

**RANTOUL VILLAGE BOARD OF TRUSTEES
REGULAR STUDY SESSION
FEBRUARY 2, 2010**

LOUIS B. SCHELLING MEMORIAL BOARD ROOM
RANTOUL MUNICIPAL BUILDING, 333 S. TANNER, RANTOUL, IL

A Regular Study Session of the Board of Trustees of the Village of Rantoul was held at 6:15 P.M., President Neal Williams presiding. President Williams called the proceeding to order.

Roll Call

The Clerk called the roll, finding the following members physically present:

President Neal Williams and Trustees Roger Jones, Tony Brown, Margurette Carter, Charles Smith, and Jim Stubblefield – 6.

The following member was found to be absent:

Trustee Joe Bolser – 1.

The following representatives of Village departments were also present:

Bruce W. Sandahl, Administrator; Henry Gamel, Deputy Police Chief; Robert Bruce, Economic Development; Kenneth Beth, Attorney; Scot Brandon, Comptroller; William Clayton, Aviation; Ken Waters, Fire Chief; Rich Thomas, Recreation; David Coffey, Human Resources; Greg Hazel, Public Works Director; Pete Passarelli, Assistant Public Works Director; Mike Loschen, Community Development; Dan Culkin, Inspection; and Village Clerk Jeremy Reale.

Public Participation

Mr. Bill Hunsucker, 602 Briarcliff Drive, addressed the Board with the suggestion that Board members and Village staff speak directly into their microphones because some members in the public gallery were having difficulty hearing questions and comments being made during meetings. After Mr. Hunsucker's remarks, Mr. Reale confirmed that the voices of certain speakers had not been registering on the audio recordings of the meetings, making it virtually impossible to fully transcribe discussions after the fact. He also reminded the members of the public that they needed to speak directly into the freestanding microphones when addressing the Board rather than speaking from their seats in the gallery.

Items from Trustees

(A) Trustee Smith reported that a dip had formed in the road on South Maplewood Drive near the entrance to the Heritage Estates mobile home park and asked if staff was aware of this issue. Mr. Hazel responded that his department was indeed aware of the situation and that the formation of this dip appeared to be a seasonal issue during the past couple of winters. He noted that a sanitary sewer line did cross Maplewood at that location; however, crews had scoped the system with a camera and were unable to locate any voids or loss of materials that would explain the depression. He stated that staff would continue to monitor the area to see if the problem remedies itself during the upcoming spring months.

Special Presentation: Stone Bridge Center Project

Mr. Dan Brewer, Peak Capital Management, addressed the Board on behalf of Stone Bridge Center developer Joe Warner to further clarify the developer's previous request that the Village issue general obligation bonds to finance certain construction and development costs related to the project. He reiterated that the developer was seeking the issuance of \$4.4 million in alternate revenue general obligation bonds with a 20-year amortization, including a stipulation that the debt service on the bonds would be paid from incremental tax revenues generated by the developed commercial parcels in Stone Bridge Center. He stated that the developer had already secured commitments for the construction of a Holiday Inn hotel and a six-store retail strip mall facility, with additional ongoing discussions regarding the possibility of constructing a new assisted living facility on the east side of Murray Road.

He proposed that the developer would meet the following requirements as a condition of the bond issuance:

- Provide binding contracts, including financing commitments, for the construction of the hotel and strip mall facilities;
- Provide the qualified opinion of completed development parcel values from two area commercial real estate brokers;
- Provide and properly value additional collateral in the form of the 100-acre Baker Farm, located directly south of Phase I;
- Provide that the funds would be held in escrow with Attorney Paul Cole, who will verify that work has been completed before releasing the funds according to an established release schedule;
- Create a TIF Release Agreement with the Village whereby the developer would be able to utilize any remaining TIF increment available after the annual bond payments for other reimbursable expenses

Mr. Brewer emphasized that Mr. Warner had embraced the Village's mission of creating additional commercial development in a high visibility area that would improve the Village image and create new employment opportunities. The issuance of bonds would allow the commercial development of this area to begin immediately and thus generate tax revenue without any burdens being placed upon the school systems. He noted that the increment generated by the first two parcels would be expected to quickly cover the bond payments, meaning that the increment on any remaining parcels would generate significant revenue for the Village.

In closing, Mr. Brewer restated the overall request of Mr. Warner to the Village of Rantoul, as follows:

- Authorize the issuance of general obligation bonds contingent upon the completion of the aforementioned developer requirements, stipulating that the developer would cover the costs if he failed to satisfy the requirements;
- Authorize Peak Capital Management and Economic Development Group, Ltd., to coordinate the process, including the engagement of bond counsel agreed upon by all parties involved;
- Authorize pursuit of bond rating for Rantoul for cost of approximately \$5,000.00, as this was expected to generate savings of \$100,000.00 or greater

Following the presentation, the floor was opened to questions and comments from the members of the Board.

Trustee Smith asked Mr. Brewer to explain the total collateral being offered by the developer. In addition to the 100-acre farm property, the 39 acres of the development would be offered as collateral. Mr. Brewer estimated the total value of the parcels in question to be between \$7.5 million and \$8 million.

Trustee Smith stated that he wanted to see development in Rantoul; however, he expressed reservations about proceeding with the risks of a bond issuance process without first having an opportunity to review sufficient information about the developer and the project. To that point, he requested that the Board members be provided with financial statements from the developer, title search records, a business plan, any marketing and feasibility studies, and a succession plan for United Developers. Mr. Brewer agreed to provide this information to the Board prior to any action being taken on the request.

Trustee Carter inquired as to the number of tenant commitments for the retail strip mall. Mr. Brewer stated that he would need to verify the current information with the developer to provide an accurate count; however, he was aware of four previous commitments for the six available storefronts. He also agreed to provide the names of the committed retail tenants to the Board members.

Trustee Smith asked about the legal recourse available to the Village in the event of default. Mr. Beth responded that the Village would be able to foreclose on the mortgage if the developer defaulted; however, he also cautioned that there would be an additional risk of reduced tax increment in the event that any of the commercial enterprises in the development would file for bankruptcy at some point in the future.

Following discussion, the consensus of the Board was to defer any formal action on the developer's request until the members had been given a sufficient amount of time to review the financial information and other materials requested by Trustee Smith.

Items from the Administrator

(A) Mr. Sandahl informed the Board that, in accordance with the findings of the most recent audit of Village operations, a new fraud reporting policy had now been put into place. The policy had been designed to prevent fraud by providing all Village employees with an opportunity to report occurrences or suspected occurrences of fraud without fear of reprisal. Copies of the policy were to be provided to each Village employee, who would then be required to sign an acknowledgement that he/she had received and read the document. Trustee Smith asked if ethics training was being made available to employees on an annual basis. Mr. Coffey responded that all employees, upon hire, were required to review written materials on professional ethics; however, there was no annual training being offered at this time. Trustee Smith suggested that Village officials might want to consider offering such training as a periodic refresher course for its employees.

Monthly Department Reports

1) Police

Deputy Chief Gamel stated that this year would mark the 24th session of the Citizens Police Academy through the University of Illinois, giving residents an excellent opportunity to gain an insight into the workings of local police forces. Sessions would be conducted at the Police Training Institute on Thursday evenings, from 6:00 PM to 9:00 PM, for ten weeks beginning March 4, 2010. He urged any residents that might be interested in participating in the academy to contact either Chief Farber or him for further details about the program. He also introduced Candace Johnson, who would be working for the department as a student intern during the current semester. Ms. Johnson was a senior majoring in sociology at the University of Illinois.

2) Economic Development

Mr. Bruce reported that the department had secured leases for an additional 760 square feet of office space at the Rantoul Business Center during the month of January. The Village had also hosted a new industrial prospect with whom the staff in Economic Development had been closely working during the previous month. Finally, he stated that he had continued to represent the Village at the meetings of the Regional Planning Commission, County Economic Development Commission, and Rantoul Area Chamber of Commerce.

3) Comptroller

Mr. Brandon reported that staff had been occupied with work on the budget for FY 2010-11 during the month of January, including meetings between administration and the various department heads to discuss their respective budget requests on a line item-by-line item basis. He reported that these meetings had resulted in several changes to the proposed budget documents and that, at this point, the majority of the funds appeared to be in solid shape. The one significant exception to that was the Corporate Fund, which would require additional work in order to achieve balance. He informed the Board that staff would be bringing forward a proposal to increase the local sales tax rate as a means of generating additional revenue for the Corporate Fund. This proposal would be considered at the March Study Session. Mr. Brandon also requested that a Special Meeting be called for March 15, 2010 to conduct the annual budget review. Following discussion, the Board members agreed to call the special meeting on the date requested.

4) Inspection

Mr. Culkin reported that seventy-five different contractors had toured the building located at 521 Hartigan Avenue (Building P-16) in advance of the bid closing for the asbestos removal and demolition of the property. The final bid tabulations would be presented for further discussion and consideration later during the study session. He also stated that a new state law regarding the energy code had become effective January 29, 2010 and would significantly affect residential properties. The standards included in the law were designed to promote the use of more energy- and cost efficient materials in residential construction and included restrictions on the types of insulation, windows and doors that could be used in new construction or remodeling.

5) Community Development

Mr. Loschen reported that the Citizens Advisory Committee had met during the month of January to review applications for social services funding in the upcoming CDBG budget. A total of fourteen applications had been received, totaling approximately \$90,000.00 in requested funding for the next budget year. He stated that if the current level of grant funding held steady, the Village would have roughly \$50,000.00 in next year's budget for these social service programs. The Committee would be meeting again on February 18, 2010 to issue a final CDBG budget recommendation for the upcoming cycle. Mr. Loschen also reported that the department presently had six ongoing housing rehabilitation projects. Since the funds allocated to the housing rehabilitation program were nearly depleted, it was unlikely that any additional major projects would be undertaken during the current budget year. Finally, he reported that he had been finalizing two HUD environmental assessment reviews for proposed property acquisitions.

6) Public Works

Mr. Hazel reminded the public that the Village would not be collecting brush during the months of February and March, and those services would not resume until the week of April 5th. During the week of March 29th, the department did plan to conduct a communitywide leaf collection to give residents an opportunity to dispose of any remaining leaves that had not be collected prior to the end of the fall season. He anticipated that this information, including seasonal collection schedules, would be provided to Village residents on door hangers during the month of February. He also reported that staff had participated in a pre-construction meeting with representative from IDOT and Cross Construction regarding the Flessner Avenue resurfacing project. Construction was on schedule to begin April 15, 2010 and be completed no later than June 30, 2010. Mr. Hazel added that the Board would be asked to approve an updated project agreement with IDOT as well as an engineering agreement for the Flessner project at its March meeting. All costs associated with the agreements would be covered by the federal grant.

7) Human Resources

Mr. Coffey reported that the Village had begun its supervisory skills training program which would continue through the month of March. He also stated that the annual performance management and evaluation process for all Village employees would begin during the week of February 8th and continue through April.

8) Recreation

Mr. Thomas reported that the Recreation Department continued to be busy with its winter programs, including youth basketball, dance classes, and Junior/Senior High nights at the Youth Center. He told the Board that Adult Co-Rec Volleyball, which had traditionally been one of the largest programs offered by the department, was experiencing a decline in participation this year. Crews had been occupied with routine maintenance issues in preparation for the upcoming spring season. He noted that the backstop at the RTHS field had been damaged and maintenance personnel were trying to complete the repairs in-house. Finally, Mr. Thomas stated that the Recreation Department would be providing information to residents along with the Public Works door hangers, including spring program schedules and Youth Center information.

9) Fire

Chief Waters reported a total of thirty-six calls during the month of January, including eight calls for carbon monoxide checks. He noted that fifteen of the 36 fire calls had been automatic false alarms, as the cold weather had been affecting heat detectors and causing them to inadvertently activate the alarms.

10) Aviation

Mr. Clayton reported that he had been occupied with several repair issues at the Airport during the previous month, including a problematic motor on the bay door at Hangar No. 2 and some slight damage to the interior walls of the T-Hangar caused by high winds. He also publicly thanked the Central Maintenance Division for handling the repair of the brakes on the Airport jet truck, allowing it to be quickly returned into service. Finally, he told the trustees that he had received a letter from the FAA regarding the ATC tower located in front of Hangar No. 2 and the Village may be required to relocate that tower at some point in the future.

Items from Public Works

(A) Mr. Hazel presented a request for the authorization of an engineering contract with HDC Engineering for the completion of the design work related to the reconstruction of South Murray Road, from the southern entrance drive of the Wal-Mart property to County Road 2900N. He noted that the initial design work had been a component of the Stone Bridge development; however, the Village's receipt of a \$2 million grant for the project had transferred the responsibility for design and construction oversight to the Village. Village officials had negotiated a proposed contract for the completion of the design work with HDC, the firm which had been involved in the initial design phase. By maintaining this consistency with one engineering firm during the design phase, it would allow the construction portion of the project to remain on target for a late summer 2010 start. With a ten-to-twelve month timeframe for construction, it was anticipated that the construction would be completed by autumn 2011. Mr. Hazel requested approval of a contract with HDC for an amount not to exceed \$46,920.00, which would be paid from Village Motor Fuel Tax (MFT) funds. Following discussion, the consensus of the Board was to place this item upon the formal agenda for its regular meeting.

Items from the Comptroller

(A) Mr. Brandon presented three proposed budget amendments related to the Wastewater and TIF Funds. The first amendment would provide for the costs of benefit payout for accrued vacation and sick leave for two employees in the Wastewater Division that would be retiring in April. An amendment was necessary because these retirements had not been anticipated at the time the current budget was adopted in April 2009. He noted that the costs associated with the proposed amendment would be offset in the next budget because one of the positions would not be replaced.

With respect to the TIF Fund, two budget amendments were proposed. The first would cover the Village's receipt of the OEA grant for the consultant services needed to provide a Chanute Business Plan. The second amendment would provide for an additional \$47,000.00 in contributions to the local school districts as a result of TIF property tax revenues being significantly higher than budgeted. Following discussion, the consensus of the Board was to place these items upon the formal agenda for its regular meeting.

Items from Inspection

(A) Mr. Culkin presented a request to authorize the total expenditure of \$222,600.00 for the removal of asbestos and subsequent demolition of the building located at 521 Hartigan Avenue, commonly referred to as "Building P-16". This structure had been condemned as a public safety hazard by the Inspection Department and the owners of the property had been issued notice to demolish. Failure of the owners to demolish the building had entitled the Village, by law, to oversee the demolition and bill the owners for reimbursement of any costs incurred by the Village for the removal of the structure. Bids had been solicited for both asbestos abatement and demolition of the structure, with several vendors submitting bids for the project.

Mr. Culkin reported that Midwest Construction Services, LLC, had submitted the lowest bid of \$118,000.00 for the asbestos removal component of the project. Meuser Construction had provided the low bid of \$94,600.00 for the building demolition. He also stated that staff was recommending an additional \$10,000.00 (5%) be set aside as a project contingency fund to cover any potential unforeseen costs related to the asbestos removal or demolition. Per staff recommendation, the entire building would be removed, including slab and footings. The primary source of funding for the project would be CDBG funds (\$155,000.00), with the remaining balance to be paid from the TIF Fund.

During subsequent discussion on the matter, Trustee Smith inquired as to how this particular building had become a priority for the Village, considering the fact that the approximately \$220,000.00 earmarked for the project could have been put to use to demolish and redevelop Village-owned properties on the former base as a means of driving economic growth and job creation. He sought reassurances for the public that the Village was not frivolously spending money on private buildings to the detriment of its own economic development potential. Mr. Sandahl responded that the building presented an immediate public safety issue that justified the Village taking action to remove the structure. Mr. Culkin added that the structure would only continue to deteriorate if left unaddressed, as sections of the roof and flooring had already begun to collapse and the basement was full of water. He also underscored the seriousness of the public safety threat by noting that the building was unsecured and inspectors had found evidence that children had already been inside the structure.

President Williams noted that the primary source of funding for the demolition of P-16 was CDBG funds and that the redevelopment of the Village-owned properties referenced by Trustee Smith would not likely qualify for use of those funds. Trustee Jones stated that the removal of this structure was essentially a quality of life issue and Trustee Stubblefield noted that the Village, by its inaction, could open itself to potential liability if someone were to be harmed on the property. The members were in general agreement that the public safety aspect of the project outweighed any potential economic benefits of concentrating on the redevelopment of other properties. Following discussion, the consensus of the Board was to place this item upon the formal agenda for its regular meeting.

Items from the Plan Commission

(A) Mr. Mike Daugherty, Chairman, reported that the Plan Commission had met on February 1, 2010 to consider rezoning proposals initiated by both the Village and Mr. Kenneth Roessler with respect to the properties located at 1120 Veterans Parkway and 1126 Country Club Lane, respectively. Both the Village property and the Roessler property (formerly known as the Caddyshack) were currently zoned CR-2 Aviation Support District and the petitioners had requested a change to C-2 General Commercial District. This change was supported by the land use provisions contained in the current Comprehensive Plan. Chairman Daugherty reported that the Commission, upon consideration of the requests, had recommended approval of the change by a vote of five to zero, with one member absent and one member voting "present". Following discussion, the consensus of the Board was to place this item upon the formal agenda for its regular meeting.

Items from Counsel

(A) Mr. Beth presented a series of ordinances related to the adoption of the revised Code of Ordinances for the Village, as prepared by Municipal Code Corporation (MCC) in conjunction with feedback from Village staff. Pursuant to its agreement with MCC, the Village had submitted its 1977 Code and all amending ordinances to the firm for a comprehensive recodification of its ordinances into a new version that would reflect any changes in state and federal laws and incorporate language to bring the code into alignment with current practices of the Village. Representatives from MCC had worked in constant consultation with Mr. Beth and Mr. Reale through several revisions of the document, ultimately resulting in the final proposed 2010 Code now before the Board. Mr. Beth then briefly provided the trustees with an overview of the new code, including the renumbering and consolidation of previous chapters and the new provisions that had been added to align the document with existing practices. He noted that, throughout the code, any provisions that were considered to be duplicative of state statutes had been

removed for simplification purposes. The 2010 Code also included a subject index to provide for ease of reference, considered a significant enhancement from the 1977 Code which lacked any such index.

Mr. Beth stated that he and Mr. Reale had decided during the initial phases of the recodification process to remove all specific references to monetary amounts from the code and replace those references with the general statement that amounts would be determined from time to time by the Board. Rather than listing specific amounts throughout various sections and chapters of the new code, separate ordinances would be adopted by the Board containing single schedules for fines, fees, official compensation and the like. These separate schedules would provide for greater ease of reference and would also make it unnecessary to revise the Code itself each time an adjustment to a specific fee or fine was approved by the Board. As such, four additional ordinances had been prepared to establish schedules for fines, official compensation, license and permit fees and administrative penalties, and rates for utility services. Mr. Beth noted that these proposed schedules would not provide for any changes to existing amounts, except for the increases to liquor license fees recommended by the Liquor Advisory Committee.

Mr. Reale reported that hard copies of the 2010 Code had been distributed to each of the Board members and executive level staff and those copies would be supplemented by MCC on a quarterly basis, per its agreement with the Village. He noted that his office had drafted a code maintenance policy and included a copy as an insert with each code book, adding that each book recipient should review the policy to understand how the books were to be supplemented in the future. MCC would maintain an online version of the 2010 Code through its website, which would be directly linked from the Village's website. After March 1, 2010, when the new code would become effective, the old PDF files of the 1977 Code would be removed from the Village website. Following discussion, the consensus of the Board was to place these items upon the formal agenda for its regular meeting.

Adjournment

There being no further business to come before the Board, President Williams declared the proceeding adjourned.

MEETING ADJOURNED AT 7:58 P.M.

Jeremy A. Reale
Village Clerk

APPROVED MARCH 9, 2010

Neal Williams
Village President

ATTEST:

Jeremy A. Reale
Village Clerk

I, Jeremy A. Reale, Village Clerk of the Village of Rantoul, Illinois, do hereby certify that the foregoing minutes are a true and correct copy of the Regular Meeting of the Board of Trustees held February 9, 2010, as the same appears on the records of the Village now in my custody and keeping.

Jeremy A. Reale
Village Clerk