

City Council of the City of Carbondale, Illinois
Public Hearing on Proposed FY 2006 City Budget
March 29, 2005

The City Council of the City of Carbondale, Illinois, held a public hearing on Tuesday, March 29, 2005, in City Council Chambers of the Carbondale Civic Center, 200 South Illinois Avenue, for the purpose of soliciting comments on the proposed FY 2006 operating budget. Mayor Brad Cole called the public hearing to order at 7:18 p.m. with the following-named members of the City Council present/absent:

Present: Councilman Steven Haynes, Councilman Lance Jack, Councilwoman Sheila Simon, Councilwoman Corene McDaniel, Councilwoman Margaret Flanagan, Councilman Chris Wissmann and Mayor Brad Cole

Absent: None

Also present were City Clerk Janet M. Vaught, City Manager Jeff Doherty and various members of the City's administrative staff.

City Manager Doherty presented the Budget Transmittal Letter which included the budget overview and budget highlights (Attachment PH-A-3-29-2004).

Mayor Cole said that this public hearing provides an opportunity for anyone to come forward and ask questions about the budget. He said the budget will be discussed under the General Business agenda for the Council to ask questions and make comments. Mayor Cole invited comments or questions from the public.

Angie Kaye, 113 N. Lark Lane, said it was a privilege and pleasure to stand there as a citizen and ask questions about the budget, adding that this is what the men and women are fighting for overseas and as a citizen she feels honored to ask questions at the town meeting. Ms. Kaye said the budget is a good working document, adding she has read it and thinks it is well written. She said she only has a couple of things that she has concerns about, adding that it seems that the City is in great financial shape and she appreciates that as a citizen. Ms. Kaye said she wanted to ask why water rates are going to be increased by 15.2%. She said she knows that water and sewer lines cost, that the water treatment plant is about finished being paid for. She said that 15.2% isn't a whole lot for her but for a lot of people on a fixed income it could mean a lot. She asked what the rationale is, adding that there may be some very good reasons, maybe some things coming down the road, maybe water lines needing to be replaced. She said she did have a concern about it, especially when the General Fund ending balance was well over \$6 million. She said if the City has that kind of money, why does there have to be an increase in water rates. She said she was also glad to see that the City was going to finally move on making the old Lincoln School building a new police facility which she believes is very much needed. Also, in the Community Investment Program, she asked if there are any other public buildings that the City is thinking about acquiring or refurbishing this year that haven't been put in as a funded or unfunded project, adding that there was some talk about the possible purchase of the old Attucks grade school on Main Street. Ms. Kaye said that believing in historic preservation and being from Carbondale she likes to see buildings rehabed if they can and wondered if anything like this had been brought to the Council. She wondered if the Council had thought about this, adding that there was nothing in the Community Investment Program budget but is something that has been talked about in the community. Ms. Kaye said these were the only

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questions she had and said she would like to thank City staff for all the hard work, adding that the budget does not take days or weeks but months to prepare. She again thanked the Council for allowing her time to ask questions.

In response to Ms. Kaye's questions, Mayor Cole said that at this point in time there is no official action before the Council to rehabilitate or purchase any additional property, adding that this doesn't mean that something won't come up during the course of the year at which time a budget adjustment would have to be presented to the Council. He reiterated that at this time the Council has not taken any formal action and there is not any formal action before the Council to do so. With respect to Ms. Kaye's comments regarding the police station, Mayor Cole said he appreciates Ms. Kaye's support of the project. He said that the City has been working for two years to secure grant funds that were committed to the City by the State of Illinois, adding that there is a grant contract that has not been "made whole" by the State of Illinois and the City is still awaiting funds from them to fulfill the purchase and site demolition of the Lincoln Middle School for a new joint-use police facility.

Mayor Cole asked City Manager Doherty to review the information regarding water rates. City Manager Doherty that it is proposed that a 40¢ per 1,000 gallon water rate increase be effective in November 2005 which would provide approximately six months notice to users, not only residential citizens but the major users, the water districts and SIU. The last increase in water rates was 1998, approximately seven years ago. There are continuing increases in operational costs and the City has been able to absorb them within the existing rate structure and the amount of revenue that has been received, a lot through normal growth in the users of water. Mr. Doherty noted that the water rates and the water and sewer fund is separate from any other fund, adding that the money that supports the water and sewer operations within the City, the water and sewer plants, maintenance of water and sewer lines, are paid for by people paying water and sewer bills. There are no other monies that go into it except for possible loans that are received, for example, the IEPA loan that we received for the wastewater treatment plant upgrade in the amount of about \$11.5 million. He added that there are no general fund monies that are put into it and no other tax monies that go into the water and sewer fund. Mr. Doherty said it is a proprietary fund that operates on the revenue it produces. He said that when it is projected out for the next few years, in order to maintain the operations that the City has and continue to upgrade water lines throughout the community -- that there are still many 2-inch water lines with low flow in certain areas, and some of the water line projects that are going to be done this year, those 2-inch water lines are going to be replaced with six-inch water lines -- in order to upgrade the system infrastructure and invest in it, then the fund needs additional revenues to do that. Mr. Doherty said that every other year the City surveys about 190 water providers in the region, much of the State of Illinois, and the City of Carbondale's water rates continue to be in the lower 25% of the rates, yet the City is able to provide for a state-of-the-art water plant, an unrestricted source of water in Cedar Lake, quality water throughout the community, and the City is able to do this with relatively low water rates. But, he said, from time to time the City does need to adjust the rates in order to continue to operate in a fiscally-sound fashion. He said that this is what is being done at this time. Mr. Doherty said that some people may remember that the City did increase the sewer rates in the past few years and that was to pay for the debt service necessary to pay for the upgrade to the southeast wastewater treatment plant, and that increase is budgeted in there. He also noted that one could look at the fund balance now but the City is going to be paying about \$800,000 per year in debt service for that sewer plant. Mr. Doherty said that Ms. Kaye had mentioned that the water plant will soon be paid off but, actually, it will be a little later. In FY 2009, however, there will be a major bond paid off and around FY 2010 the Council will be able to make some decisions on the whole rate structure for the water and sewer system and what we do when

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we're saving about \$1.2 million per year in debt service. He added that is out a little way, though, and the City can't bank on it at this time. In order to get there, the City does need the water rate increase.

Mayor Cole invited additional comments or questions from the public.

Ms. Sally Wright, 2740 Water Valley Road in Cobden, said she was coming before the Council as the spokesperson for the Carbondale Aquatic Complex Committee. She said that due to the high level of interest among study circle participants for having an outdoor aquatic facility in Carbondale, the Human Relations Commission sought persons to serve on a committee that would look into this issue. The Committee was formed and began meeting in June 2004 as a result of Carbondale study circles. Over the last eight months, this committee has facilitated three public presentations by aquatic facility building and design firms which provided a significant source of information on the types of public aquatic facilities currently being funded and built in and around communities like ours around the country. Ms. Wright said the Committee also surveyed nine other communities of similar demographics on the process of achieving and operating their aquatic facilities, the results of which are contained in a report that she believes all the Council members received. Additionally, Committee members have been in discussions regarding this project with key leaders in the community including the Mayor, the City Manager, City Council members and the Board President of the Carbondale Park District. One question that continues to be raised is who should be leading the project, the City or the Carbondale Park District. It is the Committee's conclusion that a project of this size that will serve the citizens of the City, the Park District and the surrounding communities is going to require a collaboration among all government units including the City, the Park District and potentially the school districts, much like the development and management of the Superblock facilities. Ms. Wright said at this point the Committee recommends that an updated feasibility study needs to be done as a first step and they are looking to the City to take this first step which will provide a foundation for all the governmental entities to work together and build off of to make the aquatic facility a reality for Carbondale. Given that there was a feasibility study done in 1998, the Committee recommends that it be updated at a project maximum cost of \$15,000 rather than having a completely new study done for considerably more. At this time, the Committee requests that funding for this study be considered for inclusion in the City's FY 2006 budget. Ms. Wright thanked the Council for its time and consideration of the findings and recommendations of the Carbondale Aquatic Complex Committee.

Mayor Cole thanked Ms. Wright for her comments and said that the Council could discuss the request when the budget comes before it under General Business, which is next on the agenda.

Mayor Cole invited further comments from the public.

Ms. Genevieve Houghton, 710 N. Oakland, admitted that she hadn't read the budget but that she had a question for her own information. She said that she remembers occasions when the City discussed plans for the future there seemed to be a strong sentiment that the City should develop by infill and people were enthusiastic about infill and getting rid of vacant lots. Yet, she said, with the budget she heard mention of extending the City limits. She said it seems to her that the City should go one way or the other and she asked what the feeling of the City Council is on this issue and whether there is any support for the idea of infill as opposed to constantly reaching out and grabbing new pieces of territory.

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Mayor Cole said that the City has been extending its City limits as individuals come forward to the City with annexation requests. He said the infill program deals with the City's home ownership program, a construction incentive program that has been in place for approximately sixteen months and has been very successful in infilling lots with new development for housing. He said that program is in place and was mentioned in the transmittal letter by the Manager. Mayor Cole asked City Manager Doherty if he would like to expand on those comments. City Manager Doherty agreed with the Mayor's comments, adding that there is an emphasis on both.

Mayor Cole invited further comments from the public, adding that the Council is in a public hearing on the FY 2006 City budget. He noted that the budget will be considered in a general business item before the Council for discussion immediately following the public hearing.

Noting that he has called three times for anyone who wished to come forward and speak during this public hearing and seeing no one else who wished to speak, Mayor Cole declared the public hearing closed at 7:51 p.m..

Janet M. Vaught, City Clerk

Approved by the City Council on:
