
SYCAMORE CITY COUNCIL – REGULAR MEETING
MINUTES OF August 5, 2019

ROLL CALL

Mayor Lang called the meeting to order at 7:00 p.m. and City Clerk Mary Kalk called the roll. Those Alderpersons present were: Alan Bauer, Steve Braser, Nancy Copple, Josh Huseman, Rick Kramer, Pete Paulsen, Virginia Sherrod, and Chuck Stowe. City Attorney Keith Foster was also present.

INVOCATION – Marge Clements, Crossroads Community Church, gave the invocation.

PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

MOTION

Alderperson Kramer moved to approve the agenda and Alderperson Sherrod seconded the motion.

VOICE VOTE

Mayor Lang called for a voice vote to approve the motion. All Alderpersons voted aye. Motion carried 8-0.

APPOINTMENTS

AUDIENCE TO VISITORS – None

CONSENT AGENDA

- A. Approval of the Minutes for the Regular City Council Meeting of July 15, 2019.
- B. Payment of the Bills for August 5, 2019 in the amount of \$2,372,572.30.

MOTION

Alderperson Bauer moved to approve the Consent Agenda and Alderperson Stowe seconded the motion.

ROLL CALL VOTE

Mayor Lang called for a roll call vote to approve the motion. Alderpersons Bauer, Braser, Copple, Huseman, Kramer, Paulsen, Sherrod, and Stowe voted aye. Motion carried 8-0.

PRESENTATION OF PETITIONS, COMMUNICATIONS, AND BILLS

- A. A Proclamation Declaring August 14, 2019 as National Keep the Spirit of '45 Alive in Recognition of World War II in the City of Sycamore, Illinois.

Mayor Lang said he will present this proclamation on August 14th at the Farm Bureau.

Mayor Lang also commented on the unity of our community in the events of the fire. It's indescribable to explain how the citizens, residents and non-residents all came together as a family and showed their concern and genuine love for one another. It makes us all happy that we are part of Sycamore and that we have a lot to be thankful for. We are grateful for the blessings we've had for no one getting hurt and that our first responders are safe.

REPORT OF OFFICERS

City Manager – Brian Gregory said he echoed the Mayor's comments. It was a dark time with a big fire in our community but we saw our community, employees, and departments come together. It makes us proud to be part of this community. He thanked all the staff that participated, department leaders, employees, and those in the community that stepped up to help those affected by the fire. It really shows you what a community should be and for that, he is grateful and proud to be a part of it. Also, Brian Grainger broke ground today in Old Mill Park off of Mt. Hunger Road, so progress is starting.

Police Chief – Jim Winters echoed the same sentiments from the first responders to the work the Police Department did. The community support is really something to see. He said they can be tested by challenges and said kudos to the all the first responders, city workers, and community.

Fire Chief – Pete Polarek said this is an unprecedented event of documentation in Sycamore, with some of the pictures and videos. This structure was referred to a target hazard being a multi-family and had a number of challenges. He gave the following details:

- One of the two fire crews was on another call, so there was limited initial response
- No water supply at the complex, so they had some water supply issues, having to go a minimum of a block away
- Limited access to the building with a parking lot and green space
- The Police Department did a wonderful job clearing floors in a hurry to allow the firefighters to concentrate on the suppression efforts.
- Cockloft, attic space between the roof and living space, which created an open space for heat and smoke creating a backdraft and smoke explosions. It became a defensive event after that.
- Called for and relied on mutual aid partners that came from as far as Algonquin and Sugar Grove
- They used, at peak, about 5100 gallons per minute and were depleting the wells and water tower.
- Public Works Director Fred Busse kept updating them over concerns of water supply
- Police Department did the primary search in accounting for all the residents and they did a great job.
- Fire was under control on Sunday at 5 am, however, there were hot spots and smoldering for two days
- They assisted residents with removal of some personal belongings. This was a coordinated effort of the Police Department and Fire Department
- Debris was scooped out and spread out on the third day to help put it out until another hot spot occurred on Thursday.
- Team Response: numbers were increased by 100's or 1,000's by the community. The Sycamore School District, The Red Cross, Family Service Agency, Spartan Pantry, local businesses and citizens all stepped up. It was overwhelming how much water, Gatorade, and food folks provided and the words of encouragement. They really appreciated it.

He recognized the following:

- Art Zern, Deputy Fire Chief, who was the Incident Commander, kept it together and did a great job directing the troops. He had great supporting troops, but said that a lot of the success of the operation goes to him.
- Todd Turner, Deputy Fire Chief, was instrumental in organizing and matching water sources and apparatuses. His local knowledge of the area and experience made it happen and he did a phenomenal job.
- Deputy Chief Mike Anderson, who was on scene helping, but said he was most helpful in the accountability of residents. He and his staff worked hard in accomplishing this.
- Jake Keck, Assistant Director of Public Works kept Art Zern informed of the water supply and was also developing contingency plans to bring water in from a neighboring community in case the water lines went down. He did a great job with all the barricades too.
- Maggie Peck, acting City Manager at the time, monitored the employees and some injuries that happened. She assisted in donation management and implemented a plan toward Family Service Agency and the Red Cross. He said she kept everyone focused and moving forward.

He said this response is a testament to the community's team. There are many players and said he is very proud.

Director of Public Works – Fred Busse said the Public Works Department has been gaining data over the last two weeks, unfortunately from the fire and the shortcomings of water in that older area of town that is supplied by undersized mains. All this data will help feed a better response for the Water Master Plan ultimately helping all of Sycamore residents as far as water quality and supply. He said they pumped an estimated two million gallons more water than normal. There were also three water main breaks and industry fluctuation of water pressures, all of which will also help with the Water Master Plan.

Treasurer/Asst. to the City Manager – Adam Orton said they received the draft of the Comprehensive Annual Financial Report (CAFR) from the auditors and it's currently under review and looks pretty good. The pension funds reports are back and under review and the data have been sent to the actuary. He is looking to have the full report in September.

Building & Engineering Director – John Sauter said they're at 19 single family homes as of the end of July. Last year they were at 28, so they're keeping pace with last year's construction activity. They're reviewing plans for a new office addition at Suter Foods on Bethany Road. It will be two stories and roughly 19,800 square feet. They're early in the review process, but he anticipates construction will begin within the next month or so.

Director of Human and Administrative Resources (DHAR) – Maggie Peck – deferred comments to the agenda item.

City Engineer – Mark Bushnell said road construction is in full swing. Edward Street storm sewer is underway, with Fox Pointe Microsurfacing scheduled for next week. They've posted signs directing residents to our websites and the contractor will distribute hangers 1-2 days prior. MFT is scheduled to start next week as well. IDOT will complete Route 64 patching starting in mid-September. This work consists of full lane width concrete patches from Peace Road to the Kane County line. There will be daytime lane closures, but everything should be open by the end of the day.

REPORTS OF STANDING COMMITTEES

Finance – Alan Bauer - no report
Public Safety – Pete Paulsen - no report but said that he is proud of Team Sycamore!
Public Works – Chuck Stowe - no report

PUBLIC HEARINGS - None

ORDINANCES - None

RESOLUTIONS

A. Resolution No. 801—A Resolution Relating to Participation by Elected Officials in the Illinois Municipal Retirement Fund (IMRF).

City Manager Brian Gregory said this is similar to a resolution that was passed two years ago as it is a requirement by the IMRF for municipalities to approve new resolutions every two years that re-affirm the eligibility of an elected official. The City Clerk position is the only elected position that is IMRF eligible. It is full-time and equates to approximately 2,080 hours per year. Resolution 801 and the attached IMRF Form 6.64 recertifies the City Clerk position as the only elected position that is IMRF eligible.

MOTION

Aldersperson Copple moved to approve Resolution 801 and Aldersperson Kramer seconded the motion.

ROLL CALL VOTE

Mayor Lang called for a roll call vote to approve the motion. Alderspersons Bauer, Braser, Copple, Huseman, Kramer, Paulsen, Sherrod, and Stowe voted aye. Motion carried 8-0.

CONSIDERATIONS

A. Consideration of a Recommendation from the Building & Engineering Department Regarding the Award of the Bid for the Crack-Filling as Part of the 2019 Street Maintenance Program to Behm Pavement Maintenance of Crystal Lake, Illinois in the Amount of \$75,000.00.

City Manager Brian Gregory reviewed the background of the Maintenance Program from the agenda and said this year's allocation of \$75,000 is for on-going crack-filling maintenance. A Copy of the streets are in the background. Bids for crack-filling were opened on Friday, July 19th with a total of two bids (both below the Engineer's estimate of \$64,800) submitted as follows:

Behm Pavement Maintenance	\$52,201.00
SKC Construction	\$62,200.00

He recommends, as have in the past, to award the full allocated \$75,000 to add more streets.

MOTION

Aldersperson Stowe moved to award the bid to Behm Pavement Maintenance for \$52,201 and up to \$75,000 and Aldersperson Paulsen seconded the motion.

ROLL CALL VOTE

Mayor Lang called for a roll call vote to approve the motion. Alderspersons Bauer, Braser, Copple, Huseman, Kramer, Paulsen, Sherrod, and Stowe voted aye. Motion carried 8-0.

Alderman Copple asked which streets would be added.

City Engineer Mark Bushnell said they would like to do some of the streets that have been done in the recent past that are two to three years old.

B. Consideration of an Administration Recommendation Regarding Health Insurance Coverage for Active and Retired City Employees.

City Manager Brian Gregory handed it over to Director of Human and Administrative Resources Maggie Peck, who spearheaded the insurance renewal process.

Director of Human and Administrative Resources Maggie Peck said they received a quote from Blue Cross Blue Shield (BCBS) that was almost a 20% renewal for medical alone and the industry standard is seven to 10%. They decided to go out for bid and received quotes, of which were not favorable, but it did prompt BCBS to offer another quote down to about 12%. Being grandfathered in with BCBS provides a low deductible and they want to keep that for the employees. She reviewed the current plans as outlined in the agenda and said the renewals were based on the following:

- ✓ The City had eleven large claims over \$50,000.
- ✓ There was a decrease in generic prescription utilization from 83% to 79%.
- ✓ There was a substantial increase in prescription costs.
- ✓ Health care reform continues to bring about changes that may affect our future insurance coverage and premium rates. Our broker and Human and Administrative Resources Director will continue to monitor this and keep the City informed.

BCBS came back at 7.91% and then ultimately offered a renewal rate of 6.78%. In trying to keep claims down in the future, employees are encouraged to sign up for the HSA or HMO plans over the PPO plan as there is a significant savings shown in the table below.

PPO	Monthly	City Annual	Incentive	Total	Savings/PPO
EE	958.28	11399.36	0	11399.36	0
EE/Spouse	1968.95	21808.19	0	21808.19	0
EE/Child	1857.85	20674.97	0	20674.97	0
Family	2868.55	30984.11	0	30984.11	0

H.S.A.	Monthly	City Annual	Incentive	Total	Savings/PPO
EE	818.99	9727.88	1500	11227.88	171.48
EE/Spouse	1682.77	18638.44	3000	21638.44	169.75
EE/Child	1587.83	17670.05	3000	20670.05	4.92
Family	2451.62	26480.71	3000	29480.71	1503.4

HMO	Monthly	City Annual	Incentive	Total	Savings/PPO
EE	765.43	9085.16	1500	10585.16	814.2
EE/Spouse	1572.71	17419.42	3000	20419.42	1388.77
EE/Child	1483.96	16514.17	3000	19514.17	1160.8
Family	2291.25	24748.52	3000	27748.52	3235.59

Waiver	Monthly	City Annual	Incentive	Total	Savings/PPO
EE	0	0	3000	3000	8227.88
EE/Spouse	0	0	3000	3000	18638.44
EE/Child	0	0	3000	3000	17670.05
Family	0	0	3000	3000	26480.71

She explained that the city currently pays the HSA deductibles for the employees. If they mirrored that with the HMO plan to encourage the employees, who don't really use insurance, to try the HMO plan, it would provide a significant savings. The key

to this working is to educate the employees on the plans before the open enrollment ends on August 23rd. If the 54 employees on PPO plans switched to HSA plans, it would save \$37,190 and if the same 54 employees on PPO plans switched to HMO plans, it would save \$106,427. This is an option to help keep our plans healthy in the future.

City Manager Brian Gregory said, for the current set-up of paying the HSA deductible, which has been in place over the last 10 years, if the 51 employees on HSA plans move back to PPO plans, it would cost \$59,000. This could be saved for future health insurance premiums. He also mentioned that the city has retirees on insurance plans that were benefitted back prior to 1982 and State law also allows for those in a pension plan to continue on insurance at their own cost. While they are paying their way, if their experiences are greater or the demographic is more risky, it means that the renewal numbers tend to go up even higher. He also said that another option would be if someone just wants to waive insurance. He thanked Maggie Peck for her work.

DHAR Maggie Peck said the retirees 65 and older, who are on insurance, are with Hartford Insurance and that doesn't renew until January 1, 2020. The current monthly rate is \$506.15 per person per month. There is a cost savings when can be moved to that plan. She said, in reference to life, and accident, dismemberment & disability (AD&D), Dearborn National, who is a sister company of BCBS, offered a flat rate renewal for this coming year, as it is a bundled package offering a discount. Additionally, we are about to begin year two of a four-year flat rate renewal for our vision so would like to stay with Dearborn. There was an increase in utilization for dental, which drove claims up for a renewal rate of 6.72%, down from 10.25% that was initially offered. There will be no increase per employee in the Flexible Spending plan through TASC. Short Term Disability will continue to be administered in-house. By not outsourcing this benefit, the City has saved approximately \$16,000 in administrative fees over the past six years. It is recommended that we take BCBS's grandfathered plan for medical and dental, Dearborn for vision and life insurance, continue with TASC, and continue to manage short-term disability in-house.

Alderman Copple asked how much the life insurance policy is for and thanked her for all this work.

DHAR Maggie Peck said all employees get a \$25,000 policy which costs the city \$9 per month on average for each employee. Employees can elect to pay for additional coverage.

City Manager Brian Gregory added that a lot of work went into this just to get this within our budget allocation. Initial numbers that were coming in were above that allocation and said if the current census stays the same, it is about \$1,500 below the budget and that's for over \$2 million in total premium. If some elect to choose HSA or HMO, that number goes further below the budget. He said there was a lot of effort to get to this point and he appreciates it.

Mayor Lang asked who is on the insurance committee.

DHAR Maggie Peck said the insurance committee is made up of two members from every department and it was a unanimous vote for the proposed.

MOTION

Alderman Kramer moved to approve the consideration including the incentive to move to HMO and HSA as stated in the spreadsheet and Alderman Sherrod seconded the motion.

ROLL CALL VOTE

Mayor Lang called for a roll call vote to approve the motion. Aldermen Bauer, Copple, Huseman, Kramer, Paulsen, Sherrod, and Stowe voted aye with Braser abstaining. Motion carried 7-0-1.

C. Consideration of a Recommendation from the Liquor Commissioner to Refund the Liquor License Fee for Rye Creek, LLC.

City Manager Brian Gregory said that Jon and Judy Hoffman have held a liquor license for over a year in anticipation of opening a restaurant at 1330 E. State Street. The Hoffman's have decided not to pursue the restaurant and another commercial use is now planned for the property. They are requesting, via letter, to terminate their license effective July 17th and Mayor Lang, who serves as Liquor Commissioner, is recommending that a pro-rated portion of the license fee be refunded. The pro-rated refund is in the amount of \$1,572.60. (78.63% of \$2,000).

MOTION

Alderman Huseman moved to approve the Consideration and Alderman Paulsen seconded the motion.

ROLL CALL VOTE

Mayor Lang called for a roll call vote to approve the motion. Alderpersons Bauer, Braser, Copple, Huseman, Kramer, Paulsen, Sherrod, and Stowe voted aye. Motion carried 8-0.

D. Consideration of an Administration Request for a Closed Session to Discuss Collective Bargaining.

MOTION

Aldersperson Huseman moved to enter into Closed Session at 7:53 p.m. and Aldersperson Kramer seconded the motion.

VOICE VOTE

Mayor Lang called for a voice vote to approve the motion. All Alderspersons voted aye. Motion carried 8-0.

MOTION

Aldersperson Kramer moved to enter back into Open Session at 8:08 p.m. and Aldersperson Paulsen seconded the motion.

VOICE VOTE

Mayor Lang called for a voice vote to approve the motion. All Alderspersons voted aye. Motion carried 8-0.

OTHER NEW BUSINESS

ADJOURNMENT

MOTION

Aldersperson Stowe moved to adjourn the meeting at 8:10 p.m. and Aldersperson Paulsen seconded the motion.

VOICE VOTE

Mayor Lang called for a voice vote to approve the motion. All Alderspersons voted aye. Motion carried 8-0

Approve:

Mayor - Curt Lang

Attest:

City Clerk – Mary Kalk