

VILLAGE OF MILAN COUNCIL MEETING

January 3, 2022
Milan Municipal Building
5:30 P.M.

AGENDA

1. Roll Call
2. Pledge of Allegiance
3. Consideration of the Minutes of December 20, 2021
4. Consideration of the Administrator's Report
5. Consideration of the Inspector's Report
6. Consideration of the Department Head Reports
7. Consideration of the Semi-Monthly and Miscellaneous Bills
8. Consideration of Adopting the 2021 International Building Codes and Purchasing 2 Sets per State Statute
9. Consideration of Purchase of Roof Top Unit for 321 W. 2nd Avenue
10. Consideration of Declaring 451 West 4th Street Surplus Property
11. Consideration of an Ordinance Providing for the Issuance of not to Exceed \$390,000 Taxable General Obligation Bonds, Series 2022 of the Village of Milan, Rock Island County, Illinois, and for the Levy of a Direct Annual Tax Sufficient to Pay the Principal and Interest on said Bonds
12. Consideration of Adjusting Water & Sewer Rates
13. Committee Reports
14. Citizens Opportunity to Address the Village Board
15. Adjourn

Roll Call

Roll call showed Trustees Stickell, Hubbard, Zimmerman, Stuart, Mikaio and Wilson were present. No one was absent.

Mayor Dawson Opening Statement

Mayor Dawson stated the meeting is being held as a webinar so the public may join the Council for the meeting. The reason for the zoom meeting is due to the COVID variant Omicron becoming increasingly contagious in our area.

Consideration of the Minutes of December 20, 2021

Mayor Dawson asked if there were any corrections or additions to the Council minutes of December 6, 2021.

There being none, Trustee Hubbard moved to approve the December 20, 2021 minutes as presented. Trustee Wilson seconded the motion. All Trustees voted "Aye". Motion carried.

Consideration of the Administrator's Report

Administrator Seiver stated he has been catching up on the COVID-19 and Omicron regulations per the Center for Disease Control. They now define a person which is fully vaccinated as having two shots and a booster shot. The Police have different requirements than other staff. The Water/Sewer Department is shorthanded as well as the Public Works Department, due to employees having Covid symptoms or being exposed to someone who has it. The Police Department has one officer off until this weekend.

There being no further discussion on the Administrator's Report, Trustee Stuart moved to approve the report and Trustee Hubbard seconded the motion. All Trustees voted "Aye". Motion carried.

Consideration of the Inspector's Report

Administrator Seiver stated Inspector Moller is unable to join us this evening, but a copy of his report is in the Council Packet. The report shows a relatively good month for permits.

Mayor Dawson stated there will be no action on the report as Mr. Moller is not present with comments.

Consideration of the Department Head's Reports

There were no Department Heads attending the zoom meeting.

Administrator Seiver stated IEPA did an engineering evaluation of the Milan community water supply. He stated there were two deficiencies found, one regarding the Nitrification Action Plan to monitor and make a corrective action plan if nitrification may be occurring in the distribution system.

The second deficiencies refers to Standby Power to operate the plant in case of an outage. They suggest purchasing a standby generator sized to operate the water plant to meet the average daily demand.

Mr. Seiver stated we have a backup water connection from Rock Island's water source in case of an emergency or when maintenance is being done on the wells. We should be ok with that.

Mayor Dawson stated we have implemented this backup several times and it has done the job.

Mr. Seiver stated the letter included six recommended improvements to enhance the water system.

Mayor Dawson stated there will be no action on the reports as no Department Heads were present to give comments.

Consideration of the Semi-Monthly and Miscellaneous Bills

Trustee Zimmerman, Finance Chairperson, stated it was a good month with no major expenses. He stated there is a regular semi-monthly packet of bills and an eye and dental reimbursement packet of bills.

Mayor Dawson asked if there were any questions regarding the bills to be approved. There being none he asked for a motion on the bill packets.

Trustee Zimmerman moved to approve the normal semi-monthly bills of \$60,837.43 and the eye and dental reimbursement bills of \$827.70 for a total \$61,665.13 in approved bills. Trustee Stuart seconded the motion. Roll call vote showed Trustees Hubbard, Zimmerman, Stuart, Mikaio, Wilson and Stickell voted "Aye". Motion carried.

The bills will be paid from the following accounts:

General Fund	\$ 23,513.36
Garbage	3,484.57
Motor Fuel Tax	24,354.90
Camden Centre	2,602.25
TIF I	1,135.69
TIF II	504.75
TIF III	75.71
TIF IV	50.48
Camden Centre Deposit	100.00
Insurance Reserve	2,041.20
Water/Sewer	<u>3,802.22</u>
TOTAL	\$61,665.13

Consideration to Adopt the 2021 International Building Codes and Purchasing 2 sets per State Statute

Administrator Seiver stated Building Inspector Moller has requested consent for him to purchase two sets of the 2021 Building Code. He told Mr. Seiver, Building Inspectors in the area are trying to keep all codes the same and at present we are using the 2012 code which is two codes behind what the surrounding municipalities are using. Mr. Seiver stated Mr. Moller is working to clarify language in the 2021 Code to fit amendments Milan has adopted by ordinance to critique Milan's building situations. Mr. Seiver recommends putting off the adoption of the code until Mr. Moller finishes his changes, but advises purchasing the Code Books. He has discussed purchasing one hard copy for the Building Inspectors and a disc copy for the Clerk's Office. This would save around \$800 bringing the cost to for both copies to approximately \$1,213.

Mayor Dawson asked for a motion on the adoption and purchase of the 2021 Building Code.

Trustee Wilson moved to purchase one hard copy and one disc copy of the 2021 Building Code and hold off on the adoption of the code until Inspector Moller has added the Milan amendments. Trustee Mikaio seconded the motion. All Trustees voted "Aye". Motion carried.

Consideration of the Purchase of a Roof Top Unit for the Village's Building at 321 West 2nd Avenue

Mayor Dawson stated this is an item that was discussed at the December 20th Council Meeting. He stated the unit's heat exchanger was cracked and presented a possible health hazard, even unto death in the worst situation. It was decided at that meeting to allow Mr. Seiver to sign off on ordering a new roof top unit from the low bidder of the two obtained. Crawford Heating was the low bid in the amount of \$9,970, so the unit was purchased from them. The other bid was from Schebler Heating and Air in the amount of \$11,640.

Trustee Zimmerman moved to approve payment to Crawford Heating for the new roof top unit for the village's building located at 321 West 2nd Avenue, in the amount of \$9,970. Trustee Hubbard seconded the motion. Roll call vote showed Trustees Zimmerman, Stuart, Mikaio, Wilson, Stickell and Hubbard voted "Aye". Motion carried.

Consideration of a Resolution Declaring 451 West 4th Street Surplus Property

Mayor Dawson stated Council directed Attorney Lincoln Scott to draw a Resolution, to declare 451 West 4th Street surplus property. The property was previously used by Rock Island County Waste Management as a recycle center. Earlier this year they decided to close the recycle center due to lack of funds. Recently Village Administrator received a call from the business owner north of this property and made an offer to purchase it to expend his business. The council discussed keeping it for a possible recycle center run by the village, but decided there were other places available if they decided to set up a village run recycle center. It was more favorable to sell the property. This is the first step in making it available to be sold. The resolution declared the lot which is .37 acres to be surplus property. The property will be put up for bid and the winning bid must be at least 80% of the appraised value.

Trustee Mikaio moved to approve Resolution 22-1 and Trustee Stuart seconded the motion. All Trustees voted "Aye". Motion carried.

Consideration of an Ordinance Providing for the Issuance of not to Exceed \$390,000 Taxable General Obligation Bonds, Series 2022 of the Village of Milan, Rock Island County, Illinois, and for the Levy of a Direct Annual Tax Sufficient to Pay the Principal and Interest on said Bonds

Administrator Seiver stated this is the annual Police Pension General Obligation Bond for 2022. The annual bond is working well for advance funding and a lower spread for repaying. It has enabled the Police Pension Board to qualify for investing larger amounts of money in investments of one million dollars or more which provides higher profits on Pension investments. Last year the pension fund accrued over three million dollars on their investments.

Mr. Seiver stated Mr. Bob Vail, from Bernardi Securities, has joined our zoom meeting. He has been the village's Bond Specialist for a number of years and working with him has worked out well. He will give us clarification on what this Ordinance does.

Mr. Vail stated this will be the 4th time the village passed a parameters ordinance, which sets a not to exceed dollar amount of \$390,000 for the Bond Series 2022. The Ordinance then gives Bernardi Securities the right to sell the bonds in that amount for the village and lastly it authorizes the village to collect a direct annual tax which, is sufficient to pay the principal and interest on the bonds which are sold. The original reason the village setup this bond was to give the Police Pension Board the level of finances to invest in much higher paying investments. This is called a rollover bond, as it is paid off and renewed each year. It has a much lower interest rate than long term bonds. We will be selling these bond tomorrow and will hopefully get a rate of 1.5% to 2.0%. The intent is to continue to roll over the bonds until they are paidoff. This bonding method has been very successful for the village as the pension fund is now over 70% funded, which the village can be very proud of.

Mr. Vail thanked the Board and stated he has worked with the village for the past 20 years on various bonding issues. He is pleased everything is working out well.

There being no further discussion on the bond ordinance, Trustee Hubbard moved to pass Ordinance No. 1753. Trustee Zimmerman seconded the motion. Roll call vote showed Trustees Stuart, Mikaio, Wilson, Stickell, Hubbard and Zimmerman vote "Aye". Motion carried.

Consideration of Adjusting Water & Sewer Rates

Mayor Dawson stated since Water and Sewer Superintendent Farrell is not present, is anyone prepared to act on this agenda item.

Trustee Wilson, Chairperson of the Water/Sewer Committee, stated she talked with Mr. Farrell and he said the last amount discussed at the Water/Sewer Committee meeting was to raise it 5%. She stated they discussed doing this for the next 4 or 5 years. She stated this will not cover the projects needed to be done to get the plant up to the EPA's code, but will cover daily operational costs. She would like to know how much reserve is in the W/S Fund at this time.

Administrator Seiver stated he believes it is around \$500,000. The increased rate normally starts in April or May. The rate adjustment of 3% will not be enough to keep the plant running. According to a 6 month study of operating costs, we may have to make an adjustment to 7% due to inflation. This increase to water and sewer bills will not be enough to upgrade anything at the plant so we will have to reach out for low interest rate loans and maybe refinance the W/S Bond we currently have. The W/S Rate Ordinance can be amended at any point, so he believes a shorter term adjustment, such as a 3 year adjustment, will give us an opportunity to see how much we are looking at for upgrades at the plant and a chance to see where we may qualify for low interest rate loans.

Mayor Dawson stated right now a short term increase seems wise, as it gives us time to get an outlook on the final cost to update the plant. We need to put a plan in place so we do not incur any fines.

Trustee Wilson moved to direct Attorney Scott to draw an Ordinance increasing the Water/Sewer rates by 3% for the next three years. Trustee Hubbard seconded the motion. All Trustees voted "Aye". Motion carried.

Committee Reports

Trustee Wilson stated she and Trustee Stuart would like to have Mayor Dawson call a Meeting of the Whole. The agenda will be Concerns of the Council.

Trustee Zimmerman stated he will be gone for most of the month of February and be back March 3rd.

Trustee Zimmerman stated at the last Finance Meeting it was directed to the Finance Director to give a report by January 18th on questions they had on the internal audit and staff changes.

Citizens Opportunity to Address the Village Board

There were no comments from the audience.

Adjourn

There being no more agenda items to discuss, Mayor Dawson asked for a motion to adjourn the meeting.

Trustee Zimmerman moved to adjourn the meeting and Trustee Wilson seconded the motion. All Trustees voted "Aye". Motion carried.

The meeting closed at 6:15 p.m.

Barbara L. Lee, Certified Municipal Clerk