



## City Council

City Council Chambers ♦ 524 West Stephenson Street, 3rd Floor ♦ Freeport, IL 61032

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### MINUTES

#### REGULAR MEETING

MONDAY, MAY 16, 2016 AT 6:00 P.M.

#### **CALL TO ORDER**

The regular meeting of the Freeport, Illinois, City Council was called to order in council chambers by Mayor James L. Gitz with a quorum being present at 6:00 p.m. on Monday, May 16, 2016.

#### **ROLL CALL**

Present on roll call: Mayor Gitz and council members Tom Klemm, Peter McClanathan, Art Ross, Jodi Miller, Patrick Busker, Sally Brashaw, Michael Koester and Andrew Chesney (8).

Representing the City of Freeport was Michael Phillips, Esq. as Interim Corporation Counsel.

#### **PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Alderperson Brashaw.

#### **APPROVAL OF AGENDA**

Alderperson Brashaw moved for approval of the agenda, seconded by Alderperson Koester. Motion prevailed by voice vote without dissent.

#### **MINUTES**

The minutes from the regular meeting on May 2, 2016 and the special meeting on April 26, 2016 were presented for approval. Alderperson Koester moved for approval of the minutes as presented, seconded by Alderperson Ross. Motion prevailed by voice vote without dissent.

#### **PUBLIC COMMENTS – AGENDA ITEMS**

There was no one signed on the sheet this evening.

#### **CONSENT AGENDA**

The following items were presented on the Consent Agenda in the council packet and Mayor Gitz read the listed items into the record: [Consent Agenda PDF](#)

A. Approval to Receive and Place on File:

- 1) Fire Department Report on Activities for April 2016
- 2) Building Permit Report on Activities for April 2016
- 3) Police Department Report on Activities for April 2016
- 4) Illinois Environmental Protection Agency Notice of Application for Permit to Manage Waste (LPC – PA 16)

B. Approval of Water & Sewer Bills Payable (Registers #540, 541, 546) --- \$261,417.80

C. Approval of Payroll for pay period ending April 30, 2016 --- \$456,062.93

D. Approval of Finance Bills Payable (Registers #539, 542, 543, 544, 545, 547, 548) -- \$524,977.49

Alderperson Koester moved for approval of the consent agenda, seconded by Alderperson McClanathan. Motion prevailed by a roll call vote of;

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Nays: none

**ORDINANCES -- SECOND READING**

**2<sup>nd</sup> READING OF ORDINANCE #2016-31:**

**An Ordinance Amending Chapter 288 (Officers and Employees Generally), Section 288.19 “Medical and Life Insurance” of the Codified Ordinances of the City of Freeport, Illinois**

The first reading was held on May 2, 2016. A motion to adopt was given by Alderperson Busker, seconded by Alderperson Chesney and the ordinance was automatically laid over to tonight’s meeting.

Mayor Gitz stated the COBRA rates take effect on August 1, 2016 and the ordinance provided sets the rates for the plan year 2016.

Provided in the packet was a comparison to the Cobra current premium rates for Group Health Plan – Medical, Dental, Vision & Prescription:

<b>CATEGORY</b>	<b>PLAN YEAR 2015</b>	<b>PLAN YEAR 2016</b>
Single	\$ 881.49	\$ 819.01
Single +1	\$2,013.98	\$1,863.16
Family	\$2,170.94	\$2,010.47

Mayor Gitz asked council members if there were any further questions. Hearing none he asked for a roll call vote on the passage of the ordinance. Motion prevailed by a roll call vote of;

Yeas: Klemm, McClanathan, Ross, Miller, Busker, and Chesney (6)

Nays: none

Abstain: Brashaw and Koester (2)

Ordinance #2016-31 was passed.

**2<sup>nd</sup> READING OF ORDINANCE 2016-32 (with the corrected Exhibit B)**

**An Ordinance Amending The Boundaries of the Joint City of Freeport – County of Stephenson Certified Enterprise Zone (*expansion of Barkau Group’s Collision Center located at 558 Fairgrounds Road and JJ Freeport Venture realign boundaries*)**

The first reading was held on May 2, 2016. A motion to adopt was given by Alderperson McClanathan, seconded by Alderperson Klemm and the ordinance was automatically laid over to tonight’s meeting.

This ordinance amends the boundaries of the joint City Of Freeport-County of Stephenson “Certified Enterprise Zone” and is necessary in order to include the additional acreage in the zone. The expansion areas are contiguous to the existing enterprise zone boundaries and therefore are eligible for inclusion. This ordinance includes an expansion for Barkau Group’s Collision Center located at 558 Fairgrounds Road and JJ Freeport Venture realignment of their parking lot boundaries.

Community Development Director Alex Mills presented the ordinance by stating the Exhibit B has been provided per discussion at the last meeting. It provides a more detail legal description for the property labeled as JJ Venture.

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Aldersperson McClanathan asked if other members of the Enterprise Zone will be approving the same ordinance with the amended attachment. Director Mills stated that yes this is the Exhibit B they will be passing when they have their meetings which he thought are scheduled next week.

Aldersperson Brashaw asked whether there was any opposition or negativity to this expansion. Director Mills stated there was no opposition from other business owners.

Upon no further discussion, Mayor Gitz requested a vote for the passage of the ordinance with acknowledgement that Exhibit B would be amended on its face as provided to council. The motion prevailed by a roll call vote of;

Yeas: Klemm, McClanathan, Ross, Miller, Busker, Brashaw, Koester and Chesney (8)

Nays: none

Ordinance #2016-32 was passed.

**ORDINANCES -- FIRST READING**

**1<sup>ST</sup> READING OF ORDINANCE #2016-33**

**An Ordinance Amending Chapter 240 (Police Department) Section 240.09 (Appointments) Of The Codified Ordinances Of The City Of Freeport**

The writing of this ordinance was recommended by the Committee of the Whole on May 9, 2016 on a motion by Aldersperson Koester, second by Aldersperson Chesney and approval by majority vote.

Chief of Police Todd Barkalow presented the ordinance which amends Section 240.09. His memorandum explained that since the year 2000, the police department has lost forty-six officers who had ten years of experience or less. The departures have varied from failing the FTO program, leaving for other departments, leaving law enforcement, or resigning in lieu of termination. In an innovative effort to recruit and maintain local candidates, Freeport Police Department has developed a partnership with Highland Community College. Highland Community College has begun creating a Criminal Justice program that will be expanding over the next few years. The curriculum consists of: Introduction to Criminal Justice, Introduction to Corrections, Criminology, and Juvenile Delinquency/Juvenile Justice. Highland Community College attracts young students primarily from the Freeport area.

Chief Barkalow stated this ordinance allows the Board of Fire and Police Commissioners to add preference points to the rules and regulations. He explained in his memorandum that the preference points would be for the completion of a unique program developed by the Freeport Police Department. The Police Department would recruit Highland Community College's students majoring in Criminal Justice to be part of our Auxiliary Police preparing to be officers in the classroom. The student would have to maintain a membership status in good standing with the Auxiliary Police for a period of eighteen months. A second requirement would include earning of an Associate's Degree from HCC with the emphasis in Criminal Justice. Working with the Auxiliary while studying criminal justice would enhance the students understanding of what it takes to be a police officer, particularly in the City of Freeport. Together with the eighteen months as a member of the Auxiliary Police and earning an Associate's Degree from HCC, the student would earn five preference points to be used toward the hiring process. State law provides that qualifying veterans and four year graduates of universities shall receive five preference points added to their testing scores when testing for the position of police officer.

Chief Barkalow explained per the recommendation of the Committee of the Whole, Corporation Counsel was asked to draft this ordinance to include the applicable wording to allow the Board of Fire and Police Commission

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through the City's home rule authority to award preference points equal to that of the State mandated veteran and university preference points through our home rule authority. Chief Barkalow requested the City Council to consider passage of the ordinance that gives the Fire and Police Commission the authority to award two preference points for a candidate already residing within the city limits of Freeport; and five preference points for candidates who complete the HCC/Auxiliary program. Once the ordinance is passed, the Fire and Police Commission can formally change their rules and would have the final authorization for points awarded.

Council members provided suggestions to gather candidates for recruitment purposes such as considering twelve months on the auxiliary versus eighteen months and using the Stephenson County Sheriff reserves as well.

Aldersperson McClanathan asked if the Board of Fire and Police Commission have reviewed this ordinance as written and Chief Barkalow stated they had reviewed it.

Aldersperson Koester moved for approval of the ordinance on first reading, seconded by Aldersperson Ross.

Discussion was held as to the timing of this ordinance and Chief Barkalow explained that the timing allowed for passage on the second reading and it was not necessary for suspension of the rules because they will not work on developing a list for officers until this summer.

The ordinance was automatically laid over to the next meeting.

**RESOLUTIONS**

**RESOLUTION R-2016-26:**

**Resolution to Authorize an Amendment To Intergovernmental Agreement for the Operation of an Enterprise Zone** (*expansion of Barkau Group's Collision Center located at 558 Fairgrounds Road and JJ Freeport Venture realign boundaries*)

Director Mills provided a memorandum that explained this is a resolution to authorize an amendment to the intergovernmental agreement for the operation of an Enterprise Zone. He stated this resolution is necessary for the City of Freeport to formally indicate approval of expansion and that the other members of the Enterprise Zone including Stephenson County, City of East Dubuque, Village of Hanover and Jo Daviess County must also pass an identical resolution to indicate their support. This action authorizes amending the agreement to include the proposed expansion areas.

Aldersperson Klemm moved for approval of the resolution as presented, seconded by Aldersperson Brashaw. Motion prevailed by a roll call vote of;

Yeas: Klemm, McClanathan, Ross, Miller, Busker, Brashaw, Koester and Chesney (8)

Nays: none

Resolution R-2016-26 was adopted.

**RESOLUTION R-2016-30:**

**A Resolution to Enter Into An Agreement With Melrose Pyrotechnics, Inc. For 4<sup>th</sup> of July Weekend 2016 Fireworks Display To Be Held On July 3, 2016**

The writing of this resolution was recommended by the Committee of the Whole on May 9, 2016 on a motion by Aldersperson Brashaw, second by Aldersperson Klemm and approval by majority vote.

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Alderson Koester was asked to present the resolution and noted that the number of pyrotechnics and the number of shells was not available until such a time that the music was decided because it is based on the timing of the music and the length of the song. Alderson Koester stated that although the Fireworks Committee has been working on fundraising at this time there is \$100.00 in the fund. He added that businesses have been contacted and he expects dollars to roll in shortly. He is confident in their fundraising efforts to gather all but about \$5,000 for this event. Alderson Koester stated that because of insurance and the way the contract is written that it needs to go through the corporate headquarters.

Alderson Miller asked what will happen if the fundraising activities only earn \$5,000 and wondered whether there would only be a \$5,000 show. Alderson Koester stated that we will be signing a contract for a \$20,000 show. Alderson Miller asked what if there is not enough money raised for a \$20,000 show. Alderson Koester replied that there is room to back down and added that he does not believe it will happen. He noted they did get a late start in fundraising efforts and next year they have plans to begin as soon as this show is over. Alderson Koester stated he feels that the money will be there for the show this year.

Alderson Brshaw asked Mayor Gitz if he has read the contract. Mayor Gitz stated he has read it.

Alderson McClanathan asked what is in the budget for fireworks. Mayor Gitz stated there is a \$5,000 commitment from the City and he has asked to have up to \$15,000 in contingency. Mayor Gitz explained this contract will lock in the date with Melrose Pyrotechnics, Inc. for July 3, 2016.

Alderson Koester asked for a commitment from businesses to donate funds toward the fireworks this year.

Alderson Chesney commended Alderson Koester and the Fireworks Committee for taking the lead on this. He noted he will defer to Alderson Koester to shake loose the monies needed to put on this event and thought it is not necessary to have the long drawn out discussion on this subject like last year on council floor.

Alderson Chesney moved for approval of the resolution R-2016-30, seconded by Alderson Klemm.

Alderson Brshaw asked what kind of musical score will be synchronized with the fireworks show. Alderson Koester stated the musical score will be patriotic and military and they are planning on a twenty minute show.

The motion for adoption of Resolution R-2016-30 prevailed by a roll call vote of;  
Yeas: Klemm, McClanathan, Ross, Miller, Busker, Brshaw, Koester and Chesney (8)  
Nays: none

Alderson Koester thanked the council for their support and noted that if it does fail it won't be for lack of an effort on the part of the committee. He asked for council members to provide names of businesses that he should get in contact with and let Alderson Miller know that he will be contacting her business next week.

**RESOLUTION R-2016-31:**

**Resolution to Create A Tax Increment Financing Commission For the City's Southside Tax Increment Districts**

The writing of this resolution was recommended by the Committee of the Whole on May 9, 2016 on a motion by Alderson Brshaw, second by Alderson Koester and approval by majority vote.

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Mayor Gitz noted that he placed an amended version of this resolution in the council packet. He stated these amendments included cleaning up the wording in the terms of the functions of the commission for prioritization for transferring funds and for evaluating certain parcels could be incorporated into a new TIF district for future developments. He explained this committee will evaluate developments in the four TIF Districts and to provide for long term planning for these plans. They will also oversee what projects to tackle and how to use economic development component in the TIF's. Mayor Gitz noted it would be an advantage to have persons in banking and commercial real estate as members of the commission and to use their talents when discussing or defending actions in the TIF's. He stated the ultimate decision as to what goes on in the TIF rests with the City Council. He understands if council wants to defer on this to have more discussion with others.

Aldersperson Chesney moved to have this resolution placed on the June meeting of the Committee of the Whole. This motion was seconded by Aldersperson McClanathan. Motion prevailed by voice vote without dissent.

**OTHER**

**FY 2016-2017 BUDGET DISCUSSION**

Provided in the council packet and programmed to the website were two documents including the General Fund Spending Plan FY 2017 (dated May 16, 2016) and Council All Other Funds Spending Plan FY 2017 (this document was dated May 16, 2016). Also provided in the council packet were budget narratives completed by department heads including:

- *Police Department*
- *Fire Department*
- *Public Works Department*
- *Community Development*
- *Human Resources*
- *City Treasurer*
- *City Clerk*

Mayor Gitz introduced the budget by stating it has been a work in progress by Mr. Mrugala and noted that a new document was programmed to the website and will also be shown on the screen in council chambers. He noted the items placed in contingency including a certain amount of money for labor contract but at this time two contracts are pending so that falls into contingency. He stated in this version of the budget we have restored the position in the Police Department for one officer so their number of personnel remains the same. He state based on the request of Aldersperson McClanathan the staff has provided some non-personnel cuts which are not advised.

Mayor Gitz stated included in the budget are funds for economic development at existing levels that the City Council has approved. That includes \$100,000 for NIDA coming from the TIF's. He asked to have placed an amount of \$10,000 for NIDA in contingency as part of the general fund if they had activities that were pre-approved by us as expenditures to be made. Also in this document there has been a change due to the first bond payment coming due in May 2017 of \$150,000 to \$175,000 so that would be due in the next fiscal year. He also noted the capital equipment spending plan has been adjusted downward for the vehicle for the Battalion Chief.

Mayor Gitz explained there has been much scrutiny over this budget. He stated the budget or the spending plan plus the contingencies is what makes up the Appropriation Ordinance. The contingencies are extra and it does not

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mean they will be spent. He explained although many times the costs exceed revenues on paper and, at the end of the year, as has been happened in the last couple of years the City ends up with a slight surplus.

Mr. Mrugala explained by placing employee costs into each department he has created a living document so that if we make changes the changes will show up instantly. This means if the council makes an adjustment they will be able to see the net change on the bottom line. In this budget, they will be using \$400,000 from prior period reserves to pay for the pension liability. He would also like to clean up the pension liability from IMRF in the amount of \$300,000. He stated that amount grows year after year. He noted this report provides all the contractual services for all of the departments. It shows commodities at 1.17 million. The other one is capital outlay and that does include the building that is currently underway. He stated when we start looking at percentages, there is a number that we can probably do but it is going to be very tough to accommodate. He stated he placed a number in there for the Finance Department because we no longer are running on a server but one that is virtualized at Aero. He stated we need to update that server and the Microsoft license fees alone are \$10,000 to upgrade that particular server from 2003 to the current 2014 version.

Mr. Mrugala reviewed the document titled General Fund Spending Plan FY 2017 (dated May 16, 2016) for the council members. He noted there is little fat in the budget to take money from.

Council was provided an opportunity to discuss different portions of the budget that they had questions on. They noted typos on the spreadsheet and Mr. Mrugala noted there are amendments needed for him to make.

Aldersperson Miller asked about the estimated cost to close the gap on the pension expenses for the fire and police because as she remembers from the GASB discussion that the amount was closer to \$634,000 to \$635,000. Mr. Mrugala stated the estimates are aggressive to allow for some increase in revenues over the next year. The amount placed in the budget is the amount that was levied for the property taxes and what is expected to come in from property taxes and there was a shortfall that has been budgeted to come from reserves. Aldersperson Miller stated her concerns that the amount budgeted for revenues may be too aggressive and she has a 90-95% confidence level. She recommended taking a more conservative method for the number budgeted for revenues.

Aldersperson McClanathan asked whether there would be funding for unknowns. Mr. Mrugala stated there is not much wiggle room in the budget for unknowns at this time.

Aldersperson McClanathan asked about funding for Motor Fuel Tax projected spending. It was noted that majority of spending for MFT is received through state funding and any extra will come out of reserves from MFT.

Aldersperson McClanathan asked whether the amount for the Battalion Chief vehicle has been deferred in the amount of \$49,000. Mayor Gitz stated yes.

Aldersperson Chesney noted a questionable figure used for PEHP for the City Clerk's budget and asked if it should be closer to \$360 versus the \$183. Mr. Mrugala stated he will review that figure and place a correction if necessary.

Mr. Mrugala also noted there is a figure used in health care that will need to be revised for the two employees in the Finance Department. It was also noted there was an error for the life insurance for a full time employee in the Finance Department.

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Aldersperson Chesney asked about staffing in the Fire Department. It was discussed that placed in the budget are 38.15 firefighters and 8.5 non-bargaining in the Fire Department. Mr. Mrugala explained this is due to prorating the employee counts due to two mid-year retirements that have not been replaced in this version of the budget.

Aldersperson McClanathan asked about the contingency section for miscellaneous technical services and asked for further clarification on those amounts. Mr. Mrugala explained there have been dollar amounts placed into it for arbitration costs for union negotiations because at this time there are two contracts pending with the Fire and Police unions. He also noted he placed an amount in there for fireworks that were moved to 591 so that will go down by \$5,000 plus it contains \$30,000 for the move. He stated in the spending plan that amount is \$97,000 for the contingency.

Aldersperson Miller asked about the longevity and whether those costs are factored in. Mr. Mrugala explained that he has placed those figures in the budget and he has worked hard to make those costs transparent as part of the labor costs for each department instead of having it combined into one amount for healthcare, social security, and PEHP somewhere else in the budget.

Aldersperson Miller asked where the amount that an employee pays towards their healthcare and whether that amount should be placed into the budget. Mr. Mrugala explained that amount is cut from the employee's check so you will not see that in the budget. What you are seeing is the amount paid by the City to fund health care so they are the employer's costs. Aldersperson Miller asked where you see the employee's cost. Mr. Mrugala explained that when you are paid \$10.00 and you take \$1.00 out for the employee contribution, that \$10.00 is part of the wage so it is just like the taxes paid by an employee and that is a liability that we take away from the employee. He stated healthcare cost paid by the employee is a cost that is part of labor and the other part which is the employer cost is a part of the legacy costs shown in the personnel expense.

Aldersperson Miller questioned the amount in the budget on page eight under line item 573 in the Mayor's department for "printing" and based on actual spending that amount was less than \$100. Mayor Gitz noted that amount should probably be \$350 and not \$3,500.

It was again noted the bond payment for the Carnegie building rehab in the amount of \$180,000 has been taken out of the budget due to it being due in the next fiscal year.

Aldersperson Chesney questioned the amount for group insurance in fund 451 for the Library budget. It was noted that the actuals were \$92,000 and the amount shown for what is paid by the Library is \$75,000 so that they actually owe the City more money to pay this. Mr. Mrugala stated this has not been done in previous years.

Mayor Gitz stated there has been an amount placed in the budget for other professional services for the City Council in the amount of \$10,000 and it can be found in the City Council budget department 11.

Aldersperson Klemm stated his concerns for the numbers, the number of reports and to how they are formatted. He explained what he would really want to know is when they are given an updated report just what has changed in the numbers since the last time the council was provided the documents so they do not have to look for them.

Mr. Mrugala stated that the budget has been reduced from \$150,000 to \$125,000 and this can be found on page 15, line item 544 for the Street Department. Discussion was held on the tipping fees included in this line item which includes both the leaf removal costs and the tipping fees for demolition expenses. Director Dole explained that the leaf removal contract is for \$40,000 no matter how many loads and that cost has remained the same for several years. Most recently the contract has been year to year although previously it was a three year contract.



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Council members asked whether there could be another \$25,000 shaved off that budgeted amount. Director Dole stated he would be confident with the \$125,000. He also noted that is if the leaf contract comes in close to the same amount from the last three years. He will need to go out for bid as well this year but he is confident the costs will be close to last year's cost.

Discussion was held on the cost of salt for roads. Director Dole explained that due to the cost of salt, they were using a mix of sand and salt. He received bids through the State and the last year he got a pretty good bid on salt. This year he recommends going with using more salt and less sand. He stated he has asked for a quantity of 2,000 tons. Director Dole explained this should reduce the labor costs to prepare the mixture and the tipping fees for the gravel clean up on the roads from the sweeper. This allows for less residual on the roads and sand from going into the storm sewers. He stated this is the method used in the downtown. The clean-up from the use of sand is very costly in the spring.

Alderman Koester asked for clarification of the budgeted amounts for personnel in the Police, Fire, and Public Works department budgets. He added his concerns for the loss of two firefighters in the Fire Department and the loss of workers in the Street Department. He stated this will impact services and could impact safety and asked the department heads to provide comment.

Chief Barkalow explained that his current staffing level is at 46 sworn officers (although currently due to a recent retirement it is at 45) in the Police Department. It will be at 46 based on this budget. Chief Barkalow noted this staffing level is still low at 46 but they will be able to do the job and deliver the same level of service.

Chief Miller stated he has great concerns about reducing firefighter staffing by two. What that would do is first of all is create an imbalance in staffing of the shifts. We have three shifts of 24 hours each. Two shifts will be one person short and the third shift will be staffed at 15. Currently our maximum staffing is at 15 and by reducing by two that would be one per shift and that leaves him with a minimum staffing of eleven. At a staffing level of eleven; that provides for two firefighters on each fire truck, paramedics for the ambulances and a battalion chief. He stated that council will determine the level of service and you decide what you want to give to the community and he will need to discuss what he needs to provide that level of service. Fire Chief Miller stated when you are talking about a staffing level of eleven, if you have two ambulances in service and they are on a call for a cardiac trauma so those four people are out of the picture. Now you are looking at a level of service of seven firefighters for a structure fire. He stated that in no way complies with NFPA 1710 and he has mentioned it before if you have a firefighter that is severely injured or killed you are going to have a lot of Federal agencies coming down examining why we are staffing at this level. He stated it is extremely dangerous. He stated it will effect of level of services tremendously. He explained that recently the council authorized a purchase of medical equipment in order to provide paramedics on fire engines just in case ambulances are not available due to the recent shut down of a private supplier. That was based on not hiring any more personnel and based on maintaining the staffing levels. If we are going to reduce the staffing levels that will impact the ability to provide paramedic services on those fire engines. He has tried to be proactive and absorb the shortened ambulances of the area and now that program could be in jeopardy. He stated we will be one sick call or one injury away from closing a Fire Station. If he does not have enough man-power to staff a third station or we would have to go to an overtime situation. Those are the consequences that need to be addressed.

Director Dole explained that the level of services provided by his department is based on his staffing level. In this budget they will lose one person due to recent retirements. There were two recent retirements but one will be replaced. Without this person being replaced, what his department will need to do is to expand the plow routes so that instead of a snow event taking x amount of time it will now take y and the same for leaf pick up instead of it taking x amount of time it will now take y. He explained that people need to be mindful it will affect how quick

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things get done and people will not get the level of service they have come to expect. He is confident they can run the department it is just how quick you want that pot hole patched or how quick you want the snow removed from the streets or whether leaf season is finished up before the snow begins.

Aldersperson Koester asked if the staff is reduced for the Fire Department so that it would require closing a fire station then what effect of closing a fire station will have on the ISO rating. Fire Chief Miller stated he estimates it would go from a 3 to a 5 and noted the impact of this will be greater on business and commercial property.

Aldersperson Chesney requested clarification how you get to \$125,000 for tipping fees. Director Dole explained this includes tipping fees for street sweeping, leaf contract, and tipping fees for the demolition of houses. Director Dole explained that he put a cushion in there because he could not determine how much tipping fees he would have and if there are a couple of storms that require pick-up and additional sweeping so he is always planning a cushion for the tipping fees themselves.

Aldersperson Chesney suggested for line item 44-544 with the amount budgeted at \$125,000 and an actual spending at \$91,000, that perhaps instead of placing a cushion in the budget whether the amount could be placed in contingency. Director Dole stated that could be considered and at this time he does not have amount in contingency but it could be considered. He explained that the line item used to contain tipping fees for house demos but now there is a separate line item for that so it switched over to Community Development. When the Street Department performs a house demo then that amount comes from those tipping fees.

Aldersperson Miller requested information on the new software for the MIS Department. Mr. Mrugala explained that he estimated \$75,000 on software and that is something to be investigated. He explained that he has installed software as high as \$1 million in Birmingham and in DuPage County it cost \$7 million. He placed in the budget an amount of \$100,000 for new server and new software. Discussion was held on the difference of the Civic software and the Locis software and how the systems work together between the financial system and the Water Department billing software. Director Glendenning explained how the Civic software system works with the Neptune meters readers.

Discussion was held on the funding for NIDA and FDDF. It was explained that this funding was in the TIF's and an amount was placed in fund 63 in the amount of \$10,000 in contingency for NIDA for non-TIF expenditure. It was noted a5 will be discussed further for the \$20,000 commitment and the CVB had to be adjusted from \$200,000 budget to a recommended \$192,000 due to revenue source from the hotel motel taxes coming in at that amount.

Discussion was held on fund 63 interdepartmental and the line item for 527 other technical services. Mr. Mrugala explained the amount placed in there for \$42,000 was for contract negotiation, \$5,000 for fireworks and \$30,000 expense for the move and other incidentals. It was noted that Mr. Mrugala should review the budget because it looks like the fireworks was placed in the budget twice.

Aldersperson Miller suggested in the Fire Improvement Fund that based on projected deficit of the budget, that the Fire Capital Improvement go from a 60-40 split to a 40-60 split. It was noted that would be a way to allocated two firefighters. If it went to a 40-60 split perhaps it could be done for two years. Mayor Gitz explained that it would take a change in ordinance but he would be in favor of having Special Counsel Phillips look into it. He stated in order to move the two firefighters back in we need to be able to pay for it. He stated he will have Special Counsel Phillips review the ordinance.

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Alderperson Koester stated he does have a problem with this if it is more than a couple of years and he would recommend placing a sunset clause on it. He noted that six months ago when council decided to hold the line on property taxes, he at that time asked what the plan was to make up the money and he got blank stares.

Fire Chief Miller stated his concerns of using the Fire Improvement Fund because this fund is used for fire equipment obligations and to maintain equipment. He has already put through cost saving measures by delaying purchases, repairing vehicles instead of purchasing, and looking for ways to reduce purchase price of vehicles.

Alderperson Klemm spoke about Glen Ellyn having a volunteer Fire Department.

Alderperson Brshaw spoke about her concerns for the safety of the firefighters and the need to maintain staffing by placing the two firefighters back into the budget. She stated if the only way for us to do this would be to take the money from the Fire Improvement Fund then she would be in agreement.

Alderperson Busker spoke that it would be nice put the firefighters back into the budget but we need more people to pay taxes. He suggested having a mutual aid agreement with area Fire Districts to reach out for help.

Chief Miller explained that it is hard to rely on Freeport Rural because their members have difficulty answering their calls during the day. He also noted for the comment made about Glen Ellyn having volunteer Fire Department, they are surrounded by professional Fire Departments that assist in calls for service. Chief Miller explained the practice of our Fire Department being used for haz-mat accidents because our firefighters are the trained professionals that are called out to other areas.

Alderperson Miller stated she would appreciate the administration looking into transfer of 60-40 to a 40-60 as a way to pay for the staffing. Mayor Gitz stated this will be reviewed in terms of looking at the obligation on the fund and also looking at sunset.

Discussion was held on the ISO rating of surrounding communities and the effect of going from a 3 to a 5.

Alderperson McClanathan requested a breakdown in writing of the ambulance calls and the fire service calls. Fire Chief Miller noted that was provided in the annual year-end report but he will forward it along with information on staffing levels.

Mayor Gitz asked council members if they were available for a special meeting on May 31, 2016 to discuss the budget further. His plans are for the Appropriation Ordinance to be on the first meeting in June council agenda.

Mayor Gitz stated there will be a special meeting of the City Council on Tuesday, May 31, 2016 at 5:30 PM to discuss the FY 2016-2017 budget.

**OTHER**

**REPORTS OF DEPARTMENT HEADS**

**Community Development**

Community Development Director Alex Mills provided thanks to staff members at Stephenson County as they worked through issues with tax properties.

**MINUTES-REGULAR MEETING**  
**MONDAY, MAY 16, 2016 AT 6:00 P.M.**

Aldersperson Miller asked if there could be some training sessions on deconstruction so that perhaps a pool of resources can be used on properties brought down by the City. Director Mills stated he will provide a memo giving an overview of what is required.

**Public Works**

Public Works Director Tom Dole had no further report.

**Fire**

Fire Chief Miller provided an update on two structure fires, one which was a total loss from a space heater in the 1000 block of Carroll.

Aldersperson Chesney asked for clarification on the process of recourse on a property with a structural fire. It was explained that an insurance company must follow the statutes and there is a document that must be completed by the Community Development Director. This form tracks remediation of a settlement and provides a cost estimate should a demolition on the structure be required. Those cost estimates would be placed in reserve with the City in case demolition of the property was necessary.

**Police**

Chief of Police Barkalow provided information on a bike training class hosted by the Freeport Police Department which included 10-15 other police agencies. Aldersperson Klemm requested information on seat belt tickets.

**Water**

Director Glendenning provided an update on the Phase B Water Main Improvement Project which includes extensive construction projects in three areas of the City at this time. He explained his crews including the construction crews and the engineering staff are working to oversee these projects and it is a huge effort and going well. He provided information on the Stephenson Street project which included closure of the street for a day this week near Freeport Memorial Hospital (FHN). They are working on installing the new water mains by doing directional borings. Director Glendenning thanked his staff members for the work they are doing on the construction projects.

Aldersperson Busker asked for information on construction work in Float. Director Glendenning explained it was to fix a dip in the road which required a 16-17 foot dig due to settling. He expects the paving crew to repair this area on Wednesday of this week.

Mayor Gitz noted the paving crew will be working on Harlem Avenue over the next couple of weeks in order to complete the Phase B project on that street.

**Library**

Director Dickerson was present and had no report.

**City Treasurer**

City Treasurer Buss was present and had no report.

**MAYOR'S REPORT**

Mayor Gitz welcomed back our camera person, Colton, from his schooling at Northern Illinois University. Mayor Gitz stated he will provide to council members the resume of the Finance Director candidate.

**MINUTES-REGULAR MEETING  
MONDAY, MAY 16, 2016 AT 6:00 P.M.**

Aldersperson Chesney asked for the proposed salary for the Finance Director. Mayor Gitz stated he will discuss this with him when it is determined.

**COUNCIL ANNOUNCEMENTS/NEW BUSINESS**

Aldersperson Brashaw commended Director Glendenning and the Water and Sewer Department construction crews for the project work on Stewart and Harlem.

Aldersperson Koester provided a reminder about motorcycle awareness. Aldersperson Koester encouraged citizens with concerns regarding the budget and the budgetary constraints to make phone calls to their alderman for their ward and to also call the alderman at large.

Aldersperson Klemm acknowledged the honor detail of the Freeport Police Department at a function held at the VFW for District 6. He noted his discussion on the volunteer fire department in a Chicago suburb was not because he is in support of using a volunteer fire department for Freeport it was to give another perspective.

Aldersperson McClanathan requested further information on fund balances for the Capital Equipment Fund and the Fire Improvement Fund when the budgets are discussed at the next meeting. He also asked to have information showing the revenue for these two funds and what has been paid out year to date.

Aldersperson Busker noted there will be a Neighborhood Watch meeting of the 5<sup>th</sup> Ward on Tuesday. He stated he is not in favor of making our department a volunteer fire department.

**PUBLIC COMMENTS – AGENDA OR NON-AGENDA ITEMS**

Mike Meade, 217 W. Main Street, Freeport Illinois, provided his disappointment for not being contacted or used as a deconstruction and salvage crew. He noted Mayor Gitz knew of his interest but he was not contracted.

Tom Teich, Freeport Illinois, asked about the progress on weed removal by Lamm Road. He asked Mayor Gitz to remember his birthday on June 2<sup>nd</sup>.

Upon a motion duly made and seconded, the meeting was adjourned at 9:03 PM.

*s/ Meg Zuravel*

Meg Zuravel  
City Clerk