

**O'FALLON CITY COUNCIL
MEETING MINUTES
May 4, 2009**

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

Philip Goodwin, City Clerk, called the roll: Nila Grogan, present; Gene McCoskey, present; Ed True, present; Dan Polites, present; Rick Reckamp, present; Jerry Mouser, present; John Drolet, present; Allen Medford, present; Michael Bennett, present; Dennis Renner, present; Steve Engler, present; Ned Drolet, present; Jerry Albrecht, present. A quorum was declared present. (The newly elected were sworn in prior to the meeting)

Motion by J. Mouser and seconded by S. Engler to approve the minutes of April 20, 2009. All ayes. Motion carried.

PUBLIC HEARING – None scheduled.

RESIDENTS: Paul Pfennig of Ward 1 stepped forward to discuss Ordinance Item 5 on the agenda regarding the wastewater rates. He attended the last Public Work's meeting on April 27th and voiced his opposition to the increase. He stated that he understands that we must generate additional revenue, but he does have concerns about whether the City is taking cost savings measures and has researched alternatives. He knows of wastewater grant money that is available to assist homeowners. He wants some of the money that is generated to be reserved for the City to have some control of future costs. He does think the Public Works staff is working hard and hopes that they will capitalize on stimulus grants that are available.

Mayor Graham said he had great points. He emphasized that we have looked at some of the items. We have lowered the tax levy every year for the last twelve years. We are the only City in St. Clair County that has done that. In addition, last year we did not take the multiplier which was \$342,000 – it was returned to the citizens. If we had kept that, perhaps we would not need a rate increase. It is an enterprise fund, so it is a little different. We also dropped the budget \$800,000 in August 2008 and are currently running eight employees short, and we have dropped the budget another \$1,500,000 this year. It is hard to do these things and take care of the infrastructure.

REPORTS:

Clerk's Report: City Clerk Goodwin read a request from St. Clare of Assisi Altar Society to conduct a raffle from May 18th – October 19, 2009. Motion by R. Reckamp and seconded by E. True to approve the request. All ayes. Motion carried.

Mayor's Report: Mayor Graham introduced Abby Bernasconi as the Mayor of the Day.

Mayor Graham stated that we had interviewed six candidates for the Ward 7 vacancy. It was a very difficult choice, since they averaged just a few points between them. He selected Tom Faulkner as the leading candidate and recommended that the Council appoint Tom Faulkner as alderman for Ward 7. Motion by M. Bennett and seconded by D. Renner to approve the nomination. All ayes. Motion carried.

City Clerk Phil Goodwin asked Mr. Faulkner to step forward and he swore him in as the Ward 7 alderman.

Mayor Graham asked Jeff Stehman, Building and Zoning department, to come forward and accept the proclamation declaring May 3rd – May 9th as Building Safety Week and announce the winners for the Building Safety Week contest. Jeff stated that they have conducted the contest for the past five years to help build awareness of what safety means around their homes and schools in the community. The parents also become more aware and involved. For third grade: 1st place went to Tim McNulty of Hinchcliffe School (present) and 2nd place went to Monika Reynolds of Moye School. For fourth grade: 1st place went to Abby Becker of Moye (present) and 2nd place to Claudia Bairfield of Moye. For fifth grade: 1st place went to Lars Reynolds of Moye and 2nd place went to Thomas Adkins of EK school (present). Jeff also thanked their teachers for participating.

Mayor Graham also read a proclamation declaring the week of May 11th – May 17th as Salvation Army week. He presented it to Alderman Albrecht who is very active in the organization.

Mayor Graham stated that he had made some changes in the committee structure and had passed it out prior to the meeting. He said they will be posted on the website tomorrow. Jerry Mouser, Community Development, chair; Allen Medford, Public Works, chair; Dennis Renner, Parks and Environment, chair; Mike Bennett, Finance and Administration, chair; and Ned Drolet, Public Safety, chair.

Motion by M. Bennett and seconded by E. True to accept the changes. All ayes. Motion carried.

RESOLUTIONS:

Motion by J. Mouser and seconded by D. Renner to consider Resolutions Items 1 - 4 under the Omnibus Agreement.

ITEM 1 – Resolution Authorizing the Mayor to Execute an Agreement with Gonzalez Companies for Professional Services for the Inspection and Design of Sewer Trunk Line and Manhole Repair Dependent upon Obtaining Funding by the American Recovery and Reinvestment Act of 2009 in the amount not to exceed \$231,477

ITEM 2 - Resolution Authorizing the Mayor to Execute an Agreement with W.S.M., Inc. for Concrete Repair and Sidewalk Extension in the amount of \$25,414.00

ITEM 3 - Resolution Authorizing the Mayor to Execute an Agreement HMG, Inc. for Professional Services for the Design of a New Clarifier and Headworks Dependent upon Obtaining Funding by the American Recovery and Reinvestment Act of 2009 in the amount not to exceed \$493,200

ITEM 4 – Resolution Authorizing the Mayor to Authorize an Agreement with Gateway Geospatial, LLC for Contractual Services in an amount not to exceed \$24,440 for Field Data Collector Services

Motion by J. Mouser and seconded by R. Reckamp to approve Resolution, Items 1-4 under the previous Omnibus agreement.

ROLL CALL: Grogan, aye; McCoskey, aye; True, aye; Polites, aye, Reckamp, aye; Mouser, aye; Medford, aye; Drolet, J., aye; Drolet, N., aye; Engler, aye; Bennett, aye; Renner, aye, Albrecht, aye; Faulkner, aye. All Ayes. Motion carried.

ORDINANCES:

1st Readings - Motion by A. Medford and seconded by J. Albrecht to approve under 1st Reading Item 5 – An Ordinance amending Chapter 51, Section 51.070, Regarding Wastewater Rates and Sewer Service Rates.

N. Drolet agreed that the rates should be adjusted but did not agree with tying in the laterals to the ordinance.

J. Drolet also agreed. He added that the rate increase was significant for the average homeowner in that it is \$14 or \$15 per month. He said that the lateral and ejector pump section is an add-on that we do not need right now. He said the availability of the stimulus money is very important to him. We have added several taxes throughout the year, which has increased the burden on the taxpayer.

Motion by J. Drolet and seconded by M. Bennett to remove the lateral and ejector pump from the ordinance.

Mayor Graham replied that he does not want a rate increase but this is an enterprise fund and stands alone. For instance, the sewer collapse near St. Clare School and the one million dollar Vine Street repair, along with others, were emergencies that we did not anticipate.

M. Bennett added that we should have increased the sewer rates years ago because the problem will only get worse because of labor and supply costs. The ejector pump program where the City will assist people up to \$3,000, if they have a backflow type problem is like insurance for the homeowner.

R. Reckamp said the lateral assistance helps his constituents, so he supports the program. J. Mouser agreed because if the lateral leaks it infiltrates our sewer system.

E. True said we have mandates that we must address.

S. Engler said that he relates to the homeowner. However, this is not the time to add anything else in addition to the rate increase. Voters have not had the opportunity to vote for any of the other taxes or fees, such as the sewer tax. The Prop S was the only item they were able to vote on. The citizens are saying enough is enough. Within a three year span, we have collectively increased the rates almost 71%.

ROLL CALL: Grogan, no; McCoskey, no; True, no; Polites, no, Reckamp, no; Mouser, no; Medford, no; Drolet, J., yes; Drolet, N., yes; Engler, yes; Bennett, yes; Renner, no; Albrecht, no; Faulkner, no. Ayes – 4; Nays - 10. Motion failed.

J. Drolet added that we are placing a burden on businesses, but they cannot participate in the program.

ROLL CALL (on original motion): Grogan, aye; McCoskey, aye; True, aye; Polites, aye, Reckamp, aye; Mouser, aye; Medford, aye; Drolet, J., no; Drolet, N., no; Engler, no; Bennett, no; Renner, aye, Albrecht, aye; Faulkner, aye. Ayes – 10; Nays - 4. Motion carried.

Mayor Graham asked D. Sullivan to research the answers to the questions that arose from the discussion before the 2nd reading.

Motion by A. Medford and seconded by J. Albrecht to approve under 1st Reading Item 6, an Ordinance providing for the Issuance of General Obligation Refunding Bonds, Series 2009, Providing the Details of Such Bonds and for a Levy of Taxes to Pay the Principal of and Interest on Such Bonds and Related Matters.

M. Bennett reminded everyone about the Special Finance committee meeting on bond related issues (items 6, 7, and 9) set for Thursday, May 14th at 6:00 p.m. We do need to approve the ordinance on 1st reading so Bernardi can get the numbers for the bonds. He hopes to have the numbers from them by the special meeting. He thinks it will really help out the infrastructure needs of the City.

Mayor Graham said our bond rate has increased from AA- to AA. This will free up ten million dollars to use for the Family Sport Park. If we do this and go ahead with the amendment to the telecommunication tax, it will free up money to where we can use 36 million dollars in Prop S funds. The telecommunication tax averages about \$3.44 per household.

ROLL CALL: Grogan, aye; McCoskey, aye; True, aye; Polites, aye; Reckamp, aye; Mouser, aye; Medford, aye; Drolet, J., present; Drolet, N., aye; Engler, abstain; Bennett, aye; Renner, aye; Albrecht, aye; Faulkner, aye. Ayes – 12; Present – 1; Abstain - 1. Motion carried.

Motion by A. Medford and seconded by J. Albrecht to approve under 1st Reading Item 7, an Ordinance providing for the Issuance of General Obligation Refunding Bonds, Series 2009A, Providing the Details of Such Bonds and for a Levy of Taxes to Pay the Principal of and Interest on Such Bonds and Related Matters.

Mike Bowen of Bernardi Securities stepped forward and stated that it was a significant accomplishment in the way that the City has managed the finances and growth. This is an outstanding rating by Standard & Poor and to see it happen during unsettled economic times is commendable. Many cities have seen their credit rating go down, but they see us having a moderate debt burden.

The first bond is a restructuring from 2006 and extends the term at a lower rate. This frees up money. The library bond is using interest income from the endowment. Both of these factors were seen in a positive light by the S & P. He added that D. Rich represents the City well.

Mayor Graham added that by removing the sunset clause, it helps us use the money at a lower rate. M. Bowen added that it gives the City the ability to fund projects and gives a predictable revenue stream, but it was not the deciding factor. It is just part of the whole revenue picture. Mayor Graham said we could always remove it if another funding source is found. We also have a levy base that could be drawn upon since we have not used it. We rely more on sales tax revenue.

ROLL CALL: Grogan, aye; McCoskey, aye; True, aye; Polites, aye, Reckamp, aye; Mouser, aye; Medford, aye; Drolet, J., aye; Drolet, N., aye; Engler, aye; Bennett, aye; Renner, aye, Albrecht, aye; Faulkner, aye. All Ayes. Motion carried.

Motion by A. Medford and seconded by E. True to approve under 1st Reading Item 8, an Ordinance declaring the following Vehicles and Equipment as Surplus Property and for sale or disposal property.

ROLL CALL: Grogan, aye; McCoskey, aye; True, aye; Polites, aye, Reckamp, aye; Mouser, aye; Medford, aye; Drolet, J., aye; Drolet, N., aye; Engler, aye; Bennett, aye; Renner, aye, Albrecht, aye; Faulkner, aye. All Ayes. Motion carried.

Motion by A. Medford and seconded by J. Albrecht to approve under 1st Reading Item 9, an Ordinance amending Ord. 3366, Regarding the Simplified Municipal Telecommunications Tax.

M. Bennett said there was some confusion on the staff report. It appeared that we had to pass it to get the bond rating, but the discussion has cleared that up. It all ties together with the other bonds ordinance.

ROLL CALL: Grogan, aye; McCoskey, aye; True, aye; Polites, aye, Reckamp, aye; Mouser, aye; Medford, aye; Drolet, J., no; Drolet, N., aye; Engler, no; Bennett, aye; Renner, aye, Albrecht, aye; Faulkner, aye. Ayes- 12 – Nays -2. Motion carried.

2nd Readings – No readings from the April 20th meeting.

STANDING COMMITTEES:

Community Development: J. Mouser stated that the committee met on April 27th. He stated that there were two motions.

Motion by J. Mouser and seconded by J. Albrecht to consider the Special Use Permit for Aroy Thai Cuisine requesting an Outdoor Seating with Alcohol Sales and uphold the Zoning Officer's decision. All ayes. Motion carried.

Motion by J. Mouser and seconded by D. Renner to approve the *amended* Special Event request from O'Fallon Boosters for the "Mayfest Auto Show & Kids Run". All Ayes. Motion carried.

He stated that the next scheduled meeting will be May 11th at 6:00 p.m. in the Mayor's Conference Room.

Public Works: Motion by A. Medford and seconded by J. Albrecht to approve the purchase of a Hurco Valve and Hydrant Exerciser and Vacuum in the amount of \$35,835 from Key Equipment.

ROLL CALL: Grogan, aye; McCoskey, aye; True, aye; Polites, aye, Reckamp, aye; Mouser, aye; Medford, aye; Drolet, J., aye; Drolet, N., aye; Engler, aye; Bennett, aye; Renner, aye, Albrecht, aye; Faulkner, aye. All Ayes. Motion carried.

A. Medford stated that the meeting is scheduled for Tuesday at 7:00 p.m. in the Mayor's Conference Room on May 26th.

Public Safety: N. Drolet stated that the next meeting scheduled for May 11th has been cancelled. The next one will be on Monday, June 8th at 7:00 p.m.

Finance/Administration: Motion by A. Medford and seconded by R. Reckamp to approve Warrant 183 in the amount of \$661,273.54.

ROLL CALL: Grogan, aye; McCoskey, aye; True, aye; Polites, aye, Reckamp, aye; Mouser, aye; Medford, aye; Drolet, J., aye; Drolet, N., aye; Engler, aye; Bennett, aye; Renner, aye, Albrecht, aye; Faulkner, aye. All Ayes. Motion carried.

A. Medford stated that the next meeting will be Tuesday, May 26th at 5:30 p.m.

M. Bennett sated that there is a Special Finance and Administration meeting scheduled for May 14th at 6:00 p.m. to discuss the bonds in further detail.

Parks and Environment: D. Renner stated that the next meeting is scheduled for May 11th at 5:30 p.m.

D. Renner suggested that we ask Senator Clayborne to address the Council about the consolidation of the schools. Mayor Graham replied that a citizen group is forming to look at it.

EXECUTIVE SESSION: Mayor Graham stated that the Council would go into closed session to discuss acquisition of property. Motion by J. Mouser and seconded by D. Renner to go into executive session. The Council entered into executive session at 8:00 p.m.

ROLL CALL: Grogan, aye; McCoskey, aye; True, aye; Polites, aye, Reckamp, aye; Mouser, aye; Medford, aye; Drolet, J., aye; Drolet, N., aye; Engler, aye; Bennett, aye; Renner, aye, Albrecht, aye; Faulkner, aye. All Ayes. Motion carried.

At 8:22 p.m. the Council returned from closed session.

Motion by M. Bennett and seconded by D. Renner to approve condemnation proceedings, if needed to protect Federal funds.

ROLL CALL: Grogan, aye; McCoskey, aye; True, aye; Polites, aye, Reckamp, aye; Mouser, aye; Medford, aye; Drolet, J., aye; Drolet, N., aye; Engler, no; Bennett, aye; Renner, aye, Albrecht, aye; Faulkner, aye. Ayes – 13; Nays - 1. Motion carried.

Motion by M. Bennett and seconded by D. Renner to authorize the Mayor to negotiate the purchase of property discussed in Executive Session.

ROLL CALL: Grogan, aye; McCoskey, aye; True, aye; Polites, aye, Reckamp, aye; Mouser, aye; Medford, aye; Drolet, J., aye; Drolet, N., aye; Engler, aye; Bennett, aye; Renner, aye, Albrecht, aye; Faulkner, aye. All Ayes. Motion carried.

ADJOURNMENT:

Motion by J. Mouser and seconded by J. Albrecht to adjourn. All ayes. Motion carried.

The meeting was adjourned at 8:25 p.m.

Submitted by,

Philip A. Goodwin
City Clerk

Minutes taken by
Maryanne Fair, Deputy City Clerk
Proper notice having been duly given