

**O'FALLON CITY COUNCIL
MEETING MINUTES
May 1, 2006**

The meeting was called to order at 7:00 p.m. by Mayor Gary Graham, who then led "The Pledge of Allegiance to the Flag."

Philip Goodwin, City Clerk, called the roll: Nila Grogan, present; Mary Schmidt, present; Ed True, present; Becky Henry, excused; Rick Reckamp, present; Jerry Mouser, present; Tom Bequette, present; Allen Medford, present; Michael Bennett, present; Dennis Renner, present; Jason Boone, present; Ned Drolet, present; John West, present; Jerry Albrecht, present. A quorum was declared present.

Motion was made by J. Mouser and seconded by E. True to approve the minutes of the April 17 and April 24, 2006, meetings. All ayes. Motion carried.

PUBLIC HEARING:

1. Proposed exchange agreement between the City of O'Fallon and Consolidated Community School District #90 for the City property located at 118 E. Washington and the O'Fallon Consolidated Community School District #90 property located on the north side of Kyle Road across from Fulton Jr. High School. Opened to public at 7:02 p.m. Mayor Graham called three times for public input, but no one responded. Public hearing was closed at 7:03 p.m.

RESIDENTS:

Mayor Graham invited any residents of O'Fallon who would like to speak to the Council to step to the microphone. Mr. Chip Schaefer of VFW Post #805 came forward and recommended to the Council that businesses located in the immediate downtown area be exempt from the proposed a tax on the sale of food and beverages. He explained that these small businesses would feel the impact of this tax the most, and this action would encourage private business growth in the downtown area.

REPORTS:

Clerk's Report: City Clerk Phil Goodwin said the request listed on the agenda from the O'Fallon Rotary Club to sell alcohol at the Katy Cavins Community Center on June 11, 2006, has been withdrawn.

Mayor's Report: Mayor Graham issued three proclamations as follows:

1. Proclamation declaring the week of May 7–May 13, 2006, as "Building Safety Week"
2. Proclamation declaring the month of May as "Historic Preservation Month"
3. Proclamation declaring the week of April 30 – May 6, 2006, as "Municipal Clerks Week" in appreciation for the vital services provided

The Mayor commended Mr. Brian Keller and his family for dedicating their time and energy to the historical preservation of our city.

City Clerk Phil Goodwin pointed out that Maryanne Fair has completed her Certified Municipal Clerk training, is currently in the Master Municipal Clerk program, and also is the Director of District 9.

RESOLUTIONS:

Motion was made by A. Medford and seconded by J. West to approve Resolution Item 1.

ITEM 1 - Resolution Authorizing the Mayor to Execute an Agreement with Rite-Way Excavating for the Reconstruction of North Lincoln – Phase I

ROLL CALL: M. Schmidt, aye; E. True, aye; R. Reckamp, aye; J. Mouser, aye; T. Bequette, aye; A. Medford, aye; M. Bennett, aye; D. Renner, aye; J. Boone, aye; N. Drolet, aye; J. West, aye; J. Albrecht, aye; N. Grogan, aye. All ayes. Motion carried.

Motion was made by A. Medford and seconded by J. West to approve Resolution Item 2.

ITEM 2 - Resolution Authorizing the Mayor to Execute an Agreement with Rhutasel & Associates, Inc. for Professional Engineering Services for the Design of Venita/ Highway 50/Frontage Road Intersections Improvements for an amount not to exceed \$123,270.88

ROLL CALL: E. True, aye; R. Reckamp, aye; J. Mouser, aye; T. Bequette, aye; A. Medford, aye; M. Bennett, aye; D. Renner, aye; J. Boone, aye; N. Drolet, aye; J. West, aye; J. Albrecht, aye; N. Grogan, aye; M. Schmidt, aye. All ayes. Motion carried.

ORDINANCES:

1st Readings

Motion was made by J. Mouser and seconded by D. Renner to consider the Omnibus Rule for 1st Reading Ordinance Items 4, 5, and 7. All ayes. Motion carried.

Motion was made by J. Mouser and seconded by E. True to place on 1st Reading Ordinance Items 4, 5, and 7.

ITEM 4 – Ordinance Authorizing the Intergovernmental Agreement with the O'Fallon Consolidated Community School District 90 Relating to the Exchange of Real Property Between the City and O'Fallon Consolidated Community School District 90

ITEM 5 – Ordinance Imposing a Hotel/Motel Tax (Reenacting Ordinance 1824)

ITEM 7 – Ordinance Vacating Alley Right-of-Way

M. Bennett expressed his disappointment in the land swap with District 90 since the school's property was *donated* to them and since the school will also receive cash in addition to the land swap. Regarding the hotel/motel taxes, M. Bennett if this had been done several years ago and the funds placed into a capital improvement fund, it would have resulted in about \$200,000 by now.

ROLL CALL: R. Reckamp, aye; J. Mouser, aye; T. Bequette, aye; A. Medford, aye; M. Bennett, aye; D. Renner, aye; J. Boone, aye; N. Drolet, aye; J. West, aye; J. Albrecht, aye; N. Grogan, aye; M. Schmidt, aye; E. True, aye. All ayes. Motion carried.

Motion was made by J. Mouser and seconded by D. Renner to place on 1st Reading Ordinance Item 3.

ITEM 3 – Ordinance Approving the Form and Authorizing the Execution for the Subaru Economic Incentive Agreement

R. Reckamp said Subaru is coming to O'Fallon regardless of this \$150,000 incentive, so he saw no need for it. M. Bennett added that the incentive would not allow Subaru to come any sooner, so he did not see the need to offer it. He also pointed out that the City has already given them a Special Service Area (SSA).

A. Medford pointed out that an SSA does not cost the City anything. He also noted that Subaru has incurred an additional \$500,000 in unexpected obligations, and the \$150,000 incentive will help offset these added expenses.

The Mayor explained that six years ago the City was at \$2.5 million in sales taxes. Today we are at \$6 million because of car dealerships and the incentives they were offered. In addition, the increased sales taxes have allowed the City to continue operating without the need to impose a property tax on its residents.

ROLL CALL: J. Mouser, aye; T. Bequette, aye; A. Medford, aye; M. Bennett, nay; D. Renner, aye; J. Boone, aye; N. Drolet, aye; J. West, aye; J. Albrecht, aye; N. Grogan, aye; M. Schmidt, nay; E. True, aye; R. Reckamp, nay. Ayes – 10; Nays - 3. Motion carried.

Motion was made by J. West and seconded by A. Medford to place on 1st Reading Ordinance Item 6.

ITEM 6 – Ordinance Establishing a Tax on the Sale of Food and Beverages Prepared for Immediate Consumption

N. Drolet explained that the City is imposing an additional reporting requirement, which will result in increased exposure to those people who are collecting this tax. This means the City Treasurer or authorized representative may enter these businesses and inspect their books and records at any reasonable time. In addition, anyone who is found guilty of violating any provisions of the article will be fined \$500 for each offense and for each day the violation exists.

M. Bennett said the fear of Home Rule was that the City would introduce new taxes; and just a couple weeks after the City becoming Home Rule, this tax is being proposed. He also said he was not aware of this tax being discussed in any steering fashion.

Dean Rich stated this food and beverage tax could have been imposed without Home Rule. He also noted that businesses selling less than \$5,000 annually in food and beverages are exempt from the tax. Ice cream parlors, mobile food distributors, and non-profit organizations are exempt as well. He also explained that the City would probably never go into a business to inspect their records.

ROLL CALL: T. Bequette, nay; A. Medford, aye; M. Bennett, nay; D. Renner, nay; J. Boone, nay; N. Drolet, nay; J. West, aye; J. Albrecht, aye; N. Grogan, nay; M. Schmidt, nay; E. True, aye; R. Reckamp, nay; J. Mouser, nay. Ayes – 4 Nays - 9. Motion failed.

2nd Readings

Motion was made by J. Mouser and seconded by D. Renner to consider the Omnibus Rule for 2nd Reading Ordinance Items 11-13. All ayes. Motion carried.

Motion was made by J. Mouser and seconded by N. Grogan to approve 2nd Reading Ordinance Items 11-13.

ITEM 11 – Ordinance Establishing the Procedure for Sale or Conversion of Personal Property

ITEM 12 – Ordinance Establishing the Procedure for Purchase or Lease of Real Estate or Personal Property

ITEM 13 – Ordinance Establishing the Procedure for Sale or Lease of Municipal Real Estate

ROLL CALL: A. Medford, aye; M. Bennett, aye; D. Renner, aye; J. Boone, aye; N. Drolet, aye; J. West, aye; J. Albrecht, aye; N. Grogan, aye; M. Schmidt, aye; E. True, aye; R. Reckamp, aye; J. Mouser, aye; T. Bequette, aye. All ayes. Motion carried.

Motion was made by J. Mouser and seconded by D. Renner to approve 2nd Reading Ordinance Item 8.

ITEM 8 – Ordinance Amending Ordinance 623, Zoning, Cambridge Condominiums, Phase II (As Amended)

M. Bennett asked what kind of safety control would be in place to protect children crossing the street to use the pool. T. Shekell said that during the final engineering stages, staff could raise the issue regarding safety concerns and the possible utilization of a crosswalk. M. Bennett recommended some protection be put into place now to ensure safety precautions are taken during the final engineering stages.

R. Reckamp raised discussion regarding the 26' wide streets possibly becoming the responsibility of the City to maintain. T. Shekell said the streets would remain private unless the Council decides otherwise in the future. R. Reckamp asked if an SSA could be put into place requiring the residents to pay for the maintenance of the streets in the event the association becomes defunct. T. Shekell said that is an option. R. Reckamp also raised discussion regarding sidewalks being on only one side of the street.

N. Drolet said if the same requirements of street width and sidewalks were imposed on this developer as they are on other developers, Cambridge Condominiums would not be as competitive in price or in as high demand. He also explained why this development would create a form of spot zoning.

J. Mouser noted he recently spoke with a resident of Cambridge Condominiums, and she only had high praise for the development and no negative comments.

ROLL CALL: M. Bennett, aye; D. Renner, aye; J. Boone, aye; N. Drolet, nay; J. West, aye; J. Albrecht, aye; N. Grogan, aye; M. Schmidt, nay; E. True, aye; R. Reckamp, nay; J. Mouser, aye; T. Bequette, aye; A. Medford, aye. Ayes – 10; Nays – 3. Motion carried.

Motion was made by J. Mouser and seconded by D. Renner to approve 2nd Reading Ordinance Item 9.

ITEM 9 – Ordinance Annexing Certain Territory known as Crest Estates containing 23.9 Acres

ROLL CALL: D. Renner, aye; J. Boone, aye; N. Drolet, nay; J. West, aye; J. Albrecht, aye; N. Grogan, aye; M. Schmidt, nay; E. True, aye; R. Reckamp, aye; J. Mouser, aye; T. Bequette, nay; A. Medford, aye; M. Bennett, aye. Ayes – 10; Nays – 3. Motion carried.

Motion was made by J. Mouser and seconded by J. West to approve 2nd Reading Ordinance Item 10.

ITEM 10 – Ordinance Amending Ordinance 623, Zoning, Crest Estates Subdivision

ROLL CALL: J. Boone, aye; N. Drolet, nay; J. West, aye; J. Albrecht, aye; N. Grogan, aye; M. Schmidt, nay; E. True, aye; R. Reckamp, aye; J. Mouser, aye; T. Bequette, nay; A. Medford, aye; M. Bennett, aye; D. Renner, aye. Ayes – 10; Nays – 3. Motion carried.

STANDING COMMITTEES:

Community Development: J. Mouser stated they met on April 24, and the minutes are included in the packets. There was one motion coming from that meeting.

Motion was made by J. Mouser and seconded by E. True to approve the Special Event Permit request from Keller Farms Sweet Corn Stand at 1790 W. Hwy 50 with the condition of a sign approval. All ayes. Motion carried.

Their next meeting will be May 8, 2006, at 6 p.m.

Public Works: A. Medford said they met on April 24, and there was one motion coming from that meeting.

Motion was made by A. Medford and seconded by J. West to approve the WWTP Pump Repair in the amount of \$17,100.

ROLL CALL: N. Drolet, aye; J. West, aye; J. Albrecht, aye; N. Grogan, aye; M. Schmidt, aye; E. True, aye; R. Reckamp, aye; J. Mouser, aye; T. Bequette, aye; A. Medford, aye; M. Bennett, aye; D. Renner, aye; J. Boone, aye. All ayes. Motion carried.

Their next meeting is scheduled for May 22, 2006, 7 p.m.

Public Safety: E. True stated their next meeting is scheduled for May 8, 2006, at 7 p.m.

Finance/Administration: J. West stated they met before tonight's City Council meeting to discuss Warrant 112.

Motion was made by J. West and seconded by R. Reckamp to approve Warrant 112 in the amount of \$467,992.64.

ROLL CALL: J. West, aye; J. Albrecht, aye; N. Grogan, aye; M. Schmidt, aye; E. True, aye; R. Reckamp, aye; J. Mouser, aye; T. Bequette, aye; A. Medford, aye; M. Bennett, aye; D. Renner, aye; J. Boone, aye; N. Drolet, aye. All ayes. Motion carried.

Their next meeting is scheduled for May 22, 2006, at 5:30 p.m.

Parks/Environment: J. Albrecht said their next meeting is scheduled for May 8, 2006, at 5:30 p.m.

EXECUTIVE SESSION: At 7:48 p.m. a motion was made by J. Albrecht and seconded by N. Grogan to go into Executive Session to discuss pending litigation and employment items.

ROLL CALL: J. Albrecht, aye; N. Grogan, aye; M. Schmidt, aye; E. True, aye; R. Reckamp, aye; J. Mouser, aye; T. Bequette, aye; A. Medford, aye; M. Bennett, aye; D. Renner, aye; J. Boone, aye; N. Drolet, aye; J. West, aye. All ayes. Motion carried.

At 8:45 City Council members returned from Executive Session.

Motion was made by E. True and seconded by N. Grogan to settle a lawsuit subject to the other parties agreeing, per the conversation in Executive Session.

ROLL CALL: J. Albrecht, aye; N. Grogan, aye; M. Schmidt, aye; E. True, aye; R. Reckamp, aye; J. Mouser, aye; T. Bequette, aye; A. Medford, aye; M. Bennett, aye; D. Renner, aye; J. Boone, aye; N. Drolet, aye; J. West, aye. All ayes. Motion carried.

ADJOURNMENT:

Motion was made by D. Renner and seconded by A. Medford to adjourn. All ayes. Motion carried.

The meeting was adjourned at 8:48 p.m.

Respectfully submitted by,

Philip A. Goodwin, City Clerk

Minutes taken by
Sharon L. Wisely, Transcriptionist