lee gave his condolences to Janna Groharing, Janna's mother passed away,

The meeting adjourned at 8:08pm.

Teri Sathoff

City Clerk