

VILLAGE OF BISMARCK
County of Vermilion, State of Illinois
Minutes of Special Board Meeting, May 30, 2019

1. At 6:32 p.m. in the Village office located at 106 E. Holloway, Bismarck, Illinois, President Brown opened the meeting with the Pledge of Allegiance. Roll call was taken by the Clerk. Board members present were Trustees Jane Cress, Terry Light, Kris Kizer, Mary Potter, President Mike Brown and Clerk Valerie Moss. A quorum was established. Trustees Sheila Switzer arrived at approximately 6:54 p.m. and Karel Volpert arrived at approximately 6:58 p.m. Treasurer Eric Nesbitt was absent. Guests present included Engineer Sam Cole (arrived at 6:45 p.m.), Brandye Kizer, Derek Heidrick and Lindsay Heidrick.
2. On a motion by Trustee Light and a second by Trustee Cress, the agenda was amended to move topics of discussion that involve Derek Heidrick of Heidrick Excavating & Septic to the beginning of the meeting. The motion passed by acclamation. On a motion by Trustee Light and a second by Trustee Kizer, the agenda was approved as amended. The motion passed by acclamation.
3. Derek Heidrick of Heidrick Excavating & Septic delivered an estimate for:
 - a. installation of 300' of 6" dual wall tile in alley and make any tile connections found - \$2,700
 - b. expose hole in Center Street that is blowing water out on road - \$800

Derek explained that 300' of tile would run from approximately the garage of Kris and Brandye Kizer on Myers Street to Center Street, across the road and be hooked up to a good tile. Derek will check down the alley to make sure it is clear of utilities. The Village will take care of the pipe from down the alley to where the Kizers live. The estimate also includes fixing the hole in the middle of Center Street, right south of South Street, that is blowing the water into the roadway when it rains and needs repaired. Trustee Potter explained that the hole is getting worse every day. Trustee Cress made a motion with a second by Trustee Potter to approve the estimate provided by Derek Heidrick and to begin the work. Roll Call Vote: Jane Cress – yes, Terry Light – yes, Kris Kizer – yes, Mary Potter – yes, Karel Volpert – absent, Sheila Switzer – absent. The motion carried.

4. Meeting attendees discussed that there was some confusion with the start time of the meeting being at 7:00 p.m. instead of 6:30 p.m. The Clerk made a phone call to Engineer Cole to confirm his attendance at the meeting. Sam arrived momentarily, also believing that the meeting was to start at 7:00 p.m.
5. On a motion by Trustee Cress and a second by Trustee Kizer the Budget and Appropriation Ordinance No. 2019-4-16.1 was amended to correct the line item amounts for the annual salaries of the President - \$3,600, Treasurer - \$2,400 and Clerk - \$2,400.

Roll Call Vote: Jane Cress – yes, Terry Light – yes, Kris Kizer – yes, Mary Potter – yes, Karel Volpert – absent, Sheila Switzer – absent. The motion carried. The revised Budget and Appropriation Ordinance was executed.

6. President Brown and Engineer Cole reported about their meeting with Village Attorney Steve Miller. It was understood that Attorney Miller could not justify approving the loan for the Village as he was uncertain exactly what Co-Bank was requesting from him. There is a question about what is being pledged. He is uncertain if the bank is asking him to make a statement that the Village is authorized to borrow the money or is the statement regarding pledging stormwater revenues. As a non-home rule community, there are no statutes that state you can pledge stormwater revenues for a loan. In order to get a drainage project underway, other options were discussed and Engineer Cole suggested some different ideas to Attorney Miller in order to generate money for the Village. One of the most viable options is to approach the project as a Special Service Area (SSA), where every landowner in the Village is assessed a fee through their real estate tax bill. It appears that the SSA statute allows stormwater revenue to be pledged for loans. If a SSA were to work, the fee would be collected automatically through Vermilion County property taxes and then issued in a check to the Village. The Village would then not acquire any billing and collection fees. Between past research and input, this route was not pursued in the past because there is a limit on the amount you can tax through property taxes, perhaps 0.2% of the value, which the money needed for the project is in excess of that. The SSA approach also misses collection from schools and churches as they do not pay real estate taxes. We are now looking at charging the schools and churches a much smaller amount than we were initially. It is now believed there is no limit on how much we can charge through the SSA. In order to go through with a loan for the project, revenue will be required. The Village could begin to collect the stormwater fee that was already passed by ordinance. Attorney Miller will revise the per residence fee to \$35 from \$25 and remove the association with Bismarck Water when it comes to billing and collection. That can be set into motion right now. Attorney Miller does not believe that we have the ability to borrow against that revenue for the time being. In addition to looking implementation of a SSA, we also should look at where our current revenue is coming from such as, TIF, telecommunications tax, property taxes. Some or all of that revenue could be pledged for a loan for the stormwater drainage project. These revenues would need to be discussed with Treasurer Nesbitt to determine if there is enough revenue to suffice the loan agreement. Engineer Cole believes that if the SSA is a viable option, we could use the two in tandem – pledge the dollars related to the SSA for the loan but then keep the drainage fee for long term maintenance or something similar. It would be the equivalent of a flat tax versus a progressive tax. The drainage fee would be charged evenly across the board but the property tax would be based on property value and would not be the same fee per residence. Considering the wettest parts of the Village, it seems the lower value homes would benefit the most from the project but will wind up paying the least because of their property assessment values if paid through the SSA. Perhaps we could minimize the SSA route but collect the two together. There would be 2 different mechanisms

to fund drainage projects. You have to have revenue that can be pledged on the loan to do a project. Collect what we can for that route and then make up the difference with stormwater fees collected that would pay for upgrades and maintenance, set-a-side, etc. The churches and schools, and other tax exempt bodies, would be collected through the fees collected on our own and not through the SSA. There may be a possibility that a flat fee per residence could be collected through SSA but that's something that Attorney Miller will research. Perhaps this is SSA option is a route that our Attorney had not thought of or pursued in the past. Trustee Potter feels like residents would be paying for the project twice. It is not the Village's intent to have residents pay more than \$35 per month. Having all fees collected through SSA would eliminate collection fees on our own/through a billing/collection provider. It is believed that the billing process can end at any time according to Doug Ahrens with the Danville Sanitary District.

SSA language is very broad what it can be used for, including stormwater. Trustees are to provide their questions directly to Attorney Miller via email so that he can perform research and attend our next meeting to answer the questions.

Engineer Cole spoke with Logan Cronk, Rural Community Development Coordinator, with Vermilion Advantage, who has been helping the Village coordinate with Co-Bank. Co-Bank requested an update on the Village's status. Logan was going to pass the SSA option onto the County, giving the County the authority to impose the tax anywhere in the county where it's unincorporated. The County's legal team will research this option as well. The Village could wait for the County to do the research and follow up with them.

Engineer Cole believes that a SSA is created by filing a petition, perform a hearing, and if at the hearing there is not a petition signed by 51% or more of the Village landowners, then it passes and we would have a SSA essentially. It's not a complicated process as long as it's found to be legally acceptable.

Engineer Cole provided the Board with figures that were generated since the last meeting. The table reflects \$35 per household for single family residents. The school would pay the base fee of \$35 plus anything over 5,000 sq ft (they were charged a rate of \$2.50 per/5,000 sq ft) was bumped to \$3.50 just for an idea of what the overall revenue would be for the new amounts. This does not include the new homes being constructed on Crystal Lane which would generate additional revenue. Trustee Cress Engineer Cole for preparing the updated spreadsheet. The Board should review the list and see if they can think of anyone or commercial property that is missing. When we get to the point of sending out bills, we'll need to make sure that the listing is accurate.

Attorney Steve Miller will revise Ordinance No. 2018-5-15b for Stormwater Utility Fees to edit the monthly fee amount collected from Village landowners and to amend the paragraphs regarding an Agreement with the Bismarck Community Water District to whoever is decided to provide the billing and collection services or general terms.

7. **House Bill 0825**, which would allow stormwater drainage fees to be collected through real estate taxes by the County for non-home rule municipalities, has lost support and the bill has been dropped by its sponsor. There are provisions in the statutes for sanitary systems and water systems but no specific language for stormwater. This bill was pushed heavily by State Representative, Mike Marron, because of drainage problems within the county. Marron, recognized as being part of the minority party, realized that it wasn't going to go anywhere and looked to a democrat up north to sponsor it. Thinking it would be a good idea, someone then spun it as a tax on rain, turning it into something negative and it was dropped. The Illinois Municipal League believes that it will not proceed in the near future.
8. **Grant Update** - President Brown has been working with Josh Hedstrum of the Illinois Department of Commerce and Economic Opportunity for the \$10,000 grant for drainage improvements in Vermilion County which would be allocated towards easement acquisitions. The grant is still available. President Brown recreated the government SAM account and took care of some other accounts that had not been updated for quite a while. Records were relating back to an old location of the Village office at 204 S Chicago Ave which caused some issues. After information and a notarized document was provided, a new profile was established which was necessary in order to finish the grant application. President Brown also recreated a new DUNS number after it was determined that ours was in a dormant status. The DUNS number is a number that all projects are related to. All of the requested information was provided to Josh Hedstrum by the deadline.
9. **New Ordinance Violations** – Village resident, Jack Luttrell, submitted a verbal complaint to Trustee Cress regarding the tall grass in the ditch of his neighbor, Jeff Beukleman, residing at 20 Franklin. Trustees discussed that with a ditch full of water, it's hard to mow and that the resident typically mows the ditch. The yard has been mowed. Between the extremely wet spring weather and Mr. Beukleman's busy schedule as a teacher at the end of the school year, he has been unable to mow the ditch. Trustees agreed to have Trustee Cress make contact with Mr. Beukelman to see if he needs assistance with mowing the ditch or otherwise ask him to get it mowed within a week or so. Trustee Cress is to report back to President Brown directly.

Maintenance personnel, Dan Wright, generated a complaint through Trustee Potter, supplying photos, regarding an inoperable truck with expired license plates, broken window glass, old tires and lumber laying behind the Zaborsky property, owned by John Brain. Trustee Potter recommended that the glass be removed. Neighbors with small grandchildren could wind up on the property and get cut by the glass. The truck is hid from the general view but technically it should be removed as well. Trustees directed Clerk Moss to send a letter to John Brain regarding the violations.

President Brown informed the Board that Clerk Moss will be working on other items within the office and that he will receive the complaints now. Ordinance violations should be reported

on the new complaint form and placed into his box unless it's an emergency situation which results in immediate direct contact.

10. The Travel Reimbursement Ordinance was reviewed and discussed by the Board. The ordinance was provided by the Illinois Municipal League through their website. A maximum amount of expenditures must be set by the board and referenced in the ordinance. After discussion it was decided that the Village attorney should be consulted to see what amount he feels is reasonable. This topic was tabled to a future meeting on a motion by Terry Light, seconded by Mary Potter. The motion passed by acclamation.
11. President Brown believes the Board should look into disaster recovery and feels that the one storm siren we currently have is not enough to reach all Village residents. It was suggested that he contact Ted Fisher and see if we have any options.
12. Cleanup Day procedures were reviewed by the Board. Trustee Cress shared that three people have called asking for pickup assistance. Sheila Switzer has coordinated pickup with one resident while Trustee Cress and her brother, Jim Potter, will take care of the others. President Brown and Trustee Kizer will also be available to offer pickup assistance with a truck and a trailer. A couple of students may be available to help along with Mr. Beukelman. Trustee Volpert will assist with the collection of money.
13. **Adjournment** – With no further business to come before the Board at this time, on a motion by Terry Light, seconded by Mary Potter, the meeting was adjourned at 8:01 p.m.

Respectfully Submitted,
Valerie Moss, Clerk

APPROVED: 6/18/2019