

City of Auburn

Council Minutes

January 5, 2015

Mayor Stamer called the meeting to order at 7:00 PM.

Present: Barb Stamer, Chris Warwick, Tom Appelt, Tom Berola, Clay Davidson, Matt Gillock, Larry Hemmerle (8:15 PM), Rod Johnson, Mark Kessler, Wayde Rathgeber, and John Tanner. **Absent:** None.

Department Heads: Bruce Centko, Bill Karhliker, and Kristy Ponsler. **City Attorney:** Raylene Grischow via telephone.

I. Mayor's Comments

- a. Mayor Stamer was going to comment on the Sesquicentennial Banners but she has the issue covered so there is no need to discuss further.

II. City Clerk's Report – Warwick

- a. Warwick presented the meeting minutes from the city council meeting on 12/15/14. Davidson made a motion to accept the meeting minutes and destroy the recorded copy, second by Gillock. **Voice Vote: AYE: Tom Berola, Clay Davidson, Matt Gillock, Rod Johnson, Mark Kessler, Wayde Rathgeber and John Tanner. NAY: None. ABSENT: Larry Hemmerle. (7-0-1).**
- b. The following petitions for aldermanic openings have been received, Ward 1 – Connie Powell, Ward 2 – Seth Williams, Ward 3 – Larry Hemmerle, and Ward 4 – Vic Devos, Jr.
- c. Attorney Grischow called into the meeting.

III. City Treasurer's Report - Appelt

- a. Appelt presented the Bills List from 12/13/14 to 12/31/14 for the council's approval. A motion was made by Kessler to approve the bills list, second by Rathgeber. **Voice Vote: AYE: Tom Berola, Clay Davidson, Matt Gillock, Rod Johnson, Mark Kessler, Wayde Rathgeber and John Tanner. NAY: None. ABSENT: Larry Hemmerle. (7-0-1).**

IV. Attorney – Grischow

- a. No Report

V. Visitors

- a. Hubert Kendal from 414 East Washington Street was present was in attendance asking that the city remove the trees in front of his home. Mayor Stamer explained that it is policy of the city not to cut down trees that are not completely dead and his trees are

still alive. Mayor Stamer did identify a tree cutting service that would be willing to remove the trees at Mr. Kendal's expense at a lower cost than he was quoted by another service.

- b. Darren Root, Superintendent of the Auburn School District, was present to voice the school districts opposition to the TIF District. Darren noted the positive relationship between the city and the school district with examples like the pavilion at Pohlod Park, the concrete removal for the new school bleachers, the proposed beacon light on Route 4 near the football field. Darren followed up with the successful TIF Districts that were recommended by Steve Kline and he was not able to find any success stories, all the communities he spoke with talked of unintended consequences. Failed TIF issues include 2 sets of rules for businesses in the community, those outside the TIF and those that move into the TIF, many who are existing businesses that move into the TIF district for the advantages. The TIF causes the school to absorb the additional costs of the TIF district due to the lack of additional funding being lost once the TIF is implemented. Darren noted that the problem is the Intergovernmental Agreement and the General State Aid does not make the district "whole" a dollar is taken but a full dollar is not returned to the district. A TIF district makes the district more dependent on General State Aid, it is the equivalent to driving a snowmobile across a pond in 50 degree weather, and the ice will break.
- c. Dr. William Phillips, a professor at the University of Illinois Springfield, spoke about the current state of school funding. There are 3 funding sources, Federal (a small amount), State (it is currently prorated at 89%), and Local (Property Taxes, it is large portion of the school funding). So the freezing of tax revenues because of the TIF District will have a long lasting impact, 23 years. The State's monetary issues are only going to compound the issues. Please consider the future effects.
- d. Tanner asked how much the funding has dropped, Root replied that the current funding is \$6,119 and they are getting 89%; they had been getting 95%. Root believed the funding should be \$8,000.
- e. Mayor Stamer asked Grischow what were the impacts so far. Grischow noted that \$10,000 has been expended on initial TIF agreement and another \$1,452.31 has been expended in mileage and office expenses. Any vote now would premature, since there is an updated Intergovernmental Agreement that will be proposed to the School District.
- f. Johnson indicated that when the initial discussions on TIF District was held that Root was informed of the TIF information and there was no issues until after the City had entered to a contract with the attorneys to start the TIF process. Root responded that Johnson was misinformed, he did listen to the proposal and went into the process with an open mind but never gave a positive indication that he was for the TIF District. Rathgeber noted that although Root was guarded about his approach towards the TIF.

Board Member Mike Heren stated that he went into the process with an open mind and he initially thought it was a good idea until other board members and Darren Root looked into it further. Rathgeber noted that the TIF is used to help bring in businesses and it is not intended to harm the district, but the city needs to grow. He also stated that our TIF attorneys should have chance to respond and for the School Board to see the new Intergovernmental Agreement.

- g. Grischow asked if all of the school board members were against the TIF District, Chuck Dubois noted that the School Board passed a resolution 7-0 against the TIF District. Johnson noted that this TIF District is not to pay bills; it is to bring in new businesses. Johnson said if the School District was dead set against the TIF he wishes they would have spoken up earlier.
- h. Berola asked if there is any situation in which a TIF would work for the School District, Root noted that he does not think so, he compared it going to Las Vegas. Davidson asked if School District would be willing to look at the new Intergovernmental Agreement, Root responded that he does not see any way it would benefit the School District. Kessler stated that Rathgeber worked very hard on this and it was intention to benefit the City and the School District. Bill Atterberry from the Fire District noted that there will be some impact to the Fire District. **A motion was made by Rathgeber to table any vote on TIF District until another meeting with both the City's TIF Attorney and the School Board, second by Johnson. AYE: Davidson, Gillock, Johnson, and Rathgeber. NAY: Berola, Kessler, and Tanner. ABSENT: Larry Hemmerle. (4-3-1).**

VI. Department Heads

a. Centko

i. No Report.

b. Karhliker

i. No Report.

c. Ponsler

i. The online payment system that Ponsler presented previously is not compatible with our billing system, so we will need to look for a new system. Residents can still get statement by e-mail.

VII. Committee Reports

a. Administration – Berola

i. No Report.

b. Public Works – Johnson

- i. Johnson made a motion to pay Benton & Associates for engineering services for the Hogan Road Project in the amount of \$11,849.81; second by Davidson. **Voice Vote: AYE: Tom Berola, Clay Davidson, Matt Gillock, Rod Johnson, Mark Kessler, Wayde Rathgeber and John Tanner. NAY: None. ABSENT: Larry Hemmerle. (7-0-1).**
- ii. Johnson made a motion to pay Benton & Associates for engineering services for the Auburn Community Center Sidewalk Project in the amount of \$2,815.88; second by Rathgeber. **Voice Vote: AYE: Tom Berola, Clay Davidson, Matt Gillock, Rod Johnson, Mark Kessler, Wayde Rathgeber and John Tanner. NAY: None. ABSENT: Larry Hemmerle. (7-0-1).**
- iii. Johnson reported that we are waiting on the IDOT Auditor for the results of the MFT Audit that was received by the city in December of 2014. If there is any missing documentation, Martin Engineering will provide it.

c. Public Utilities – Kessler

- i. No Report.

d. Health & Safety – Gillock

- i. The Fraternal Order of Police (FOP) is ready start the negotiations for the upcoming contract. The city's negotiation team will be Gillock, Berola and Centko.

e. Health & Housing – Stamer

- i. No Report.

f. Parks – Tanner

- i. No Report.

g. Library/Technology – Hemmerle

- i. No Report.

VIII. Adjournment

- a. A motion to adjourn was made by Davidson at 8:22 PM; second by Rathgeber. **Voice Vote: AYE: Tom Berola, Clay Davidson, Matt Gillock, Rod Johnson, Larry Hemmerle, Mark Kessler, Wayde Rathgeber and John Tanner. NAY: None. ABSENT: None. (8-0-0).**

Respectfully Submitted,

Christopher Warwick

City Clerk

DRAFT