

**MARENGO CITY COUNCIL  
REGULAR MEETING MINUTES**

Marengo Council Chambers  
132 E Prairie St  
Marengo, Illinois 60152  
September 14, 2009

**CALL TO ORDER**

Mayor Donald Lockhart called the Sept. 14, 2009 regular meeting of the Marengo City Council to order at 6:04 p.m.

**PLEDGE OF ALLEGIANCE**

Mayor Lockhart led everyone present in the Pledge of Allegiance.

**ROLL CALL**

Present for this meeting were Mayor Donald Lockhart, Aldermen: Carole Bartman, Corey Brackmann, Eric DeBoer, Mike Secor, Pat Signore, Todd Hall and Steve DiMaria. Also present was Attorney Carlos Arevalo, City Administrator Deborah Nier, Assistant to the Administrator Joshua Blakemore, Attorney Kristin Alkire, and Attorney John Kelly. Alderman Michael Smith was absent.

Deputy City Clerk Sally Millermon stood in for Constance Boxleitner (City Clerk) for this portion of the meeting.

Alderman Mike Secor made a motion to go to Executive Session – seconded by Alderman Todd Hall. The motion passed with an aye vote by Aldermen: Brackmann, DiMaria, DeBoer, Hall, Bartman, Secor and Signore. The Council entered into Executive Session at 6:06 p.m.

A brief recess was taken at 7:08 p.m. – and the Council returned at Regular Session at 7:13 p.m.

Mayor Donald Lockhart reconvened the Sept. 14, 2009 regular meeting of the Marengo City Council to order at 7:13 p.m. At this time, City Clerk Boxleitner took over recording the meeting.

**PUBLIC PARTICIPATION**

None.

**APPROVAL OF MINUTES**

Alderman Mike Secor made a motion to approve the August 24, 2009 Regular Meeting minutes, and the September 2, 2009 Committee of the Whole Minutes. Alderman Steve DiMaria seconded the motion.

Alderman Signore questioned if there were guidelines on the wording for general discussions that did not specifically involve a motion. He cited one part in the minutes

where it states “An Alderman”. City Clerk Boxleitner stated that sometimes it is hard to determine who spoke - she is not always able to recognize the voices. The incident in question involved a comment – and neither Deputy Clerk Millermon nor she could determine who the individual was. It was decided to just use the term so the comments could remain in the minutes. Mayor Lockhart suggested that the minutes be more exact in the future. The motion passed with an aye vote by Aldermen: Signore, Secor, Hall, Brackmann, DiMaria, Bartman and DeBoer.

#### **CONSENT AGENDA**

- a. List of Bills**
- b. Flatlander Market Wine Garden Request**
- c. Zion Lutheran School 5K Run Request**

Alderman Steve DiMaria asked about a reimbursement to Shari Kubiak from 2003 for vehicle sticker reimbursement. City Administrator Deborah Nier stated that a sticker had been purchased back in 2003, and it was not discovered until now (when Mr. Kubiak came to City Hall) that the Kubiak’s did not reside within the City limits and therefore were not required to purchase a city sticker.

A question was asked of Chief Podosek about the \$4,600 in hail damage. He clarified that this was for all the vehicles that were damaged – not just one deductible amount. Alderman Mike Secor made a motion, seconded by Alderman Todd Hall, to pay the consent agenda items. The motion passed with an aye vote by Aldermen: Brackmann, Signore, DiMaria, Bartman, Hall, Secor and DeBoer.

#### **NEW BUSINESS**

##### **Deerpass Meadows Letter of Credit Reduction #8**

Deerpass Meadows has requested a reduction to \$333,134.68. David Johanson, from the SEC Group, has reviewed the request, and recommends that we approve the request. David Johanson stated that it is typical for smaller developers to do these more often than a larger developer that has more cash flow. The City still has letters of credit for all the remaining work. Alderman Eric DeBoer made a motion, seconded by Alderman Pat Signore, to approve the request for the reduction. The motion passed with an aye vote by Aldermen: Hall, DeBoer, DiMaria, Brackmann, Secor, Signore and Bartman.

##### **Health Insurance Renewal Presentation by Invision Benefit, Ltd.**

The representative from Invision Benefit, Ltd., Mike Kozemzak addressed the Council on the various options and suggestions. The first discussion involved the comparison of the current PPO and the suggestion for reduction in cost. Currently the city, on the health portion of the package the city has a \$1,000 deductible policy. The employees have a \$250 deductible, and the City reimburses them for the difference (or \$750 per covered person). This change in the City’s purchased plan saved the City about \$60,000 in premium last year. The actual refund back to the employee was about \$12,000 to \$14,000 per year. So, in the last 2 years, the City has saved about \$80,000 in making this change. This year the renewal will increase 14%. The premium will go from \$330,000 to \$378,000. They looked at purchasing the \$1,500 deductible and the savings to the City

would be about \$28,000. That would bring the total to \$350,000. This is with making no other changes to the plan other than the higher deductible. The historical rate of deductible reimbursement is about 20%. This amounts to about \$5,300 (going by last year). By adding that figure onto the \$350,000, the total cost to the city would then (roughly) be \$356,000. This is a \$22,000 savings to the City. If it turns out to be a “bad” year, and 40% of the people hit their deductible, doubling the \$5,300 figure to \$10,000, the City would still see a savings of about \$16,000.

Deborah Nier advised that when the budget was put together for this fiscal year, they included a 10% increase in the health costs. The current renewal is 14.25% - and by looking at the option that is presented (by increasing the deductible) they are trying to stay within the 10% that they have in the budget. By going with the deductible change, the actual renewal of the policy would be 6%, and then adding in the historical reimbursement, the total increase would actually be 7.61%.

Alderman Pat Signore asked where the savings go if at the end of the year we come in under budget? Deborah Nier replied that it would be part of the general fund. Alderman Signore asked if we could “ear mark” that money to save it and carry it over. Deborah Nier stated that she would check on it.

Alderman Carole Bartman asked about the HRA accounts, asking if we reimburse the employee for 100% of their deductible. Deborah Nier stated that the City reimburses after their \$250 deductible is met. Mike added that when this started, the plan was a \$250 deductible and \$500 out-of-pocket. So the total out-of-pocket to the employee was \$750. When the City moved to the \$1,000 deductible and \$1,000 out-of-pocket there was a \$1,250 gap and the City actually saved \$60,000 in premium, and then self-funding to reimburse the employee back to the original \$750 amount. If the City goes to the \$1,500 deductible figure, the City would then be reimbursing the employee \$1,750. Mike also stated that this was the reimbursement for co-insurance involved. The City currently has the \$1,000 deductible and \$1,000 co-insurance - or \$2,000. The original plan used to be \$750 (in combination). Alderman Pat Signore stated that the City froze their out-of-pocket which means that the City reaps the savings of them having a higher out-of-pocket if they use the plan. If they use the plan, they still have the out-of-pocket that they had 4 years ago and the City makes up the difference.

Mike then spoke on the information shown (on page 2) that shows what the estimated total liability would be on the whole \$1,750. This information is taken on the previous history for claims presented. Reimbursement has been at about 18% of the total potential liability, so they are using a figure of 20% in their projection.

Alderman Bartman stated she had gone through the budget and totaled the health costs for each department, and they came to \$450,000. Deborah Nier said that this was just a guess on what the renewal figures were going to be when they put the budget together. Alderman Signore clarified that this figure includes the life insurance.

A brief review of the renewal information showed that in the HMO portion of the package. The cost of this is going from \$7856 per month to \$8869 – which is a 12.89 % increase. The bulk of the premium is in the PPO portion. Alderman Bartman asked if we needed to take the information given us at the start of the review, and add the HMO cost? Alderman Corey Brackmann said that would be \$8869 x 12 months - correct? Mike said yes. He also said you would need to include the other portions of the package. You would add the \$8869 x 12, plus the \$356,125.88 figure, plus the \$18,000 for your total overall reimbursement.

The next portion of the insurance package that was discussed was the dental. Several years ago, the City had Met Life for their dental plan – but their rates went up, so they moved the coverage to Guardian. Met Life is now showing a better rate for this coverage, and the savings to the City would about 9.5%. The local dentists all fall under the Met Life program.

Alderman Carole Bartman asked if, in the future, when we can make different contractual obligations, she assumes that we will also talk about changing the participation on the dental and medical.

Mike said that he could put together information on municipalities locally, regionally and nationally (about our size) and show what they do in terms of their contributions in terms of the coverage they offer – if that would help the City. He has municipal data and private data that he can refer to. He will get that to us.

Next item discussed was the life insurance. This is shown under ancillary (tab 1) in the booklet. The coverage is \$30,000 and the rate on this portion of the insurance package is “locked in” until October 1, 2010 – which was a 3- year rate guarantee.

Vision was next – and it has a rate decrease this year of 5.96%. The coverage for frames increased from \$120 to \$130. Alderman Signore asked if the vision coverage is part of the contractual situation right now? Deborah Nier replied that all benefits are.

Mike then address the voluntary portion of the package – Long Term Disability. He reminded the City that they don’t provide that benefit. This could be an important benefit if an employee is 30 – 35 years old and comes down with a disability and is unable to work ever again – long term disability would pay 60% of their salary until they are age 65. The employee could pay for this benefit with “post tax” dollars. Mayor Lockhart reminded the Council that under the Illinois Municipal Retirement Fund the employees would be eligible for 50% from the pension fund – which is state of Illinois tax-free. If they are injured while on duty, the benefit increases to 85%. This applies to all the city employees (other than the police and janitors). Mike will adjust the information to show a 50% benefit – as there would then be a coordination of benefits that would have to come into play.

Mike had also been asked to look at a benefit – Employee Assistance Program. This benefit would cover bereavement (a death in the family): it would coverage for 3 to 5

visits for someone going through financial hardship (to talk to an attorney or a counselor). That plan would have to be paid for by the City unless the City adopted the voluntary long-term disability plan and then a “watered down” version of this would come with the long-term disability. The “catch” on the long-term disability is that in order for the plan to be real, the City would need participation of 25% - so if you roll it out to the employees and less than 25% participate, the plan would be scrapped. Since the IMRF has the provision for Long Term in it – we would probably not get the 25% needed. Alderman Signore asked if the employees felt that this was lacking in their current package? Deborah Nier stated – No she had asked for a quote on this. It has been her experience that employers (in both the public and private sector) that have this service available can help. Alderman DiMaria asked if this would be considered a secondary – as it would make up the 50% that they are losing? Mike stated that this would be considered a coordinated benefit – which would then bring them up to their full pay. Alderman Signore stated that this is reduced by social security. You do not get that amount plus your social security benefit on top of it. Mike stated that you are only going to get a total of up to 100%. You never get more than that. Social security could take 2 years to get approved, so this benefit would pay up until then. .

Mayor Lockhart told the Council that if you go on the IMRF disability – then your pension continues as if you were paying in – at no cost to you. Alderman Signore: In this budget year and economic time, we are probably not ready to make an addition to our benefit package with the EAP services at this time.

Alderman Steve DiMaria made a motion, seconded by Alderman Pat Signore, to accept the package as recommended – minus the EAP and offering the Voluntary LTD (revised to a 50% benefit option). Alderman Brackmann clarified that this is a 1-year contract – and Mike stated yes – this is bound to the City for 1 year.

Alderman Corey Brackmann asked about initiating a Health Savings Account. Mike replied that the trouble with a Health Savings Account is that “by law” the deductible has to be \$1,050 at a minimum and then all the co-pays have to come off. So, all of the people who are used to going to the doctor and using their card for co-pay, going to Walgreen’s and getting their prescription drugs, they now have to pay out-of-pocket and submit receipts to be reimbursed. Alderman Signore said that he would be an advocate against the City helping to fund a Health Savings Account by giving the employee “X” amount of money a month. Mike said that they looked at it, but you almost couldn’t do it because if you did do it you would almost have to fund it first so that they have this pocket of money to pay for it. You almost couldn’t ask the employee to pay the full cost for prescriptions now when they are used to paying only the co-pay amount of \$20 or so.

Alderman DiMaria asked about a Flex Spending Account. Mike stated that there are 2 issues with this type of account. One issue is that you use it or lose it. The other is that if the City had this plan, and on January 2<sup>nd</sup> someone elected to have Lasik surgery, you (meaning the City) have only taken one deduction out of the employee’s paycheck. Then they leave. The City would be on the hook for the remaining balance. Mayor Lockhart stated that the employees do have deferred compensation where they can put tax free

money away for retirement or whatever - nothing for medical, but for future retirement. Mike said that if you weren't worried about people leaving, this is a great benefit because it allows the employee to reduce their taxable income and now there are even debit cards for that purpose.

Alderman Steve DiMaria then restated the motion to be: The motion will encompass changing the PPO deductible to \$1,500, going with Met Life for the dental coverage and the various increases discussed earlier, accepting the change in the vision benefit and no EAP. Alderman Pat Signore seconded the restatement of the motion. The motion passed with an aye vote by Aldermen: DiMaria, Signore, Secor, Bartman, DeBoer, Brackmann and Hall.

## **OLD BUSINESS**

### **Wireless Alarm Monitoring Ad Hoc Committee Report.**

Chief Podosek stated that he had talked with the Fire Chief and proposed the recommendation that the Ad Hoc Committee had suggested and he is waiting on a reply.

## **MAYOR'S STATEMENTS AND REPORTS**

Mayor Lockhart had no formal report to give this evening.

Alderman DiMaria had a question about the SSA's and wondered if it would be possible to get a map made up showing them and include the dates, etc. on a map. He would also like to include the TIF areas. This would be a quick reference guide. Deborah Nier said that they were having some changes made to the zoning map. The map will not show the SSA's or the TIF, but the City could do that. David Johanson said that he had been working with Jayson and they have all of the special zoning identified on the map for all of the parcels (special use permits). He recommended doing a separate map for those to keep it easy. They could all be color-coded. Currently there is a dot (.) on the property indicating a special use permit for that property. Alderman Signore said he would like this information to be given to all the Aldermen. He recommended that all the Council members receive an update ever time there is an update to the map. It is needed. David indicated that this would not be a problem. The basic map is already set up and it would just involve adding that specific information. David recommended using the City's website and include an SSA boundary map and show all the SSA's and just have it as a pdf right on your website. This would be separate from the zoning map. It was recommended that the information include a legend that showed dates, etc., Alderman Bartman asked Jayson Shull if he had a spreadsheet on that currently – and he replied that yes, he did. Deborah Nier asked the council members if they would like individual ones - in addition to the large wall map? All agreed that they would

## **DEPARTMENT HEAD AND STAFF REPORTS**

### **Building Commission Jayson Shull.**

He submitted his building report. It shows that 125 permits were issued. Alderman Signore asked about the 15 minute parking spots in front of Video Town. He wanted to know who was responsible for enforcing that 15 minute restriction? There was a problem with the parking spots, and when contacted, the building department deferred to the

police department, and the police department deferred to the building department. Alderman Signore requested that the two departments get together and clear up who is going to be responsible for enforcing the 15 minute restriction. Jayson and Chief Podosek will get together and work this out. It was also mentioned that other businesses are considering approaching the City to request 15 minute parking spots in front of their businesses. Nothing has been brought to the City at this time.

Mayor Lockhart indicated that the new crosswalk signs seem to be working well.

Alderman DiMaria asked Jayson to explain a bit about the problems he has been having with the “Mitigation Plan”. Jayson said that there are 12 properties that were built in violation of the National Flood Insurance program. They were built lower than they should have been. This was done back in the middle to late 1990’s. These are prohibiting us from entering the program. There are provisions that we can do, and there have been many changes since then, with the FEMA rules. There were codes in effect at the time the homes were built, but they were overlooked.

Alderman Bartman asked which department would be approached about getting a new stop sign installed? This involves a current 2 – way stop, that should be upgraded to a 4 – way stop. Attorney Carlos Arevalo stated that this would require an engineering study be done. This is by state law. David Johanson stated that as a Council, the City could put one up “at your whim”, however it opens you up to legal liability if you don’t have the proper engineering study. Alderman Bartman asked what the cost of a study would be? David replied that before he could do the study, he would look at the site to determine if it really needed a study or not. He recommended that the process start with the City staff, and have them look at it. If they felt it needed further review, they should then contact David for his opinion.

**Assistant to the City Administrator – Joshua Blakemore.**

He and EDC chairman, Hank DeBoer met last week with Ehler’s last week to go over the TIF boundaries. They went out to look over the Steven Frank property that was in question. He has not heard back from them about that property. There has been no contact from Mr. Frank’s about moving forward to be included in the TIF study. Mr. Frank’s has been in contact with Ehler’s and has given his permission for Ehler’s to go out and view the property.

**Chief of Police – Martin Podosek**

Report already given to Council members. He told about the K-9 units that were in town over the weekend. Last Friday – between the hours of 4 pm and 11:30 pm, the City worked with the McHenry County K-9 units. They made general traffic stops for violations, and in some cases felt there was a possibility of drugs being in the vehicles. They then had the K-9 unit brought to the vehicle, and with the vehicle owners permission proceeded to search the vehicles. There were several citations written for various problems. The K-9 units assisted in a search of 2 apartments that were found positive for drugs.

**City Engineer – David Johanson**

Report is in the packet. They have received the letter from IDOT involving Prospect Street, and the bond is now moving forward. Zoning map is coming along, and hopefully it will be presented formally to the board in the next month or so. Alderman Bartman questioned why the Marengo Park District property is not identified as such on the zoning map, nor is there a notation of there being a park in that area, or any of the schools. David will check into these and get them designated on the maps properly.

**City Administrator – Deborah Nier**

Deborah recently attended a workshop that SEC had put on about E-Government. It was very interesting. The main thing that it involved was using a web-based system to track and to manage customer service requests made of the City. This type of system would allow requests to be directed to the proper department (or individual) and it then tracks to make sure that the problem has been handled. Alderman Secor said that they have something similar to this at work, for engineering changes and such.

**City Attorney Carlos Arevalo**

No report this evening.

Alderman Pat Signore asked a question about establishing quorum at a meeting. Can the City use electronic means to perform the meetings legally? Carlos advised that you can attend the meetings electronically – there are certain guidelines as to reason for your not being in attendance: out of town because of work, etc – but not if someone was ill. You still have to follow the rules on the Open Meetings Act. You still have to have enough of a live quorum. You might be able to attend and participate in the regular meeting if there was a need to have a full board, but you would still need to have a quorum present.

Jayson Shull announced that the Planning and Zoning meeting would be next Monday at 7 p.m.

**ADJOURNMENT**

There was nothing further to come before the City Council this evening. Alderman Corey Brackmann made a motion, seconded by Alderman Mike Secor, to adjourn the meeting. The motion passed with an aye voice vote by all Aldermen in attendance. The meeting adjourned at 8:26 p.m.

Respectfully submitted by,

Constance J Boxleitner  
City Clerk