

Committee-of-the-Whole Minutes

Tuesday, July 15, 2014

PRESENT: Mayor Scott Raes (*Chair*)
Alderman John Knaack (*Ward 1*)
Alderman David Parker, Jr. (*Ward 2*)
Alderman Janet Bender (*Ward 3*)
Alderman Dick Brown (*Ward 4*)
Alderman Lori Turner (*Ward 5*)
Alderman Kevin Schoonmaker (*Ward 6*)
Alderman Sean Liddell (*Ward 7*)
Alderman Stephanie Acri (*Alderman At-Large*)

STAFF: Lew Steinbrecher, City Administrator
Maureen Riggs, City Attorney
Tracy Koranda, City Clerk
Ray Forsythe, Planning & Development Director
Alison Fleming, Human Resources Manager
Laura Duran, Parks Recreation Director
Nate Scott, IT Manager
Lee Ann Fisher, Library Director
Kim Hankins, Public Safety Director
Scott Hinton, City Engineer
Kathy Carr, Finance Director
Jeff Anderson, City Planner
Mike Waldron, Public Works Director
Vanessa Reyes, Executive Intern

OTHERS: Members of the Press
Adam Holland, QC Chamber of Commerce
Christopher Woods, Three Corners Development
Dawn Neuses, The Dispatch
Ron Miller, Resident
Sandy O'Neill, Resident

Mayor Raes called the meeting to order at 6:30 p.m. in Council Chambers.

Informational

Christopher Woods, Three Corners Development, gave an update on the Mills of Riverbend Commons. He indicated that there will be residents living in the Mills by August 25, 2014, which will be prior to the start of classes at WIU. He also stated that they have signed a leasing letter of intent with John Deere to house 160 interns next summer. The Mills will have 70%-80% occupancy by the time it opens and will achieve 100% occupancy within one year. Woods indicated that attracting retail to the Mills has been more difficult but announced that Madison Construction/Three Corners Development would be opening up a new office in the Mills and that they are in the process of trying to bring a restaurant/bar as well as a Firehouse Subs to the Mills. Woods expressed his appreciation for all of the support from the Council.

Scott Hinton, City Engineer, indicated that conflicts with utilities at John Deere Road may require the use of the vast amount of 2015 Capital Improvement funds currently allocated for a wider variety of projects. Projects that could be affected include red water mains, construction on 9th Street A near Hamilton School, and patching projects. Additionally, Hinton indicated that plans for 34th Street south of River Drive and north of 4th Avenue remain unfinished. However, at a cost of approximately \$600,000, there is currently no funding source to complete that project.

Agenda Items

- 1. Approval of a Contract with Miller Trucking and Excavating for Project #1193 River Drive Utility Relocations.** Scott Hinton, City Engineer, explained that bids were opened and publicly read on June 24, 2014, for Project #1193 with the following results:

\$1,791,644.25	Miller Trucking
\$1,888,891.50	Valley Construction
\$1,923,788.00	Langman Construction
\$2,069,517.80	Brandt Construction
\$2,483,273.25	McCarthy Improvement

A motion was made by Alderman Knaack to approve. Seconded by Alderman Parker. Motion passed unanimously.

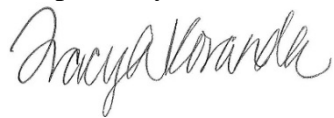
- 2. Tobacco Enforcement Program Grant.** Kim Hankins, Police Chief/Public Safety Director, indicated that the Illinois Department of Revenue (Liquor Control Commission) has awarded the police department a grant of \$5,940.00 to conduct a retail education and enforcement program with Moline tobacco retailers. The program requires that three compliance checks be conducted during the term of the agreement, August 1, 2014 through June 30, 2015. Execution of a Contractual Agreement is required for acceptance of the grant. A motion was made by Alderman Schoonmaker to approve. Seconded by Alderman Turner. Motion passed unanimously.
- 3. A Resolution authorizing the Mayor and City Clerk to enter into an Agreement with R.J. Lee & Associates, LLP of Moline, Illinois, for health benefit consulting services for a period of one year commencing on August 1, 2014.** Alison Fleming, Human Resources Manager, explained that R.J. Lee & Associates, LLP currently provides health benefit consulting services. The cost of services is \$22,000, which includes health plan data analysis, wellness program implementation, development of a long-term plan, analysis of retiree data and benefits and assistance with GASB45 compliance. A motion was made by Alderman Knaack to approve. Seconded by Alderman Acri. Motion passed unanimously.
- 4. A Resolution authorizing the Mayor and City Clerk to execute an Agreement with United Healthcare Services Inc. to provide administrative services and reinsurance for medical and prescription drug claims for a period of 5 months commencing on August 1, 2014.** Alison Fleming, Human Resources Manager, explained that United Healthcare of the River Valley (UHCRV) currently provides claims administrative services and reinsurance for the City's health benefits plan. Due to audit requirements that UHCRV can no longer meet, the City is transitioning to the national platform with United Healthcare, which can provide the required audit information. There will be no increase in costs. Additionally, the City will save approximately \$250,000 per year by not having to hire an external firm to conduct an audit. A motion was made by Alderman Parker to approve. Seconded by Alderman Bender. Motion passed unanimously.
- 5. Pension Funding Policy.** Kathy Carr, Finance Director, indicated that the Government Accounting Standards Board (GASB), the organization that oversees and establishes the City's required accounting standards, has released two new statements (GASB Statement No. 67 and No. 68) that will fundamentally change how state and local governments account for the cost of pension benefits in their financial

statements. Previous accounting standards issued by GASB defined the annual pension Actuarially Required Contribution (ARC) for financial reporting purposes. These new statements separate pension accounting from pension funding and no longer define the ARC, so the City must adopt a pension funding policy to document how the ARC will be determined for the City's single employer pension plans, (Police and Fire). The effective implementation date for the City of Moline is for the fiscal year ending 12/31/2014. A motion was made by Alderman Knaack to approve. Seconded by Alderman Parker. Motion carried with Alderman Acri voting nay and Alderman Brown abstaining due to his employment with the Fire Department.

6. **Actuarial valuation reports for the year beginning January 1, 2014 and ending December 31, 2014 for the City of Moline Police and Firefighters' Pension Funds.** Kathy Carr, Finance Director, explained that the sworn Police and Fire personnel of the City of Moline are covered by two pension plans that are defined-benefit, single-employer pension plans. The purpose of the annual actuarial valuation reports is to provide property tax levy requirements for the City's employer contributions. Since 1988, the City has not used the actuarial calculations provided by the State of Illinois Department of Insurance but rather has hired an actuary to use Moline's specific financial information and related actuarial information for the calculation. The City's recommended tax levy for police and fire pension will be an increase of \$436,746.00. This amount will be levied for 2014 as part of the total property tax levy considered in November. A motion was made by Alderman Liddell to approve acceptance of the actuarial valuation reports. Seconded by Alderman Schoonmaker. Motion passed with an abstention from Alderman Brown due to his employment with the Fire Department.

The meeting adjourned at 7:31 p.m.

Respectfully submitted,



Tracy A. Koranda
City Clerk