

Collinsville City Council
Regular Meeting of 12/10/2012

CALL MEETING TO ORDER

Mayor Miller called the regular meeting to order at Collinsville City Hall at 7:30 p.m.

ROLL CALL

All Council members were present and answered roll call. City Manager Williams, Corporate Counsel Giacoletto and City Clerk Brombolich were also present.

INVOCATION

The invocation was given by Pastor Kevin Hancock of Good Samaritan Church.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

PROCLAMATIONS/RECOGNITION/PRESENTATIONS

1. [Proclamation of December 2012 as Drunk and Drugged Driving \(3D\) Prevention Month](#)

Mayor Miller read the proclamation of December 2012 as Drunk and Drugged Driving (3D) Prevention Month.

BUSINESS PRIOR TO PUBLIC INPUT

INPUT FROM RESIDENTS

Mayor Miller referred to Ordinance 4472. Bob DesPain, 108 Linwood, talked about an article in the paper regarding one of our police officers who is being sued along with the City and stated that he is ashamed to be a resident of Collinsville. He talked about a letter to the editor he recently wrote regarding contracts with employees. He talked about his proposed hometown salary reduction plan that he has spoke about at past meetings. He also talked about a meeting in December of 2011 regarding the tax levy, and about the 2012 and 2013 December meetings of the Council.

COMMENTS & ANNOUNCEMENTS - MAYOR

Mayor Miller talked about an email he received from Susan Piazza of Allied Waste regarding the City's recycling efforts. The new carts have been in service for a month and Ms. Piazza was so happy that she had to email the numbers to him. He thanked the community for a job well done. The amount of tonnage of recyclables in October prior to the big bins was 84 tons. Since the

containers have been in place, in one month that amount was 195 tons, an increase in the conversion rate of 81% which is fantastic. Landfills are getting full and recycling is much better for the environment. He recommends that the community keeps doing the good job they are doing. We will get another report in three months.

This is the last Council meeting before the Christmas holiday and he wished everyone a very Merry Christmas, our savior's birth.

He wished everyone a Happy New Year and as the proclamation he just read stated, people have a tendency to enjoy alcohol too much and he stated that our police officers will be watching.

COMMENTS & ANNOUNCEMENTS - COUNCIL MEMBERS

Councilman Moss wished everyone a Happy Hanukah and a Merry Christmas. As the Mayor mentioned, this is our last regularly scheduled meeting, and she hopes everyone has a nice new year as well.

Councilman Tognarelli wished everyone a good and safe holiday and encouraged them to spend time with their families. Councilman Kypta also wished everyone a Merry Christmas and a good new year.

COMMENTS & ANNOUNCEMENTS - CITY STAFF

CONSENT AGENDA

City Clerk Brombolich read the consent agenda items as follows:

1. Motion to Approve Payment of Bills for the Period Ending 12/5/12 in the Amount of \$1,077,497.65
2. Motion to Approve Payroll for the Period Ending 11/29/12 in the Amount of \$540,994.46
3. Motion to Approve Minutes of the 11/26/12 Regular Meeting
4. Resolution 5038 Approving 2013 City Council Meeting Schedule

Mayor Miller asked if there were any items to be pulled; none pulled. Motion by Councilman Kypta, seconded by Councilman Tognarelli. Answer on roll call: Ayes - Moss, Kypta, Tognarelli, Miller; Nays - None; Absent - None.

NEW BUSINESS

1. [Discussion of Collinsville Area Recreational District TIF Funding](#)

City Manager Williams stated that over the last year, this has been discussed at length. Staff has reviewed the agreement and he has had the opportunity to meet with the Council and numerous

people from the public. He wanted to bring this back to the Council with staff's recommendation to forgive this debt and move forward. He wanted to give the Council the opportunity to discuss this again.

Councilman Kypta stated that he didn't want to get the money back as he feels they did make a lot of changes and did fulfill their obligations. He wants to forgive the debt.

Councilman Tognarelli felt this was a tough situation and for as long as we have been talking about this, he still hasn't made his mind up. There are so many things around it. He knows there is a new administration at CARD and their intentions are better and he has more confidence in the direction they're taking now. He felt that our main goal is to protect our taxpayers, not CARD's, although some are the same. He knows the money was put into Miner's Theater but it is still not usable. Every year, all entities involved are offered a TIF rebate and CARD has accepted that rebate each year. We were good enough to give them the money under the TIF ordinance but he feels they haven't followed the ordinance. He is still looking for feedback and he is not ready to vote but he is glad this is being discussed. He asked if we went by TIF rules, what would the number be if this was like any other business. He understands that it is different with CARD, they wouldn't be selling the building and the ordinance reads that if the building is sold within 4 years of TIF funding, reimbursement is required.

City Manager Williams stated that by his definition, we have given them \$230,000 over the last several years and they would be required to pay back around \$190,000 under the rules of the ordinance. He felt that the interesting part of the conversation is if you read the agreement and CARD does nothing with the building for the next 3 years, the debt will be forgiven anyway. In the interest of moving that project forward, or not stalling any future efforts, and if the ordinance had been written differently and we had more leverage, staff's recommendation may not be what it is tonight. But he feels forgiving the debt and letting something happen there on a private level is the best choice. He did not feel that forcing CARD's hand to sit on the building for 3 years does not help anyone. This isn't the perfect way to settle this whole thing, but based on the facts and what is available, it is staff's recommendation to put this behind us and work with CARD in the future.

Councilman Tognarelli asked if we forgive this, will CARD give the theater back to the Miner's Institute. City Manager Williams stated that he cannot speak for the board but he assumes that will happen. Councilman Tognarelli stated that he was under the impression that the Foundation has no funding. If CARD keeps the building for 3 years, then we have to forgive the debt, but at least in those 3 years, the building has to be maintained and he thinks CARD would have the funds to do that. He is not sure that the Foundation does. He hasn't heard where anyone has tried to get a non-profit status. City Manager Williams stated that the building is up to City codes now but we can't force them to do anything further to the building. It wasn't his understanding that they are going to abandon the facility, noting that those are details that can be worked out and put into an agreement with CARD. He thinks CARD has worked to find someone to help with grants, he knows that last month he spoke with the new CARD Director and was told that there was a third party who was going to be working on their behalf on just that.

Councilman Tognarelli would like to see these questions answered and asked if there was an

issue with waiting a month or so. City Manager Williams stated that waiting is not an issue, he was looking for staff to get this off our plates.

Councilman Moss has some of the same concerns as Councilman Tognarelli. She has spoken with the City Manager in the past and she agrees with Councilman Tognarelli. She stated that CARD decided to take over the Miner's Theater and rescue the building and they have spent money on it and we have given them money to use for that building. The funds we gave them were spent on TIF eligible projects. What she sees is that CARD does have new leadership and they are doing a good job, but with the Miner's, they took it over as an unusable building and had every intention to turn it into a usable building but the end plan would cost millions of dollars. The Council at that time, thought that at least the end result would be a facility that was up and running and able to have public events. Her concern is what we have is a building not up and running, there cannot be public events, it does not have a heating system, and she's not sure how they can keep their insurance with no heat if the system is drained. If this building is handed back to the Institute, those were the same people that were not able to rescue the building in the past. Either way you look at it, we have this building that is real important to our Uptown and the people of Collinsville, and it is not usable. We're being asked to forgive \$190,000 of taxpayer money where the building will sit and deteriorate. She wishes someone could come up with a win-win proposition. If the building could house events, that would be a different story. She doesn't see the building going anywhere.

City Manager Williams stated that what we have is a situation where CARD has a new director and he has to take a new look at projects based on the economy. When the Council agreed to fund the Miner's project at \$100,000 a year, the economy looked a lot different. The Council made the decision last year to stop the funding. CARD is doing the same thing. He doesn't think they are going to walk away from the building and allow it to not have heating. He can get their plans and pass them on to the Council. He hopes that if the roles were reversed, CARD would be willing to do the same for us. There are no good answers, we can't go back and change it now. We can only figure out what is the best course of action to move forward. He appreciates the Council's comments and he will work with the CARD Director to bring back answers.

Councilman Tognarelli stated that the thing that sticks with him is the last \$100,000 we gave them. The writing was on the wall and within 3-4 weeks the paperwork was started to ask for the reimbursement. He feels we should be reimbursed some of that last \$100,000. City Manager Williams stated it would be nice if we could get it all back but he doesn't know if it makes much sense to make the taxpayers pay it again. Some of the decision makers that brought that to the Council are no longer there. He has had this conversation regarding decisions that were made four years ago, if there is an agreement in place that forces him to live with something that he doesn't agree with, then he does. But if there isn't, he changes it. That's the position the CARD Director is in.

Councilman Tognarelli asked if we came up with \$100,000 in repairs and we just had to have that money tomorrow what would the City Manager do. City Manager Williams stated that he would cut something somewhere else. Councilman Tognarelli asked why CARD can't work that way and City Manager Williams stated that they can.

Councilman Moss stated that it's interesting that he brought up the analogy of being the new City Manager, she is not holding him responsible at all. She feels there are a number of things in the agreement that weren't done by CARD and we missed them, but not under Williams' watch. She's on the same page as Councilman Tognarelli, she sees a building that will sit there and deteriorate. She feels we should try to get some kind of compromise so the building can be used. She has heard that there is no desire by CARD to spend any money on that building.

Councilman Kypta feels we're not going to get anywhere with that building and the longer CARD keeps it, they will have bigger bills come up. If they give it up, it will be out of our hair and theirs. He stated that he didn't like the funding to begin with.

Mayor Miller felt that we all looked at the plans CARD brought us with the grand place it was to become and thought it was the answer. He thinks we didn't look at the overall picture, thinking that they would get funding somewhere, somehow. Being another government agency, we didn't look at their financial package. He has heard that a used heating system is in place so it will be good for the winter. He stated that the City Manager got a letter from Park Board President Carruthers that explained things that would be done if we did not forgive the debt. Mr. Carruthers says that if we don't forgive the debt, the money will come out of the parks. So the items planned for the already needy parks will be funded \$190,000 less. Mr. Carruthers also reminded in his letter that the parks are the City's under a lease agreement, which he felt was a little harsh, but he took it in a good way. He doesn't think we want to hurt anything else in the City under CARD's control. The money we gave them was spent on the building as it was requested. Nobody is going to go in and remove the upgrades but he thinks if we do some lucrative looking at this money, we might be able to ask for the money back and invest it back into the Miner's to get it ADA accessible. He would like to see a group put together that could help the Foundation look for funding to work with them and try and establish a building fund that could bring it up so it could be used and funds could be raised from its operation. He wonders why someone like Peabody Coal or other coal companies in this area wouldn't be interested in helping. He would like to see it brought back to the level that it would stand proud on Main Street.

Councilman Moss stated that she was not suggesting that the City be involved anymore in the Miner's project. The City doesn't want to own the building and she felt we shouldn't take any kind of leadership role in organizing a group that would spearhead trying to get funding. She thought that was supposed to be happening in the past. She believes that someone has reached out to some of these foundations but they want to make sure the building is viable before they invest in it. She reminded everyone that Brooks didn't want to come in and save the Catsup Bottle like some thought they would. She doesn't want to see the City put any more money into that building, not even the money to be reimbursed to the City if that is done.

Councilman Tognarelli stated that something could be put into the agreement to either require CARD to maintain ownership and maintain the building or work toward getting the building up and running. He felt that companies who work toward securing funding have to be hired.

Mayor Miller felt that there were so many things going on with CARD, not just this issue. Things are getting better, CARD has had to tighten their belts and this is one of the projects that

they couldn't afford to fund anymore so they dropped it. He felt it left the City standing there with egg on our face as far as the TIF funding. He thinks staff has a task in front of them to go back to CARD and see what type of agreement can be worked out.

City Manager Williams stated that he has yet to meet anyone that doesn't want to see Miner's successful. CARD has made the commitment that they don't want to put any more tax money into the theater and neither does the City. If it's going to be a success, it is going to have to be from private money. He appreciates the Council's discussion and he will work with the CARD Director and report back to the Council in January. He asked the Council, or the public, to contact him with any suggestions. Mayor Miller asked him to keep the Council aware of the negotiations.

2. [Ordinance 4563 Authorizing Expenditure of TIF Funds \(Gateway Center, 1 Gateway Drive\)](#)

Motion by Councilman Tognarelli, seconded by Councilman Moss. Economic Development/TIF Director Mann reported that Gateway Center is undergoing a facility improvement project totaling \$306,000. At this time, the applicant is requesting a TIF reimbursement of \$279,000 which is the same amount they have already rebated back to the City as part of their annual TIF agreement with the City. The project replaces 15 rooftop HVAC units which are between 16 and 22 years old with more energy efficient units. This project will increase the value of the building and property, and allow the facility to remain fully operational.

He stated that the ability of the Gateway Center to attract new clients and retain existing users is currently hindered as a result of not being able to supply adequate utilities to various areas of the building. Most importantly, as the primary anchor of Eastport Plaza, Gateway Center will be able to continue to stimulate a significant amount of tax revenue within the local economy and for the hospitality supporting businesses that largely rely on event traffic and income.

He stated that three bids were submitted for phases 1 and 2 of the project and only one bid was submitted for phase 3 because that bid was sought earlier this year as a scheduled replacement item. That replacement has not yet occurred and in the meantime, twelve other rooftop units came into disrepair and need replaced as well. He described each project as well as additional project costs that include temporary utility provisions and project management fees.

Staff recommends approval of the funding in the amount of \$279,095.38.

Councilman Kypta asked how many units need to be replaced and Director Mann stated there are 15 in disrepair and not functioning. Councilman Kypta asked what would happen if someone else in the district needs TIF money. Director Mann stated that it is the Council's decision on whether or not to provide the funding.

Councilman Tognarelli agrees with Director Mann, Gateway Center is the anchor of Eastport and he thinks it is a big key to the future progress of the City, economically and socially with the events they host, and also increases hotel use.

Mayor Miller stated that several years ago, we worked diligently as a Council with Gateway

Center on getting the Doubletree Hotel to happen. We wanted that to help the convention authority maintain their status in the region. It is unfortunate that Gateway is experiencing these maintenance problems but it was anticipated due to the age of the facility. They have maintained the facility well and they remain the top facility for small venues. He thinks it would be a mistake for the City to overlook them and not provide the necessary funds for them to continue to operate in a comfortable and well-serviced facility. He thinks it is important for us to take that step. Gateway has been in operation for 22 years and other than the TIF monies for expansions, they have been good stewards of the finances they have. Their board has done an extremely good job in maintaining what they have and he feels we should not look the other way. As Councilman Tognarelli stated, Gateway Center is the key to the Eastport area, it draws people to our hotels and restaurants, giving us the sales tax base to help us and them.

Councilman Moss agrees with this and the Council has been discussing for a while what to do with TIF dollars and she feels this is an appropriate use. They are an economic engine, not just in Eastport, but in other areas of the City as well.

Answer on roll call: Ayes - Moss, Tognarelli, Miller; Nays - Kypta; Absent - None.

3. [Motion to Approve Police Department Reorganization Plan](#)

Motion by Councilman Moss, seconded by Councilman Kypta. Police Chief Van Hook stated that the motion tonight is for a reorganization of the Police Department's command structure. They would like to add a fourth lieutenant spot and remove one of the five sergeant positions. He stated that this will narrow their span of control and will result in a significant savings over the next 10 years. The sergeant spot to be removed is due to the retirement of Sgt. Berger who oversaw the crime free program and has now moved to a civilian position, resulting in savings.

Councilman Moss stated that she understands this will not just garner the savings from moving Sgt. Berger to a civilian position, but also an overall savings to the City. City Manager Williams agreed noting that this plan will create a net savings to the City's General Fund, it is not just saving money in the Police Department to be used somewhere else.

Mayor Miller stated that he asked City Manager Williams and Chief Van Hook what the level of staffing is at the Police Department, administration versus men on the street. He was told by both that the span of control is what is important at the Police Department. This plan would put the lieutenants over two squads which would allow the sergeant to deal with the men on his patrol squad and get to be on the street more often than being in the station doing reports. This will also help to eliminate some overtime. He feels it is a good program.

Answer on roll call: Ayes - Moss, Kypta, Tognarelli, Miller; Nays - None; Absent - None.

4. [Ordinance 4564 for the Tax Levy and Assessment of Taxes for 2012 for the City of Collinsville, Madison and St. Clair Counties, Illinois](#)

Motion by Councilman Kypta, seconded by Councilman Moss. Finance Director Ammann reported that this property tax ordinance is for a levy of \$2,483,000 the same amount it has been

since 2008, this being the fifth consecutive year. Council will remember that the 2012 and 2013 budgets had a 5% increase in both years but with the new cuts made by the City Manager, it has allowed us not to increase the levy. She noted that there has been a slight reallocation of that number between the General Fund and the Police and Fire Pension Funds. The General Fund will see a decrease of almost \$300,000. The Fire Pension Fund will increase by \$247,000 and the Police Pension Fund will increase by \$60,000 - all based on the Department of Insurance requirements.

Councilman Tognarelli asked if any revenue was added to allow for the video gaming revenue. Director Ammann stated that she understands the machines won't be in place for at least a year so she did not revise the numbers. Councilman Moss asked her to give information regarding Collinsville's tax rate as compared to other communities around us. Director Ammann stated that we won't know the actual tax rate until the EAV (Equalized Assessed Valuation) is in for both counties for several more months. This is the 2012 tax levy to be collected in 2013. She noted that the information provided in the Council's agenda packet was the 2011 tax information collected in 2012. That information shows Collinsville's rate at .6687 in St. Clair County and .6652 in Madison County. The only neighbor lower than us is Fairview Heights who does not levy a city property tax. We are lower than all the other nearby communities including Troy, Alton, Highland, Edwardsville, O'Fallon, etc. She talked about what she expects the EAV to do this year stating that she has reviewed the draft numbers put out by Madison County. She expects the EAV to remain stable as Madison County's draft numbers show a decrease of \$1.5 million but offsetting that is new construction in the amount of \$1.7 million.

Councilman Moss stated that we can talk about the rate but what is important is that the City is not levying any more taxes than we have in the last five years. Our levy has remained the same, this being the fifth year in a row. Director Ammann noted that individual taxpayers will see a change based on the evaluation of their properties but agreed that the City has not levied a dollar more in the past five years.

Councilman Tognarelli commended the City Manager and staff noting that there was a 5% property tax increase proposed for the last two years but because of staff's work and the Council's, we have been able to tighten our belts and make sacrifices so as not to raise the levy. He knows that departments are short on staff but everyone is working hard to keep up. He thinks we need to keep up that hard work and keep our noses to the grindstone until economic times change around.

Mayor Miller stated that over the past couple of years, our fund balance has been around 5-6% and by ordinance if it goes below 5%, the City Manager gets questioned as to what he's going to do to fix it. We are going to be much better off with our fund balance this year due to changes that were made by our City Manager. We will see an increase in our fund balance without raising taxes and he congratulated the City Manager.

Answer on roll call: Ayes - Moss, Kypta, Tognarelli, Miller; Nays - None; Absent - None.

5. [Resolution 5039 Providing for Tax Abatement for the General Obligation Refunding Bonds, Series 2012, of the City of Collinsville, Madison and St. Clair Counties, Illinois](#)

Motion by Councilman Tognarelli, seconded by Councilman Kypta. Director Ammann stated that this is a new resolution this year because of the 2012 bonds issued a couple months ago to refinance a portion of the 2006 bonds. Because they were issued as general obligation bonds to secure a lower rate, the counties are required to levy a tax but our intention was not to levy a tax. This resolution abates the property taxes for this issue.

Answer on roll call: Ayes - Moss, Kypta, Tognarelli, Miller; Nays - None; Absent - None.

6. [Resolution 5040 Providing for Tax Abatement for the General Obligation Tax Increment Bonds, Series 2009, of the City of Collinsville, Madison and St. Clair Counties, Illinois](#)

Motion by Councilman Moss, seconded by Councilman Tognarelli. Director Ammann stated the explanation is the same as the last agenda item but this is for the 2009 bonds for the Doubletree Hotel development. Bond payments are being made through by a 1% hotel/motel tax and partially with TIF funds. This resolution abates the property taxes for this issue.

7. [Resolution 5041 Providing for Tax Abatement for the General Obligation Bonds, Series 2007B, of the City of Collinsville, Madison and St. Clair Counties, Illinois](#)

Motion by Councilman Kypta, seconded by Councilman Tognarelli. Director Ammann stated that the 2007B bonds are being paid with TIF revenues and Fournie Lane business district sales tax. This resolution abates the property taxes for this issue.

Answer on roll call: Ayes - Moss, Kypta, Tognarelli, Miller; Nays - None; Absent - None.

8. [Resolution 5042 Providing for Tax Abatement for the General Obligation Bonds, Series 2007A, of the City of Collinsville, Madison and St. Clair Counties, Illinois](#)

Motion by Councilman Moss, seconded by Councilman Tognarelli. Director Ammann stated that the 2007A bonds are being repaid with Collinsville Crossing business district taxes. She noted that the Council has had conversations about this in the past year and the boundaries of the district were expanded effective as of January 1, 2013. This resolution abates the property taxes for this issue.

Answer on roll call: Ayes - Moss, Kypta, Tognarelli, Miller; Nays - None; Absent - None.

9. [Resolution 5043 Providing for Tax Abatement for the General Obligation Bonds, Series 2006, of the City of Collinsville, Madison and St. Clair Counties, Illinois](#)

Motion by Councilman Kypta, seconded by Councilman Moss. Director Ammann stated that the 2006 bonds were for the Sewer Plant expansion. She stated that this is the last year the Council will see this as the remainder will be refinanced in January 2013. Bonds are being paid with water/sewer fees. This resolution abates the property taxes for this issue.

Answer on roll call: Ayes - Moss, Kypta, Tognarelli, Miller; Nays - None; Absent - None.

10. [Resolution 5044 Providing for Tax Abatement for the General Obligation Refunding Bonds \(Alternative Revenue Source\), Series 2003B, of the City of Collinsville, Madison and St. Clair Counties, Illinois](#)

Motion by Councilman Tognarelli, seconded by Councilman Kypta. Director Ammann stated that the 2003B bonds were originally issued in 1991 for the water tower, were refinanced in 1993 and 2003. These bonds will pay off in 2013 from TIF funds. This resolution abates the property taxes for this issue.

Answer on roll call: Ayes - Moss, Kypta, Tognarelli, Miller; Nays - None; Absent - None.

11. [Ordinance 4565 Appointing a Councilman in the City of Collinsville, Illinois](#)

Mayor Miller noted that the Council has been advised that his appointment is Mrs. Joyce Biegert. Motion by Councilman Moss, seconded by Councilman Tognarelli.

Answer on roll call: Ayes - Moss, Kypta, Tognarelli, Miller; Nays - None; Absent - None.

City Clerk Brombolich administered the oath of office to Mrs. Joyce Biegert.

Mayor Miller welcomed Mrs. Biegert to the dais and noted that although it will be a short term, he appreciates her willingness to serve.

OLD BUSINESS

[CLOSED SESSION](#)

Mayor Miller announced a closed session pursuant to 5 ILCS 120/2c1. Motion by Councilman Tognarelli, seconded by Councilman Kypta. Answer on roll call: Ayes - Moss, Kypta, Tognarelli, Biegert, Miller; Nays - None; Absent - None.

[ANNOUNCEMENTS](#)

City Clerk Brombolich announced that the next meeting of the Council will be on January 14, 2013.

[ADJOURNMENT](#)

Motion by Councilman Moss, seconded by Councilman Biegert. Answer on roll call: Ayes - Moss, Kypta, Tognarelli, Biegert, Miller; Nays - None; Absent - None. Time: 8:48 p.m.