

**MINUTES OF THE COMMITTEE OF THE WHOLE MEETING OF THE CITY
COUNCIL OF THE CITY OF COLUMBIA, ILLINOIS HELD MONDAY,
FEBRUARY 9, 2015 IN THE COUNCIL ROOM OF CITY HALL**

I. CALL TO ORDER

Chairman Ebersohl called the Committee of the Whole Meeting of the City Council of the City of Columbia, Illinois to order at 7:00 P.M.

Upon Roll Call, the following members were:

Present: Chairman Ebersohl and Committee Members – Aldermen Agne, Niemietz, Huch, Reis and Holtkamp. Mayor Hutchinson was also present.

*Alderman Huch arrived at 7:08 P.M.

Absent: Aldermen Roessler and Mathews.

Quorum Present.

Administrative Staff Present: City Administrator James Morani, City Attorney Terry Bruckert, Building Inspector and Interim Zoning Administrator Justin Osterhage, Interim Director of Public Works Tim Ahrens, Accounting Manager Linda Sharp, Director of Community and Economic Development Paul Ellis and Deputy Clerk Donna Mehaffey.

Guests Present: Mr. J. T. Norville with Midas Hospitality (Hampton Inn) and Mr. Joe Koppeis with Admiral Parkway, Inc. (Fox Run Estates).

Chairman Ebersohl stated the meeting was called for the purpose of discussing: (1) Approval of Minutes from January 26, 2015 Committee of the Whole Meeting; (2) Approval of Minutes from January 26, 2015 Committee of the Whole Meeting – Executive Session; (3) Hotel/Motel Tax Agreement Extension with Midas Hospitality (Hampton Inn); (4) Agreement with Columbia Athletic Association, Columbia Khoury League, and Columbia CUSD #4; (5) Fox Run Estates Preliminary Plat; (6) Proposed Vacation of Thomas Street; (7) Employee Health Insurance Plan; (8) FY 2015-2016 Budget Update; (9) Bond Refinancing Update; (10) Bidding and Contract Procedures (Goods and Services Less than \$20,000); (11) Review of Non-Home Rule Sales Tax Public Information Materials; (12) Other items to be considered or discussed and (13) Executive Session of the Committee of the Whole meeting to discuss Personnel.

II. APPROVAL OF MINUTES – JANUARY 26, 2015 COMMITTEE OF THE WHOLE MEETING

The minutes of the January 26, 2015 Committee of the Whole committee meeting were submitted for approval.

MOTION:

It was moved by Alderman Niemietz and seconded by Alderman Reis, to approve the minutes of the January 26, 2015 Committee of the Whole committee meeting. Upon Roll Call vote, Chairman Ebersohl and Aldermen Agne, Niemietz, Reis and Holtkamp voted yea. **MOTION CARRIED.**

III. APPROVAL OF MINUTES – JANUARY 26, 2015 COMMITTEE OF THE WHOLE MEETING – EXECUTIVE SESSION

The Executive Session minutes of the January 26, 2015 Committee of the Whole committee meeting were submitted for approval.

MOTION:

It was moved by Alderman Reis and seconded by Alderman Niemietz, to approve the Executive Session minutes of the January 26, 2015 Committee of the Whole committee meeting. Upon Roll Call vote, Chairman Ebersohl and Aldermen Agne, Niemietz, Reis and Holtkamp voted yea. **MOTION CARRIED.**

IV. HOTEL/MOTEL TAX AGREEMENT EXTENSION WITH MIDAS HOSPITALITY (HAMPTON INN)

Director of Community and Economic Development Paul Ellis addressed the Mayor and committee on the possible Hotel/Motel Tax Agreement Extension with Midas Hospitality (Hampton Inn). Mr. Ellis reviewed the Hotel Motel Tax in brief (Caps allotment at seven (7) years or \$350,000.00 whichever comes first) and the Hotel and Motel Accommodation Tax Rebate Financing Agreement. Mr. Ellis stated the current agreement is in place until October 2015. Mr. Ellis introduced Mr. J. T. Norville, the managing partner of Midas Hospitality of St. Louis, Missouri (Hampton Inn). Mr. Norville addressed the Mayor and committee providing background information when they first opened (2008); purchased the Hampton Inn (2010) citing the growth in revenues and has relied heavily on the tax rebates (Revenues 2009 = \$900,000.00; 2010 = \$1 Million; 2011 = \$1.1 Million; 2012 = \$1.2 Million; 2013 = \$1.4 Million and 2014 = \$1.5 Million). Mr. Norville added they have one (1) full-time marketing employee to attract business to the hotel and to the City of Columbia. Mr. Norville stated they have already been reimbursed \$180,000.00 through

October 2014 and need to be reimbursed \$170,000.00 to get to the \$350,000.00 cap and requests to extend the agreement past October 2015.

Mr. Ellis recommended the extension of the agreement as a good investment and noted the City has an exemplary relationship with the hotel and Midas Hospitality. (City Attorney Terry Bruckert recommended the term of the agreement be for five (5) years on the agreement with a cap of \$350,000.00). It was the consensus of the Mayor and committee to move forward on the extension agreement. Mr. Ellis will prepare the proposed agreement and bring it back to the council for consideration.

V. AGREEMENT WITH COLUMBIA ATHLETIC ASSOCIATION, COLUMBIA KHOURY LEAGUE, AND COLUMBIA COMMUNITY UNIT SCHOOL DISTRICT NO. 4

This item was tabled.

VI. FOX RUN ESTATES PRELIMINARY PLAT

Building Inspector and Interim Zoning Administrator Justin Osterhage addressed the Mayor and committee on the Fox Run Estates Preliminary Plat. Mr. Osterhage reviewed a letter that he addressed to the Mayor, City Council and Planning Commission with eight (8) items that are areas of concern. There was also a hand out letter (addressing the eight (8) areas of concern) and two (2) not for record Fox Run Estates Preliminary Plats showing lots in the proposed subdivision and drainage from Mr. Joe Koppeis of Admiral Parkway, Inc. Mr. Osterhage and Mr. Koppeis have resolved some of the concerns from a meeting last week.

Item 1 - Mr. Osterhage said Jim Vogt with Heneghan and Associates, P.C. has item 1 – drainage calculations. The developer claimed they had previously been submitted to the City but staff has been unable to locate the files. If they are not located, the developer will direct the engineer to re-submit.

Item 2 - Mr. Osterhage stated lots 30 and 31 on Skyline Drive would need to have a cul-de-sac to provide ample space for emergency and maintenance vehicles to turn around. Mr. Koppeis' letter, Item 2 pointed out that all plans presented to the City for development of the property have never had a cul-de-sac; it would not be practical to build a cul-de-sac for two (2) lots and there is access from Columbia Lakes to the property as well as from Skyline Drive as both lots can connect to City streets. Mr. Koppeis does not plan to build a cul-de-sac. A discussion about installing a hammerhead turnaround (in lieu of a cul-de-sac) at lot 30 was discussed. City Attorney Terry Bruckert said that a variance from the Columbia Subdivision Code would be required for a hammerhead turnaround. Mr. Koppeis

proposes to oil and chip the hammerhead turnaround since Skyline Drive is an oil and chip road. City Administrator James Morani recommended the hammerhead turnaround be constructed of concrete, not of oil and chip.

This item was discussed by all in attendance and everyone was given the opportunity to make comments and offer opinions. After discussion, it was the consensus of the Mayor and committee to recommend the concrete hammerhead turnaround between lots 30 and 31 on Skyline Drive for the proposed Fox Run Estates subdivision.

Item 3 – Mr. Osterhage reviewed drainage concerns on lots 25 and 26. Interim Director of Public Works Tim Ahrens suggested that a drainage clause could be attached to the plat. Mr. Koppeis stated in his letter that he will take whatever is necessary to address the drainage concerns. Mr. Osterhage and Mr. Koppeis will meet on this issue to solve the drainage concerns.

Item 4 – Mr. Osterhage and Mr. Koppeis were in agreement on this item - An easement must be established on the preliminary plat for the addition of a storm culvert located in the area of the rear lots of 25 and 26 of the proposed Fox Run Estates subdivision.

Item 5 – Mr. Osterhage said this was just an observation that the existing sidewalk from lots 7 to 11 of Fox Run Estates should be removed and replaced because of elevation – the elevation of the sidewalk is lower than the elevation of the curbing at approximately one (1) foot as this would produce problems with the proposed driveway development for lots with finished elevations higher than the curb. Mr. Koppeis stated that when Heneghan and Associates were contacted regarding this concern, they stated all sidewalk drainage was acceptable and there is no need to remove the sidewalks. Mr. Koppeis' letter added if the sidewalks need to be replaced for the construction of new homes, the builder would have to comply for the sidewalk once applying for the building permit. Interim Director of Public Works Tim Ahrens suggested that the new home building permit state that the sidewalk be corrected. Mr. Osterhage and Mr. Koppeis will review the lots for the sidewalks.

Item 6 – Mr. Osterhage said excessive pitting on the sidewalks is developing and the elevation of the sidewalk to the curb varies substantially throughout the proposed Fox Run Estates subdivision. Mr. Koppeis agreed the sidewalks have some pitting but were all built to City requirements. The pitting on the sidewalks was discussed. Lakeshore Drive was also discussed since it still has not been accepted by the City.

Item 7 – Mr. Osterhage reviewed Item 7, which was the vertical curb on Lake Shore Drive through the proposed Fox Run Estates subdivision which may cause problems with the development of driveways as each driveway will need to be curb cut and match to the existing sidewalk and curb. Mr. Koppeis' letter referred to Item 5 above.

Item 8 – Mr. Osterhage stated that the Columbia Fire District is requesting two (2) additional fire hydrants for the proposed subdivision between lots 9 and 10 and between lots 34 and 35. Mr. Osterhage added that the submitted plat complies with the City’s Subdivision Code. Mr. Koppeis asked if the City needed the additional fire hydrants and there was a discussion regarding the need for the additional hydrants. It was the consensus of the Mayor and committee that as long as Mr. Koppeis has followed the City’s Subdivision Code for the requirements on the fire hydrants, no additional fire hydrants would be required by the City.

VII. PROPOSED VACATION OF THOMAS STREET

Building Inspector and Interim Zoning Administrator Justin Osterhage addressed the Mayor and committee on the proposed vacation of Thomas Street. Mr. Osterhage stated that the City does not need the street and Interim Director of Public Works Tim Ahrens concurred. Mr. Osterhage added that there are three (3) properties on the street. It was noted that the property owners must pay for preparation of the legal documents and the recording of the ordinance of vacation approved by the City. It was the consensus of the Mayor and committee to move forward with the vacation of the street if/when it is formally requested by the property owners.

Mr. Osterhage added that Mr. Jon Poetker of JLP Construction has filed a request for a front yard variance for 323 Paul Street (change front yard building line from 40 feet to 24 feet) to construct a single family residence. Mr. Osterhage added the proposed residence will have manageable ground at the rear of the home and will not have a deck.

VIII. EMPLOYEE HEALTH INSURANCE PLAN

City Administrator James Morani addressed the Mayor and committee on the employee health insurance plan. Mr. Morani stated that Mayor Hutchinson, Alderman Mark Roessler, Accounting Manager Linda Sharp and himself have been exploring alternative options to the City’s current plan and had met with two insurance broker/consultants. The City currently has the Steelworkers Health and Welfare Fund – Highmark Blue Cross and Blue Shield. Mr. Morani added that the current plan is rich in benefits and that it has administration costs.

City Administrator James Morani introduced Ms. Holley Maher of MRCT (Maher, Rosenheim, Comfort, Tabash) to address the Mayor and committee. Ms. Maher reviewed the MRCT presentation/handout that was distributed. Ms. Maher explained that a solution to the high costs to administer the City’s health insurance is a private exchange vendor (they are the only one in the state of Missouri) which helps employers and employees control health insurance costs. Ms. Maher added that a private exchange is a technology

platform that allows employers to control their benefit costs, allows employers to allow their employees to make choices which may mean better benefits for employees, which may mean lower cost benefits and health savings accounts and tools for them to manage their benefit dollars which can lead to employees to be better consumers of their health insurance. Ms. Maher also stated that MRCT ensures the City is compliant with DOL (Department of Labor), HR (Human Resources), ACA (Affordable Care Act), ERISA (Employee Retirement Income Security Act) and COBRA (Consolidated Omnibus Budget Reconciliation Act) regulations. They also offer smart phone apps and telemedicine service. Ms. Maher explained the City employees would answer medical questions through a HIPPA secure portal (information is stored for five (5) years) and they will then be able to give an accurate rate. Ms. Maher explained the timeline for the process; 30 days for the employees to answer the medical questions on the portal; 30 days for a decision from the City of Columbia, and another 60 days to build the technology to close out the insurance enrollment. Mr. Morani asked if any clients use the SmartBenefits Marketplace and then transition to the private exchange and Ms. Maher said you can start with the traditional limited insurance plan and then move to the private exchange. Mayor Hutchinson stated there is one (1) other company the City is researching. Mr. Morani said the City needs to get a better rate; the plan design needs to be the same and needs to be underwritten first. It was the consensus of the Mayor and committee that Mr. Morani start the process with our current insurance company giving 60 days notice with a letter that we may be possibly changing insurance companies. (Our current health insurance renewal is July 1, 2015.) Mayor Hutchinson added that private exchanges came about from the Affordable Care Act and that private exchanges were previously for large corporations which could give their employees better choices. Mr. Morani added that the City has a benefit-rich insurance plan and if the City does not make any changes to their plan and stays with the same group plan, the City will be taxed 40% for having such a rich plan in the year 2018 (due to the ACA). Mr. Morani believes the City can avoid the “Cadillac” tax by making plan changes, even if it only involves switching the insurance carrier/network while keeping benefit levels the same. Any further plan changes will need to be negotiated with the City’s collective bargaining units.

The Mayor, committee and Mr. Morani thanked Ms. Maher for her presentation.

IX. FY 2015-2016 BUDGET UPDATE

Accounting Manager Linda Sharp gave an update on the fiscal year 2015-2016 budget. Mrs. Sharp stated that the budget forms are due February 13th from the department heads. Mrs. Sharp reviewed the fiscal year 2014-2015 General Fund Receipts Analysis, Ambulance Worksheet - Receipts vs. Disbursements, Ambulance Worksheet – Receipts vs. Disbursements - Equipment Purchases Summary, Sales Tax Receipts Summary, Income

Tax Receipts (and listing payments currently owed to the City by the State), Use Tax Receipts (reflecting monthly use tax receipts), Charter Communications Cable TV Franchise Receipts/ HTC Communications Cable TV Franchise Receipts (reflecting quarterly franchise fees) and Utility Tax Receipts (reflecting monthly utility tax receipts). Mrs. Sharp's presentation included analytical data comparing this year's YTD figures to those of previous years.

Mrs. Sharp noted the total General Fund Receipts collected thru January 2015 were \$4,186,366.16 which is 76.98% percent of the budget collected this fiscal year and last year's fiscal year budget collected was at 75% percent at the same time last year. She added there have not been any money transfers from the Capital Development Fund or the Garbage Fund and this will be evaluated in March if the City needs to make a transfer. On the Ambulance Receipts vs. Disbursements, Mrs. Sharp noted that the Ambulance Department will be getting back pay for salaries since their union contract was settled which will be paid out before the end of February. Regarding the sales tax, Mrs. Sharp predicted conservatively that the sales tax will come in \$20,000.00 over the projection. Mrs. Sharp also stated the Use Tax Receipts analysis for the last three (3) months of the fiscal year would be \$18,000.00 more than projected, the Franchise Tax Receipts are \$7,000.00 over projection, and the Utility Tax Receipts are \$17,500.00 under budget. Mrs. Sharp also reported that at the end of January, the sales tax receipts are only one (1) month behind. Mayor Hutchinson questioned where the 2% over budget was from on the General Fund Receipts Analysis and Mrs. Sharp stated that it was from the increased sales and income tax revenues. It was noted by Chairman Ebersohl and Alderman Niemietz that on the General Fund Receipts Analysis, "Rural Fire" should be changed to "Fire District". Mrs. Sharp also stated that the Bob Brockland GMC sales tax is steadily increasing each month.

X. BOND REFINANCING UPDATE

Accounting Manager Linda Sharp updated the Mayor and committee on the bond refinancing. Mrs. Sharp reported that bond counsel did not need an extra week extension as previously requested and the refinancing will close on Tuesday, February 17, 2015. Mrs. Sharp also added that \$58,000.00 was saved by doing most of the bond refinancing administration work in-house plus the City saved \$497,000.00 in debt refunding over 13 years. She also said that the City received an excellent bid with a good interest rate, and the placement agent, Mr. John Piemonte and his team at Robert W. Baird & Co. did an outstanding job. City Administrator Morani added the bond refinancing went smoothly. Mayor Hutchinson and the committee were extremely satisfied with the refinancing.

XI. BIDDING AND CONTRACT PROCEDURES (GOODS AND SERVICES LESS THAN \$20,000.00)

City Administrator Morani presented the proposed policy for Bidding and Contract Procedures (Goods and Services Less than \$20,000.00) and reminded the Mayor and committee that the Municipal Code was just updated for the bidding and contracts with Ordinance No. 3163 passed and approved February 2, 2015. However, this policy will address purchases of \$10,000.00 to \$20,000.00. Mr. Morani added this will be used as a general guide before bringing bids to the City Council. The policy will have to be adopted by City Council motion. City Attorney Terry Bruckert advised that a policy is much easier to change rather than adopting an ordinance.

It was the consensus of the Mayor and committee to move forward with the policy and it will be on the City Council agenda of Tuesday, February 17, 2015.

XII. REVIEW OF NON-HOME RULE SALES TAX PUBLIC INFORMATION MATERIALS

City Administrator Morani updated the Mayor and committee members on the non-home rule sales tax public information materials (Non-Home Rule Sales Tax Referendum - Frequently Asked Questions, Sales Tax Rates – General Merchandise, and Non-Home Rule Sales Tax Revenue Projections handout.) Mr. Morani presented the sales tax rates for area retailers plus the Non-Home Rule Sales Tax Revenue Projections which went 20 years out (Fiscal Year 2016-2017 to Fiscal Year 2035-2036). Mr. Morani will be posting the basic information to the City’s website and reported that Interim Director of Public Works Tim Ahrens is working on cost estimates for public infrastructure projects which will be ready for the next Committee of the Whole meeting.

XIII. OTHER ITEMS TO BE CONSIDERED OR DISCUSSED

There were no other items to be considered or discussed during regular session of the Committee of the Whole meeting.

XIV. EXECUTIVE SESSION

Chairman Ebersohl entertained a motion to go into Executive Session to discuss Personnel.

MOTION:

It was moved by Alderman Reis and seconded by Alderman Holtkamp to go into Executive Session at 8:58 P.M. to discuss Personnel. Upon Roll Call vote, Chairman Ebersohl and Aldermen Agne, Niemietz, Huch, Reis and Holtkamp voted yea. **MOTION CARRIED.**

XV. REGULAR SESSION

MOTION:

It was moved by Alderman Niemietz and seconded by Alderman Holtkamp to return to the Regular Session of the Committee of the Whole Meeting at 9:00 P.M. Upon Roll Call vote, Chairman Ebersohl and Aldermen Agne, Niemietz, Huch, Reis and Holtkamp voted yea. **MOTION CARRIED.**

Upon return to the Regular Session of the Committee of the Whole Meeting, Mayor Hutchinson and the following Committee Members were present: Chairman Ebersohl and Aldermen Agne, Niemietz, Huch, Reis and Holtkamp.

Chairman Ebersohl asked if there was any action to be taken as a result of the Executive Session of the Committee of the Whole Meeting. There was none.

XVI. ADJOURNMENT

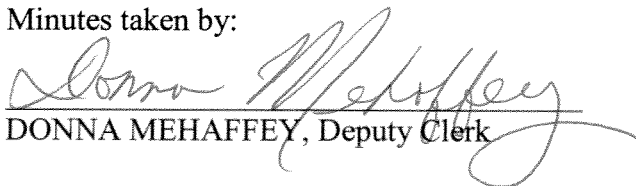
MOTION:

It was moved by Alderman Huch and seconded by Alderman Reis to adjourn the Committee of the Whole Meeting of the City Council of the City of Columbia, Illinois held Monday, February 9, 2015 at 9:01 P.M. Upon voice vote, Chairman Ebersohl and Aldermen Agne, Niemietz, Huch, Reis and Holtkamp voted yea. **MOTION CARRIED.**



GENE EBERSOHL, Chairman
COMMITTEE OF THE WHOLE

Minutes taken by:



DONNA MEHAFFEY, Deputy Clerk