

# Committee-of-the-Whole Minutes

Tuesday, November 30, 2021

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**PRESENT:** Mayor Sangeetha Rayapati (*Chair*)  
Alderman Scott Williams (*Ward 1*)  
Alderman Alvaro Macias (*Ward 2*)  
Alderman Mike Wendt (*Ward 3*)  
Alderman Matt Timion (*Ward 4*)  
Alderman Sam Moyer (*Ward 5*)  
Alderman Pat O'Brien (*Ward 6*)  
Alderman Mike Waldron (*Ward 7*)  
Alderman James Patrick Schmidt (*Alderman At-Large*)

**ABSENT:** None.

**STAFF:** Bob Vitas, City Administrator  
Janine Hollembaek Parr, City Clerk  
Joe Kuhlenbeck, Interim Public Works Director  
Leah Miller, Human Resources Director  
Eric Griffith, Parks Recreation Director - *electronically*  
Jared Thomas, Information Technology Specialist  
Bryon Lear, Library Director - *electronically*  
Darren Gault, Chief of Police  
Jeff Snyder, Fire Chief  
Lori Ulloa, Assistant Finance Director  
Tony Loete, Director of Utilities - *electronically*  
K.J. Whitley, Community Development Program Manager

**OTHERS:** Margaret Kostopulos, Corporation Counsel  
Jeff Myers, Infrastructure Management Services, L.L.C.

Mayor Rayapati called the meeting to order at 6:00 p.m. in Council Chambers.

## **Public Comment**

There was no public comment.

## **Questions on the Agenda**

There were no questions.

## **Agenda Items**

**1. Pavement Management Services Contract.** Staff seeks approval from City Council to accept a Consultant Services Agreement for a comprehensive pavement condition survey with Infrastructure Management Services, L.L.C. (IMS) for the amount of \$70,978 until the project is completed, or December 31, 2023, whichever comes first. IMS will provide data collection, analysis, and future planning for the City's roadways. They will assess all roadways, including alleys, and all pavement structures, including sealcoat. Inspections will be completed in the Spring of 2022. Staff is impressed with their assessment vehicle, analysis process, and software. Jeff Myers, IMS, provided details of the program. There was discussion. It is anticipated that this will be a triennial process. A motion was made by Alderman Waldron to approve. Seconded by Alderman Schmidt. Motion passed unanimously.

**2. USPS Lease Agreement.** Per Council Bill/Resolution 1181-2006, the City of Moline entered into a Lease Agreement with the USPS permitting the City to lease seventy-three (73) parking spaces in the Midtowne Ramp to the USPS. The term of this Lease Agreement expired on September 30, 2016. Staff has negotiated the terms of an extended five-year lease agreement for said premises and recommends approval. A motion was made by Alderman Wendt to approve. Seconded by Alderman Waldron. Motion passed unanimously.

**3. QCON-Hub Memorandum of Understanding.** In order to provide the citizens of Moline with the most comprehensive services, the Moline Police Department desires to enter into an agreement with the Quad Cities Open Network – Hub (QCON-Hub) for utilization of the Integrated Referral and Intake System (IRIS). The ability to utilize IRIS will allow the Moline Police Department to enter an individual into the web-based database as needing social services in which the QCON-Hub would then match the person with the correct social services agency. A motion was made by Alderman Wendt to approve. Seconded by Alderman Schmidt. Motion passed unanimously.

**4. Amending Council Bill/General Ordinance No. 3031-2021.** Bob Vitas, City Administrator, explained that with the successful sale of the Pension Obligation Bonds on November 17, 2021, the City realized savings above and beyond what was projected from our Actuaries and Financial Advisors prior to the sale, in an amount of \$872,902 for 2022.

**The \$872,902 in savings is the result of two factors:**

- 1) \$354,263 annual debt service savings, as calculated by our financial advisors on November 17, 2021:
  - Issuing \$5.5M in reduced bonding: \$85,075,000 versus \$90,575,000
  - Reduced interest rates: 2.88425 percent versus 3 percent
  - The \$354,263 of savings will be realized **annually** for the term of the bonds, until 2041.
- 2) \$518,639 savings from reduced annual contributions needed to fund the City’s remaining 15 percent Unfunded Liability and Normal Costs, as calculated by our actuaries on November 18, 2021:
  - Normal Cost – Police & Fire: \$1,580,000 versus \$1,587,529
  - Amortization Contribution towards 15 percent Unfunded Liability - Police & Fire: \$2,440,000 versus \$2,951,110
  - The projected annual savings from the reduced annual contributions needed to fund the City’s Unfunded Liability and Normal Costs **will need to be re-evaluated on a year-to-year basis**, accounting for market and population experience. This savings will fluctuate slightly from year to year.

With the final adoption of the 2022 Budget scheduled for December 7, 2021, Council now has an opportunity to re-evaluate how the 2022 Property Tax Levy will be allocated as a result of the savings generated above. During the 2022 Budget Work Sessions, three funds were identified in the projected 3-year budgets for 2022-2024 that need Council’s attention for additional funding in future years. Those funds include:

- TIF #7
- Parks Fund
- Library Fund

Based on those identified needs, staff is recommending the following:

- 1) **TIF #7, Levy \$354,263 in Property Taxes in the General Fund to be transferred to TIF #7.** Take the \$354,263 in annual Property Tax savings from the POB bond issuance and re-allocate it towards the shortfall in debt service payments in TIF #7. By doing so, the City can reduce the shortfall in TIF #7 by 53 percent by the end of TIF #7 in 2035, from \$8,658,724 down to \$4,102,253.
- 2) **Parks Fund, re-allocate \$259,320 of the 2022 Property Tax Levy to Parks.** By re-allocating savings from the Police & Fire Pension Normal Costs and Annual Unfunded Liability Contribution to the Parks

Operating Budget annually, we could achieve a projected Fund Balance Reserve of 14.86 percent by December 31, 2024, versus 3.35 percent as was discussed during the budget work sessions. The City's Fund Balance Policy is to strive to maintain 20-25 percent of Fund Balance to Annual Expenditures. By re-allocating property taxes to Parks, we will get closer to our policy.

- 3) **Library Fund, re-allocate \$259,320 of the 2022 Property Tax Levy to the Library.** By re-allocating savings from the Police & Fire Pension Normal Costs and Annual Unfunded Liability Contribution to the Library Operating Budget annually, we could achieve a projected Fund Balance Reserve of 14.89 percent by December 31, 2024, versus 5.85 percent as was discussed during the budget work sessions. The City's Fund Balance Policy is to strive to maintain 20-25 percent of Fund Balance to Annual Expenditures. By re-allocating property taxes to the Library, we will get closer to our policy.

There was discussion. A motion was made by Alderman Macias to approve. Seconded by Alderman Schmidt. Alderman Macias moved to amend and re-allocate the full savings, \$872,902, to the General Fund, with \$400,000 applied to TIF #7. Seconded by Alderman Timion. There was discussion. Alderman Macias moved to modify the amendment to explore TIF #7 bond refinancing and verify whether there is a pre-payment penalty before applying those funds. Alderman Wendt moved to amend so that the amount allocated to TIF #7 should flow through the General Fund and be advanced (loaned) to TIF#7. Seconded by Alderman Moyer. Motion passed unanimously. It was noted that funds may be re-allocated to Parks and Library at a later date this fiscal year should the Council so desire. The amended motion passed unanimously.

### **Informational**

**Prioritized Use of General Public Assistance Funds.** Darren Gault, Chief of Police, and K.J. Whitley, Community Development Program Manager, requested clarity of Council's intent for the use of restricted (ARPA) funds, in the amount of \$60,000, budgeted as General Public Assistance Funds. Staff proposes allocating the funds for lodging and related expenses, i.e. rental assistance, emergency shelter, rental down payment, storage unit if displaced. There was discussion. Consensus of Council was in support of the proposed use of the funds. Staff will continue working to avoid duplication of resources within the community and to address the sustainability of such assistance in the future.

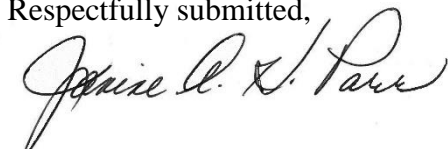
**Video Gaming Update.** Margaret Kostopulos, Corporation Counsel, reported that Senate Bill 3136 is still on the Governor's desk. This bill makes changes concerning the fees that may be imposed by units of government and the distribution of license fees. It appears that this would require that fees charged be split between terminal owners and the licensed establishment/operators and would take effect upon the Governor's signing. Mayor Rayapati stated that the community discussion on video gaming, held last evening, was well-attended by a variety of stakeholders. Suggestions included giving licensed establishments the option to operate 6 terminals, rather than 5. There was no general feedback on the spacing of establishments. Video gaming tax revenue for 2022 in the City's general fund is \$40,866,898 or 0.734 percent. Alderman Wendt moved to direct staff to enforce the Ordinance and require that at least 50 percent of revenue (averaged annually) be from its primary source. Seconded by Alderman Waldron. Discussion had. Alderman Wendt, seconded by Alderman Timion, moved to table the motion on the floor. Motion to table passed with Alderman Waldron voting nay. Corporation Counsel will bring back an amendment for Council's consideration.

### **Public Comment**

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The meeting adjourned at 7:38 p.m.

Respectfully submitted,



Janine A. H. Parr  
City Clerk