

**VILLAGE OF BISMARCK**  
County of Vermilion, State of Illinois  
Minutes of Regular Board Meeting, June 18, 2019

1. At 6:30 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 Terry Light, Karel Volpert, Kris Kizer, Jane Cress, Sheila Switzer, Mary Potter, President Mike Brown and Clerk Valerie Moss. Treasurer Eric Nesbitt was absent. A quorum was established. Guests present included Phil McDonald, Amanda Potter, Sam Cole, Gail Defenbaugh, Melissa Dawson, Sandra Downing and Village Attorney, Steve Miller.
  
2. **Approval of the Agenda for June 18, 2019** – On a Motion by Karel Volpert, seconded by Terry Light, the agenda was approved as amended to include the following:
  - a. Add Ordinance Violation Update – 300 Maiden Lane (Pundt)
  - b. Add New Business – placement of pop vending machine at 8 W. Holloway
  - c. Add time and place for special meeting – July 7, 2019 at 2:00 p.m.
  - d. Reschedule next regular meeting to July 23, 2019 at 6:30 p.m.
  
3. **General discussion with Village Attorney Steve Miller regarding the stormwater drainage project and implementation of a Special Service Area (SSA) and other miscellaneous matters:**

A SSA is authorized by the statutes of the State of Illinois to perform governmental services for either a county or a municipality. The municipality can go outside its territorial limits and include property not in its territorial boundaries. A municipality can propose the boundaries, functions, tax rate, must conduct a public hearing on the proposal. Anyone who lives in or owns property can attend hearing and be heard. If 51% of the owners object to the formation of the SSA, that is the end. If they do not have 51% of objectors, it's up to the municipality to decide whether to proceed, not subject to referendum. Tax that a special service can issue is called a real estate tax, based upon the assessed value minus any exemptions taken times the rate approved by the municipal government running the SSA. Those revenues can be pledged as collateral and fund bonds/promissory notes. There must be a hearing on the issuance of bonds, the dollar amount, etc. It gives a lot of control to the municipality to be able to levy a tax without a public referendum. The disadvantage is that tax owner's property which are tax exempt are not charged such as the Bismarck Community Fire Protection District, township and school district are not subject to paying real estate taxes, they are recipients. Perhaps a "hybrid" SSA and the independent implementation of a storm water fee (to those who don't pay real estate taxes) could serve as the revenue for operating expenses and SSA tax which funds the bond. Perhaps a direct contract with the school district in the form of a multi-governmental agreement could be entered into for a stormwater drainage fee.

The stormwater utility fee cannot serve as a basis for the bonds to satisfy the lender's request because of Dillon's Rule – a requirement that there has to be an express authorization for a fee to be collected by legislative enactment before that can serve as a funding mechanism for a bond. In the State of Illinois home rule units have the authority to do that but non-home rule MUST have legislative enactment, such as Bismarck. It's a serious lacking we have in our state statute that little municipalities don't have authority to levy a fee. Attorney Miller doesn't feel comfortable signing the lender's statement to borrow such a large amount of money because he knows the Village doesn't have legislative authority to do borrow funds and use the stormwater drainage fees collected as collateral. Ken Beth, bond attorney in Champaign, concurred with Attorney Miller's decision and would also not feel comfortable signing an opinion letter provided by Co-Bank.

The Village of Bismarck can borrow against the SSA revenue. Attorney Miller is unsure if there is a maximum debt percentage. The only thing for the court to decide is whether someone is receiving services and can be disconnected.

A flat fee per landowner cannot be administered for the SSA. The fee must be based on a percentage rate which the County Treasurer collects through annual real estate tax bills. Tax exempt entities do not pay real estate taxes and therefore would not pay any fees administered under the SSA. There is no limit to the amount that can be collected.

The process to implement a SSA include filing of petition by a landowner or suggested by a Board. Filing a notice published in the newspaper and sending notice by mail to every property owner in the Village limits. The Village is the ultimate enforcer. We can appointment a commission to run for us but we are the ultimate authority. Notice must be given in the newspaper at least 45 days, or 60. It could take 3-5 months to implement a SSA if done perfectly. Every parcel must be identified individually by the Village which could be time consuming. A list can be obtained from the County Clerk's office.

Attorney Miller estimates that the legal fees will range from \$3,000 to \$5,000 for his representation to initiate a SSA.

A SSA will be part of annual audited accounts but typically there are no other operating expenses, no annual filings and no review meeting. Revenue collected through SSA would be part of our regular municipal levy.

To obtain 51% of support from landowners, must be obtained by petition, or vice versa to show no support.

The Village has roughly \$4.3 million of equalized assessed valuation as of 2017. It is probably up to \$4.5 million for 2018. Our corporate rate which we levied in the sum of \$12,000 – ended up 27.76 cents per \$100 equalized assessed value (EAV) which produced an extension figure of \$12,773.29. So if everyone pays their tax bill, the Village gets \$12,000 due to rounding. If we were to double that, \$12,000 for the levy associated with the SSA, that would be roughly 54.42 cents per \$100 dollar of EAV.

The funds collected for the SSA through the County Treasurer's Office would show up on the tax bill under a separate line. The worst drawback is that it doesn't include other entities of government.

Once the project is paid for, the SSA tax collected would continue to pay for maintenance etc. However, it could end depending on the desire of the Board. That detail is worked out in the Board's proposal. We need to decide: The Village of Bismarck wants to raise \$\_\_\_\_\_ for this \$\_\_\_\_\_ amount of debt to pay for \_\_\_\_\_ this project.

The board has to decide what the community will support and needs 51% support to continue with SSA.

The stormwater/surface water problem is not the same as the sanitary sewer problems that exist. One can affect the other but they are two separate areas. The money collected for the stormwater drainage project is not to be used to pay for the septic/sewer issue. Many septic problems exist in the Village. We are concerned. But we are more concerned about the stormwater drainage problem at this time from the governmental standpoint.

The Village can borrow \$1 million IF we can generate enough tax dollars to cover it. If the Village cannot generate enough revenue through the SSA tax rate to pay for the loan, we cannot proceed with that option. We would need to collect roughly \$88,000 a year to pay off a \$1 million loan. Which means that the tax rate for the SSA would be big. We need to pass a SSA rate that the Village landowners will support.

There is no cap on the SSA rate we can charge. The general levy has a rate limit of \$0.25 on \$100 EAV is the maximum the Village can collect which is the maximum the state statutes will let municipalities collect. There is no limitation on SSA. For example, on \$10,000, \$1.00 would get us \$40,000, but we need \$88,000. \$2.00 per \$100 would get us \$80,000.

Sam Cole remembered from previous surveys that at least 85% supported a stormwater utility fee at a rate between \$30-\$40 per month.

Attorney Miller did confirm that Attorney Dave Wesner is still involved with night court procedures. Attorney Wesner is practicing out of the Acton & Snyder Law Firm and can be contacted there as well.

Attorney Miller recommended that the maximum allowable rate per day of \$300 be implemented into the Travel Reimbursement Ordinance that will be passed at an upcoming meeting.

On a motion by Terry Light and a second by Mary Potter an Ordinance Amending the Stormwater Utility Ordinance number 2018-5-15b was passed as Ordinance No. 2019-6-18.1. Revisions included removing Bismarck Water District as collector of stormwater drainage fees and an agreement for billing with an entity, governmental or otherwise was implemented.

Roll Call Vote: Jane Cress - Yea Terry Light - Yea Kris Kizer - Yea  
Mary Potter - Yea Karel Volpert - Yea Sheila Switzer - Yea

The motion passed with 6 yeas, 0 nays and 0 absent.

#### 4. Public Comments / Questions –

Melissa Dawson and Sandra Downing reported about their inability to mow 10 Prairie due to extreme wetness from stormwater drainage and septic issues. They described the consistency of the dark matter that consumes more than half of their back yard. Amanda Potter reported that her son has treaded in raw sewage in her yard because of sewer issues in the past. Terry Light suggested the matter is a water weed, a type of algae perhaps. Ms. Dawson and Ms. Downing inquired about the areas of interest for the stormwater drainage project. Engineer Sam Cole offered to meet with them privately to bring them up to date regarding Village issues. Mayor Brown assured them that he is working diligently to try to find a solution to get the water off the ground. When questioning about having their matter tested for bio-hazard, Sam referred them to the County Health Department.

Amanda Potter questioned whether anyone has contacted the EPA regarding the sewer issues and suggested it be done. Mayor Brown responded that he has not however, the EPA is aware of our issues. Sam Cole responded that the EPA is well aware of our issues within the Village and have probably lost hope in the Village being able to initiate a sewer system. More than likely, eventually landowners will be held accountable for their own septic issues.

Gail Defenbaugh read notes prepared by her husband Scott Defenbaugh, who could not attend the meeting, pertaining to cattle (owned by Derek Heidrick) that were grazing the land at 316 Wilson Lane owned by Ann Dicken. Scott contacted the village office on 6/24/18 and left a message for then President, Greg Lewis. Scott stated on the voicemail that the property was not going to be used in accordance with the Village zoning ordinance. The cattle were

placed on the land in July. Scott placed another call to Greg Lewis and stated that since livestock had been removed from the property, they could not be allowed to return. The Defenbaughs believe it had been approximately two to three years since there had been livestock on the property. The main complaint is the nuisance of insects and horse flies and the mess they make on their home and vehicles. The Village Board gave approval at the July 2018 meeting to allow livestock to return to the pasture despite known opposition from neighbors. The Defenbaughs contacted Attorney Chuck Mockbee, IV who believes the Village failed to follow the Zoning Ordinance, page 44 specifically. The Defenbaughs are asking the Board to reconsider their decision. Village Attorney Steve Miller said that he agrees with the interpretation of the Zoning Ordinance by Attorney Mockbee. Upon review of the Zoning Ordinance, Attorney Miller recommends that the Board reconsider their decision. Trustee Mary Potter explained that there were two zoning ordinance books floating around the office and she believed the decision was based upon the verbage of the incorrect ordinance. Mayor Mike would like to discuss the matter further with the Board and put it on the agenda to be voted upon during a future meeting.

5. **President's Comments** – President Brown thanked Attorney Steve Miller for attending the meeting and sharing his expertise on the topics at hand.
6. **Approval of minutes** – Karel Volpert made the motion to approve the minutes of the regular meeting on May 21, 2019 as amended with a second by Terry Light. Terry Light made the motion to approve the minutes of the special meeting on May 30, 2019 with a second by Karel Volpert. Both motions passed by acclamation.
7. **Treasurer's Report** – Eric Nesbitt has resigned as Treasurer. President Brown reported that Attorney Steve Miller advised that the Clerk and the Treasurer can be one and the same person for our Board. On a motion by Jane Cress, seconded by Sheila Switzer, Valerie Moss was appointed as Treasurer, and is to remain as appointed Clerk, receiving \$200 per month for Treasurer duties and \$200 per month for Clerk duties.

Roll Call Vote: Jane Cress - Yea Terry Light - Yea Kris Kizer - Yea  
 Mary Potter - Yea Karel Volpert - Yea Sheila Switzer - Yea

The motion passed with 6 yeas, 0 nays and 0 absent.

Valerie Moss reported that the new debit cards were issued to withdrawal funds from the TIF checking account and not from the New General Fund Checking. Trustee Sheila Switzer agreed to follow up with Old National Bank to correct the matter.

Instead of paying an annual fee for a safe deposit box at the bank, perhaps a safe could be purchased for use within the office.

**8. Clerk's Report** – Valerie Moss presented the following:

**a. Upcoming Events in the Village:**

- i. IML Newly Elected Officials Seminar, June 20<sup>th</sup>, Parkland, Champaign
- ii. State Representative Tom Bennett Constituent Meeting June 20<sup>th</sup>, 5:25 p.m. Hoopeston City Hall
- iii. BCFPD 3<sup>rd</sup> Annual Fire & Ice, June 22<sup>nd</sup> 1 – 5pm
- iv. Bismarck Men's Club Raffle 50/50 drawing and Fireworks June 22<sup>nd</sup>, dusk
- v. Lake Vermilion Water Quality Coalition Meeting, June 27<sup>th</sup>, 8:30 a.m.
- vi. Bismarck Men's Club Golf Outing July 27<sup>th</sup>, 1:00 p.m.

**9. Reports of Committees and Assignments** –

**a. Public Works** –

- i. President Brown will meet with maintenance personnel, Dan Wright, June 19<sup>th</sup> to discuss current projects
- ii. The electrical issue in the maintenance garage has been fixed

**b. Budget and Finance** – None

**c. Health and Safety** –

- i. Valerie and Trustee Jane Cress reported that Cleanup Day on June 1<sup>st</sup> had a lot of participation and resulted in two full loads to be dumped. There were approximately 30 participants over an extended amount of time past what was scheduled. There were people seeking help that we were unable to get to. Total funds collected in the amount of \$390. Suggestions were made to improve the project in future years.
- ii. **Ordinance Violation Updates:**
  1. 12 Meyer (Huls & Hodshire) - excessive trash, toys and debris. It appears some improvement has been made. Another notice will be sent allowing 15 additional days before pursuing night court procedures.
  2. 9 W. South Street (Moore & Stark) - excessive trash, toys, debris and lawn tractors. Some improvement has been made. Another notice will be sent allowing 15 additional days before pursuing night court procedures.
  3. 525 S. Chicago (Moss) - downed tree limbs, brush and excessive weeds. Another notice will be sent allowing 15 additional days before pursuing night court procedures.

4. 12 E. South Street (Overmier) – inoperable/untagged vehicle. Another notice will be sent allowing 15 additional days before pursuing night court procedures if the car remains.
5. 106 W. South Street (Vecellio, Gary) – inoperable/untagged vehicle. The vehicle has been removed from the premises. Weeds and tall grass remain. Another letter will be sent.
6. 423 S. Chicago Avenue (Vecellio, Gene & Gary) - dilapidated mobile home skirting. Attorney Steve Miller needs to be contacted to see if we can request the mobile home be removed from the premises since no one lives in it.
7. 10 Prairie (Dawson) – tall grass, excessive weeds has been mowed to the extent that it can be considering the wet yard.
8. 17234 E 2750 North Road (Blythe) – tall grass, excessive weeds. The yard has been mowed but the ditches have not been mowed. Landowners have expressed they are seeking help. The Board will reach out to see if anyone can be of assistance to the landowners.
9. 9 S. Market Street (Brain) – inoperable/untagged vehicle, broken glass, junk. Landowner has been cleaning up. President Mike Brown will inspect.
10. 300 Maiden Lane (Pundt) – Valerie read an update from landowner. Satisfactory effort is being made.

iii. **New Ordinance Violations:**

1. 4 Myers (Masonic Lodge) tall grass, excessive weeds, which has since been mowed.
2. 104 Wilson (Jim & Wynne Steinbaugh) car with possible expired tags
3. 206 W. Holloway (Mike Vice), Amanda Potter reported problems with raccoons and babies in the attic, streaming debris into the yards of neighbors. Trustee Terry Light will provide contact information for rodent exterminators and a follow-up letter should be sent.

d. **Keep Bismarck Beautiful (KBB)** – Karel Volpert reported that the wives of the Bismarck Men’s Club planted flowers in the entrance beds which look really nice. Teresa Spicer has been thanked. Soon the Keep Bismarck Beautiful program will begin. Judges will nominate homes, place signs and deliver certificates to “winners”. Karel will talk with John Bodensteiner about the flower bed at the Lion’s Club park since it is their responsibility. The flower pots around the Village look great and are being watered by Dan Wright. President Brown will follow-up with Dan to make sure he knows exactly what he should be watering.

e. **Tax Increment Financing (TIF)** – None

**f. Municipal Projects (Roads, Drainage, other improvements) –**

- i. No updates from Derek Heidrick as it has been too wet to work on any projects.
- ii. President Mike Brown is working on GATA Quarterly Reporting

**g. Permits –**

- i. T. J. Ribbe – new inground pool
- ii. Bill Powell – Powell Fencing, Virginia drive fence project
- iii. G Street – deck. Permit not necessary. Replacement of previous deck
- iv. Masonic Lodge – yard shed might be built but not on a concrete foundation.
- v. Jim Steinbaugh – possible new driveway which will require a permit. Trustee Sheila Switzer expressed opposition to the project as she and her husband are neighbors.

**10. Old Business –**

- a. Golf cart permit reminders were sent out by Mary Potter
- b. The Travel Reimbursement Ordinance will be passed during a future meeting.

**11. New Business –**

- a. Kris Kizer reported that he worked with Ameren to erect a new light at his residence at his expense
- b. Valerie reported that CPA Ed Ryan provided a proposal for accounting and auditing services for \$1,500 which has been the same amount in years past.
- c. Josh Edwards has request for placement of pop vending machine at 8 W. Holloway. After discussion by the Board, President Brown will inform Josh that he can place a pop vending machine on the property.

**12. Executive Session/Closed Session – None**

**13. Date and Time of Next Meeting** – The next regular meeting of the Bismarck Village Board will be held at the Village Office in Bismarck, Illinois, at 6:30 p.m. on July 23, 2019. A special meeting will be held at the Village Office in Bismarck, Illinois, at 2:00 p.m. on July 7, 2019.

**14. Adjournment** – With no further business to come before the Board at this time, upon motion by Mary Potter, seconded by Terry Light, the meeting was adjourned at 9:33 p.m. The motion passed by acclamation.

Respectfully Submitted,  
Valerie Moss, Clerk

**APPROVED JULY 23, 2019**