

**REGULAR CITY COUNCIL MEETING
FARMER CITY, ILLINOIS
MONDAY, NOVEMBER 18, 2019
6:00 P.M.
AGENDA**

PRELIMINARY MATTERS

1. Call to order
2. Roll call
3. Pledge of allegiance to the flag
4. Proclamations/presentations/recognitions
5. Public Comment –

SECTION I CONSENT AGENDA

The following items will be adopted on a single motion without discussion unless a council member requests separate consideration:

- A. Approval of the minutes of the November 04, 2019 council minutes
- B. Fund Warrant List

SECTION II: UNFINISHED BUSINESS--Ordinances or resolutions previously tabled.

SECTION III: NEW BUSINESS--Ordinances and resolutions for initial consideration

- A. **Ordinance 1041** An Ordinance Amending the Municipal Code of the City of Farmer City by the Addition of Chapter 34 Imposing a Municipal Cannabis Retailer's Occupation Tax
- B. Final payout to J.F. Electric for I74 improvements in the amount of \$161,200.94.
- C. Discussion regarding a TIF application grant for Maxwell Counters in the amount not to exceed \$27,000

SECTION IV: EXECUTIVE SESSION

SECTION V: OTHER ITEMS

1. City manager report
2. Non-agenda items and other business

ADJOURNMENT

NOTE: Anyone planning to attend the meeting who has need of special assistance under the Americans with Disabilities Act (ADA) is asked to contact the city clerk's office at (309) 928-2842, 48 hours before the meeting. Staff will be pleased to make the necessary arrangements.

**MINUTES OF THE FARMER CITY, ILLINOIS
CITY COUNCIL
REGULAR MEETING OF
NOVEMBER 04, 2019 6 p.m.**

Roll call

Present: Councilmembers Willard McKinley, Benjamin Burden, Shelley Friedrich and Mayor Scott Testory. Absent: Scott Kelley
Also, in attendance: City Manager Sue McLaughlin, City Attorney Joe Chamley, City Clerk Angie Wanserski

Pledge of allegiance to the flag

Proclamations/presentations

Public Comment

SECTION I: CONSENT AGENDA

A. Approval of the minutes of the October 21, 2019 council meeting

B. Fund Warrant List

MOTION by McKinley to approve consent agenda. Seconded by Friedrich. Approved unanimously. Motion carried.

SECTION II: UNFINISHED BUSINESS Ordinances or resolutions previously tabled

SECTION III: NEW BUSINESS – Ordinances and resolutions for initial consideration

1. **Ordinance 1039 Ordinance Authorizing the Execution of the RMA Minimum/Maximum Contribution Agreement**

This ordinance is a yearly renewal for the Risk Management Association.

MOTION by McKinley to adopt Ordinance 1039 Ordinance Authorizing the Execution of the RMA Minimum/Maximum Contribution Agreement. Seconded by Friedrich. Voted unanimously. Motion carried.

2. Approval of the final payment to Cross Construction for Water St improvements in the amount of \$67,601.12.

MOTION by Burden to approve final payment to Cross Construction for Water Street improvements in the amount of \$67,601.12. Seconded by Friedrich. Voted unanimously. Motion carried.

3. Approval of payout #3 to Cross Construction for Maple/Western St improvements in the amount of \$214,732.58.

A code red went out to residents on Maple/Western regarding paving of their road on Tuesday November 5, 2019. Cross will be finishing up all paving issues on Maple, Western and John Street.

MOTION by McKinley to approve payout #3 to Cross Construction for Maple/Western St improvements in the amount of \$214,732.58. Seconded by Burden. Voted unanimously. Motion carried.

4. **Ordinance 1040 Declaring certain property surplus.**

MOTION by McKinley to approve Ordinance 1040 declaring certain property surplus. Seconded by Friedrich. Voted unanimously. Motion carried.

5. Discussion regarding recreational marijuana
City Manager Sue McLaughlin wanted to give the council the opportunity to discuss the current matter of recreational marijuana and what the city's stance will be in the future. The city will have no zoning control and limited authority. This will fall to the county and state to regulate. The council could implement registration requirements, outright ban marijuana, and/or pass taxation ordinance up to 3%. After discussion, the Council determined to adopt a tax ordinance rather than prohibit the sale. McLaughlin will bring the issue back up in a future council meeting in order to discuss taxing rates.

SECTION IV:

OTHER ITEMS

1. City manager report

City Manager McLaughlin reviewed the current audit with council. The unmodified opinion audit was submitted to the state the end of September. There were no material findings, meaning nothing severe was found. McLaughlin broke down all issues that could be questionable and gave a summary of the findings to council. McLaughlin also reminded everyone that Area Disposal will be doing their free fall cleanup of leaves this weekend and next.

2. Non-agenda items and other business.

Councilmember Friedrich inquired as to whether residents can have 2 garbage services if they're willing to pay for it on top of what's required. CM McLaughlin will check into the issue. Mayor Testory inquired on a swing set in South Park. CM McLaughlin stated the funds for this were already in this year's budget and they will be looking into purchasing after the new year.

SECTION V:

EXECUTIVE SESSION –

5 ILCS 120/2(c) 5: The purchase or lease of real property for the use of the public body, including meetings held for the purpose of discussing whether a particular parcel should be acquired.

MOTION by McKinley to close open session and go into executive session. Seconded by Burden. Voted unanimously. Motion carried.

MOTION by McKinley to close executive session and return to open session. Seconded by Burden. Voted unanimously. Motion carried.

ADJOURNMENT

MOTION by McKinley to adjourn meeting. Seconded by Friedrich. Voted unanimously. Motion carried.

Angie Wanserski, City Clerk

Vendor Name	Net Invoice Amount	
Total 510:	488.55	
530		
Office Machine Repair	10.00	ELE - COPY MACHINE RENTAL
FRONTIER	157.18	ELEC PHONE
IMEA	101,854.25	ELEC GENERATION
NICOR ADVANCED ENERGY	822.33	ELECTRICITY GENERATION
CORNEGLIO AG	73.42	ELE SUPPLIES
CORNEGLIO AG	68.39	ELE SUPPLIES
CORNEGLIO AG	7.24	ELE SUPPLIES
AMALGAMATED BANK OF CHIC	10,000.00	PRINCIPAL
AMALGAMATED BANK OF CHIC	16,415.00	INTEREST
AMALGAMATED BANK OF CHIC	24,827.17	INTEREST
Total 530:	154,234.98	
Grand Totals:	251,613.99	

Vendor Name	Net Invoice Amount	
100		
PRESTO X PEST CONTROL	43.00	ADM - PEST CONTROL
NEOFUNDS BY NEOPOST	1.63	POSTAGE
FRONTIER	42.14	ADM PHONE
FRONTIER	214.09	ADM PHONE
FRONTIER	214.09	ADM PHONE
CLINTON JOURNAL	684.00	PUB TREAS REPORT
MIDWEST MAILING AND SHIPPI	561.00	ADM CONTRACT MAILING EQUIP
Absopure Water Co	10.55	ADM - DRINKING WATER
MIDWEST MAILING AND SHIPPI	177.42	MAINT AGREE FOR DEGITAL MAILING SYS
FRONTIER	464.95	POLICE PHONE
FRONTIER	180.98	STREET
Rahn Equipment	413.15	PLOW PARTS
Rahn Equipment	329.00	STR - EQUIPMENT SUPPLIES
Menards	108.74	ELEC SUPPLIES
CORNEGLIO AG	25.33	STREET SUPPLIES
CORNEGLIO AG	318.50	STREET SUPPLIES
CORNEGLIO AG	19.04	STREET SUPPLIES
Progressive Chemical	1,145.12	NO PARKING SIGN AND POST
FRONTIER	203.58	POOL PHONE & WIFI
Total 100:	5,156.31	
110		
STRIEGEL KNOBLOCH & COMP	13,000.00	AUDIT
Total 110:	13,000.00	
170		
MAURER-STUTZ	7,411.25	I-74 W/S EXTENSION
AREA DISPOSAL	729.00	I74 EXT DUMPSTER
Total 170:	8,140.25	
240		
MAURER-STUTZ	142.50	JOHN STREET IMPROVEMENTS
Total 240:	142.50	
270		
MAURER-STUTZ	1,056.25	WATER ST CONSTRUCTION ENGINEERING
MAURER-STUTZ	21,913.75	MAPLE ST WESTERN ENGINEERING
MAURER-STUTZ	6,175.00	JOHN ST SRTS PHASE 1/11
AMALGAMATED BANK OF CHIC	29,538.05	INTEREST
Total 270:	58,683.05	
490		
AREA DISPOSAL	11,768.35	MONTHLY GARBAGE SERVICE
Total 490:	11,768.35	
510		
FRONTIER	258.78	WATER PHONE
NICOR ADVANCED ENERGY	66.84	WATER UTILITIES
Menards	162.93	ELEC SUPPLIES

MUNICIPAL CANNABIS RETAILERS' OCCUPATION TAX

ORDINANCE NO. 1041

**AN ORDINANCE AMENDING THE MUNICIPAL CODE
OF THE CITY OF FARMER CITY
BY THE ADDITION OF CHAPTER 34
IMPOSING A MUNICIPAL CANNABIS RETAILERS' OCCUPATION TAX**

WHEREAS, the City has the authority to adopt ordinances and to promulgate rules and regulations that protect the public health, safety and welfare of its citizens; and

WHEREAS, this Ordinance is adopted pursuant to the provisions of the Illinois Municipal Cannabis Retailers' Occupation Tax Law, 65 ILCS 5/11-8-22 *et seq.* (Act); and

WHEREAS, this Ordinance is intended to impose the tax authorized by the Act providing for a municipal cannabis retailers' occupation tax which will be collected by the Illinois Department of Revenue;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Farmer City as follows:

SECTION 1. Recitals. The facts and statements contained in the preamble to this Ordinance are found to be true and correct and are hereby adopted as part of this Ordinance.

SECTION 2. Adoption of Tax. Chapter 34 of the Municipal Code of the City of Farmer City shall be amended by the addition of Section 34.80 that will read as follows:

Section 34.80 Municipal Cannabis Retailers' Occupation Tax.

1. Tax imposed; Rate.

(a) A tax is hereby imposed upon all persons engaged in the business of selling cannabis, other than cannabis purchased under the Compassionate Use of Medical Cannabis Pilot Program Act, at retail in the City at the rate of 3% of the gross receipts from these sales made in the course of that business.

(b) The imposition of this tax is in accordance with the provisions of Sections 8-11-22, of the Illinois Municipal Code (65 ILCS 5/8-11-22).

2. Collection of tax by retailers.

(a) The tax imposed by this Ordinance shall be remitted by such retailer to the Illinois Department of Revenue (Department). Any tax required to be collected pursuant to or as

authorized by this Ordinance and any such tax collected by such retailer and required to be remitted to the Department shall constitute a debt owed by the retailer to the State. Retailers may reimburse themselves for their seller's tax liability hereunder by separately stating that tax as an additional charge, which charge may be stated in combination, in a single amount, with any State tax that sellers are required to collect.

(b) The taxes hereby imposed, and all civil penalties that may be assessed as an incident thereto, shall be collected and enforced by the Department. The Department shall have full power to administer and enforce the provisions of this section.

SECTION 3. Severability. If any provision of this Ordinance, or the application of any provision of this Ordinance, is held unconstitutional or otherwise invalid, such occurrence shall not affect other provisions of this Ordinance, or their application, that can be given effect without the unconstitutional or invalid provision or its application. Each unconstitutional or invalid provision, or application of such provision, is severable, unless otherwise provided by this Ordinance.

SECTION 4. Effective Date. This Ordinance shall be in full force and effect from and after its passage and approval and publication as required by law, provided, however, that the tax provided for herein shall take effect for all sales on or after the first day of January, 2020.

ADOPTED THIS _____ day of _____, 2019.

AYES:
NAYS:
ABSTENTIONS:
ABSENT:

APPROVED THIS _____ day of _____, 2019.

Mayor Scott Testory

ATTEST:

City Clerk Angie Wanserski



City of Farmer City
 105 South Main
 Farmer City, IL 61842

From: 9/1/2019 To: 10/27/2019
 Estimate No. Final Payment

ENGINEER'S PAYMENT ESTIMATE

Sheet 1 Of 1 Job Num. B1923 K001

Payable to: J.F. Electric - 100 Lakefront Pkwy Edwardsville, IL 62025
Total Contract Amount: \$591,968.00

MILESTONES COMPLETE

	VALUE, \$
Total Labor (\$404,621.94)	\$404,621.94
Total Material (\$187,346.06)	\$187,346.06
Change Order/Unallocated Units	-\$15,807.06

Notice To Proceed	<u>4/15/2019</u>
Contract Days	<u>-</u>
Days Used	<u>-</u>
Days Remaining	<u>-</u>
Completion Date	<u>10/27/2019</u>

Approved *[Signature]*
 BHMG Engineers, Inc

Date 11/11/2019

Approved _____
 City of Farmer City

Date _____

Total Completed to Date	<u>\$576,160.94</u>
Less Amount Not Approved This Estimate	<u>\$0.00</u>
Total Approved	<u>\$576,160.94</u>
Less 10% Retained	<u>-</u>
Total Approved for Payment	<u>\$576,160.94</u>
Less Amount Paid	<u>\$414,960.00</u>
Net Amount Due	<u>\$161,200.94</u>



Office Location:
100 Lakefront Pkwy
Edwardsville, IL 62025

Mailing Address:
P.O. Box 570
Edwardsville, IL 62025

Main: 618.797.5353
Toll Free: 800.339.8383
Fax: 618.797.5354

jfelectric.com

Invoice

To: City of Farmer City 105 South Main Street	Invoice: 207270
Farmer City, IL 61842	Period: thru
Contract : 2193089.10 Electric Extension to I-74	Invoice Date: 11/8/2019
Customer Ref: Progress Bill #3	Purchase Order:

1. Original Contract Sum	\$591,968.00
2. Net Change By Change Order	-\$15,807.06
3. Contract Sum To Date	\$576,160.94
4. Total Completed and Stored To Date	\$576,160.94
5. Retainage :	
a. 0.00% of Completed Work \$0.00	
b. 0.00% of Stored Material \$0.00	
Total Retainage	\$0.00
6. Total Earned Less Retainage	\$576,160.94
7. Less Previous Certificates For Payments	\$414,960.00
8. Current Payment Due	\$161,200.94
9. Balance To Finish, Plus Retainage	\$0.00



Memo

To: City of Farmer City
From: Moran Economic Development
Date: November 13, 2019
Re: Application for TIF Assistance Review – Maxwell Counters, Inc.

The following Project Proposal has been submitted to the City requesting consideration for the provision of TIF Funds. We have reviewed the applicant's application and have outlined key project features and potential assistance strategies below:

Project: Relocation of laminate shop manufacturing location

Applicant/Developer: Maxwell Counters, Inc.

Project Address(s): 25776 Depot Road, Farmer City, IL 61842 (TIF #3)
See Exhibit A – Project Location for more details

Project Overview:

The Developer has a desire to relocate his businesses laminate shop location at Plum Street to his other shop located at Depot Road. In order to accomplish this, it will require renovations and remodeling of the existing Depot Road building to accommodate the needs of the laminate manufacturing processes and equipment. This project will involve the following:

- Upgrades to electrical and dust collection systems
- Engineering services to evaluate our finished process to help insure we have an efficient flow at projects completion.
- Significant labor involved with moving the inventory and resetting the various tools including plant layout engineers, millwrights to move heavy equipment, and electricians and dust collection specialist to lay out a revised collection plan.
- Construction of a wider door and concrete pad

The ultimate goal of this project is for the expansion of business operations to allow them to stay competitive in the industry while increasing efficiency and decreasing overhead costs. If this relocation is a success, the Developer plans to utilize the newly available space at the Plum street location to expand his stone operations.

This project is taking place within the Farmer City TIF District and is eligible for consideration for the provision of TIF assistance for eligible costs incurred.



Estimated Project Costs:

PROJECT COST ESTIMATES

Work Item Description	Estimated Total Cost	Estimated TIF Eligible Cost
Existing Building Renovation	\$5,000	\$5,000
Installation of Machinery & Equipment	\$15,000	\$0
Engineering and Planning Fees	\$7,000	\$7,000
Relocation Costs and Physical Movement of Equipment & Machinery	\$15,000	\$15,000
TOTAL:	\$42,000	\$27,000

TIF Eligible costs are those costs incurred by the Developer during the performance of the work required for the project which are legally reimbursable using TIF Funds under the Illinois TIF Act. Any financial assistance provided utilizing TIF Funds may not exceed the total TIF eligible costs incurred. Actual costs incurred will be reviewed to confirm eligibility prior to the disbursement of any agreed upon reimbursement payments. *The legal eligibility of these costs does not guarantee the provision of any level of funding.*

Estimated Employment Impact

This project is not intended to create any new employment opportunities, as it is intended to increase the efficiency of current work force.

Estimated Sales Tax Impact

The developer estimates that as a result of increased efficiency and expanded operation capacity, they could grow their retail sales by 5%-8%.

Estimated Property Tax & TIF Revenue Impact

	PRE PROJECT	AFTER PROJECT	CHANGE
Taxable Value	\$193,013	\$194,413	+\$1,400
Total Tax Bill	\$18,585	\$18,719	+\$134
TIF Revenue	\$483	\$617	+\$134

Although this project represents a significant investment on behalf of the business owner, the type of work to be performed generally does not have any significant effect on the taxable value of the property. Therefore, there are no meaningful increases in TIF Revenue or incremental tax revenue to note.

Please see attached Exhibit B – Projections, for more detailed information regarding property tax estimates.



*Actual taxable value will be determined by the County Assessor, and may vary widely based on their assessment of the improvements to the property.

Request for TIF Assistance

This property is within the Farmer City District and meets all standard pre-requisite criteria in order to be considered for TIF assistance.

Without the provision of TIF Funds, the Developer has indicated that the project may become economically unfeasible, and could ultimately lead to an inability to compete within the industry.

Opinion on the Provision of TIF Assistance

Should the City wish to provide TIF funds to support this project, the recommended strategy for assistance would be a one-time grant payment to reimburse the Developer for certain Eligible Redevelopment Project Costs incurred during the relocation project.

Suggested Assistance Package to offer:

Grant Amount: up to an amount not to exceed \$27,000 as determined by the City Council at their discretion.

Term: Payable upon completion of the project as determined by the City.

Reimbursement limit: 100% of TIF eligible costs verified to have been incurred.

NOTE

The provision of TIF assistance is at the complete discretion of the City, and this document is simply meant to serve as an overview of the project and evaluation of the application for assistance submitted by the Developer, as well as expression of our opinion, based on our professional experience, of an assistance strategy which the City could consider utilizing in regard to TIF funds. Any actions taken should be in accordance with the desires of the City, and in accordance with all provisions of the TIF Act.

Any actual payment is subject to terms of an executed Redevelopment Agreement between the City and the Developer. Any reimbursement may not exceed the total Eligible Redevelopment Project costs verified to have been incurred in conjunction with the project.

EXHIBIT A

PROJECT LOCATION

ADDRESS: 25776 Depot Road, Farmer City, IL 61842 (TIF #3)

DEWITT COUNTY PIN: 05-29-200-009

LEGAL: S29 T21 R5, PT NE - BEG 55 S & 60 W NE COR, S315 , W691.43 ,
N315 , E691.43 TO POB,

MAP:

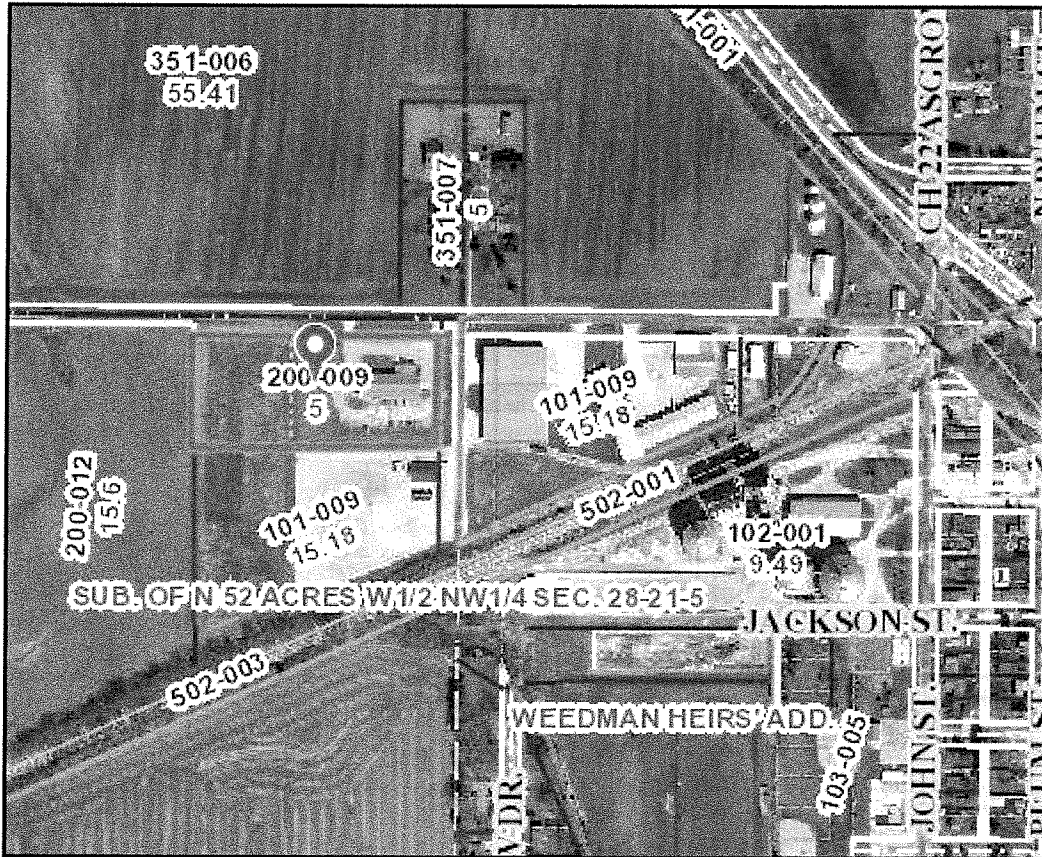


EXHIBIT B - PROJECTIONS

**REAL ESTATE TAX & TIF PROJECTIONS
MAXWELL COUNTERS, INC.
DEPOT ROAD RELOCATION**

Project PIN(s)	05-29-200-009	
Estimated Current EAV of Properties	\$193,013	Est. Current Tax Bill
Estimated TIF BASE	\$188,000	\$18,585
Estimated Total Investment in Property	\$42,000	Est. to TIF
Estimated Contribution to Real Property Value*	10%	\$483
Estimate Assessed Value of Improvements	\$4,200	
EAV of Estimated Improvements	\$1,400.00	
New EAV with Improvements**	\$194,413	Total Tax Bill
Total Tax Rate	9.629%	\$18,719

TIF Increment or Amount Available for Reimbursement	\$617
---	-------

Payment Year	Year	Current or Base EAV	EAV of Improvements	Estimated Total Taxable Value	Estimated TIF Increment	Estimated Full Tax Bill	Estimated TIF Increment	EXAMPLE TIF REVENUE SHARING SCENARIO			
								To Developer	%	To City	%
	2019	\$193,013	\$0	\$0	\$0	\$0	\$0	\$0	0	\$0	0
1	2020	\$193,013	\$1,400	\$194,413	\$6,413	\$18,719	\$600	\$360	60%	\$240	40%
2	2021	\$193,013	\$1,428	\$194,441	\$6,441	\$18,722	\$600	\$360	60%	\$240	40%
3	2022	\$193,013	\$1,457	\$194,470	\$6,470	\$18,725	\$600	\$360	60%	\$240	40%
4	2023	\$193,013	\$1,486	\$194,499	\$6,499	\$18,728	\$600	\$360	60%	\$240	40%
5	2024	\$193,013	\$1,515	\$194,528	\$6,528	\$18,730	\$600	\$360	60%	\$240	40%
6	2025	\$193,013	\$1,546	\$194,559	\$6,559	\$18,733	\$600	\$360	60%	\$240	40%
7	2026	\$193,013	\$1,577	\$194,590	\$6,590	\$18,736	\$600	\$360	60%	\$240	40%
8	2027	\$193,013	\$1,608	\$194,621	\$6,621	\$18,739	\$600	\$360	60%	\$240	40%
9	2028	\$193,013	\$1,640	\$194,653	\$6,653	\$18,742	\$600	\$360	60%	\$240	40%
10	2029	\$193,013	\$1,673	\$194,686	\$6,686	\$18,746	\$600	\$360	60%	\$240	40%
10 Year Total						\$187,321	\$6,000	\$3,600		\$2,400	

Assume 2% increase annually
Based on figures from the Developer
*Not all costs contribute to real property value
Assumes first year of full assessment after project is completed will be 2020