

MINUTES
THE CITY OF ST. CHARLES
GOVERNMENT OPERATIONS COMMITTEE
ALD. RON SILKAITIS, CHAIR
MONDAY, FEBRUARY 6, 2023

1. Call to Order

The meeting was called to order by Chairman Silkaitis at 7:06 pm.

2. Roll Call

Present: Ald. Kalamaris, Ald. Payleitner, Ald. Bongard, Ald. Bancroft, Ald. Pietryla, Ald. Wirball, Ald. Bessner, Ald. Weber

Absent: Ald. Lencioni

3. Administrative

- a. Video Gaming Statistics December 2022.

It was requested that compliance checks be done for the for the 26 establishments which offer video gaming. The Code Enforcement Department follows up on any complaints.

4. Omnibus Vote

Items with an asterisk (*) are considered to be routine matters and will be enacted by one motion. There will be no separate discussion on these items unless a council member/citizen so requests, in which event the item will be removed from the consent agenda and considered in normal sequence on the agenda.

Motion by Ald. Wirball, second by Ald. Bancroft to approve the Omnibus items.

Roll Call Vote: Ayes: Ald. Kalamaris Ald. Payleitner, Ald. Bongard, Ald. Bancroft, Ald. Pietryla, Ald. Wirball, Ald. Bessner, Ald. Weber. Nays: None. Absent: Ald. Lencioni. Ald. Silkaitis did not vote as Chair. **Motion Carried.**

5. Police Department

- *a. Recommendation to approve Street Parking Closures for the “Paint the Riverside Event” being held by the St. Charles Arts Council on Saturday, May 13, 2023.**

Motion by Ald. Wirball, second by Ald. Bancroft to recommend approval of Street Parking Closures for the “Paint the Riverside Event” being held by the St. Charles Arts Council on Saturday, May 13, 2023.

Roll Call Vote: Ayes: Ald. Kalamaris Ald. Payleitner, Ald. Bongard, Ald. Bancroft, Ald. Pietryla, Ald. Wirball, Ald. Bessner, Ald. Weber. Nays: None. Absent: Ald. Lencioni. Ald. Silkaitis did not vote as Chair. **Motion Carried.**

6. Finance Department

a. Annual Funding Request Presentation from the St. Charles History Museum in the Amount of \$50,000 for Fiscal Year 2023-2024.

Bill Hannah introduced Steve Gibson, the President of the History Museum, who introduced the Museum board and made a presentation. He reviewed the mission statement and 2022 accomplishments. He thanked sponsors, volunteers, and staff for their efforts. A question was asked about future children's programming, and Steve responded that he will work with the school and library districts to plan for that.

Motion by Ald. Pietryla, second by Ald. Wirball to recommend approval of the Annual Funding Request of the St. Charles History Museum in the Amount of \$50,000 for Fiscal Year 2023-2024.

Roll Call Vote: Ayes: Ald. Kalamaris Ald. Payleitner, Ald. Bongard, Ald. Bancroft, Ald. Pietryla, Ald. Wirball, Ald. Bessner, Ald. Weber. Nays: None. Absent: Ald. Lencioni. Ald. Silkaitis did not vote as Chair. **Motion Carried.**

b. Annual Funding Request Presentation from the St. Charles Business Alliance in the Amount of \$698,6000 for Fiscal Year 2023-2024.

Bill Hannah introduced Jenna Sawicki, Executive Director of the St. Charles Business Alliance, and shared that the funding request is the same as it was for the previous fiscal year.

Jenna made a presentation that included the organization's mission, 2022 accomplishments, financial results, and future activities and events planned for 2023-2024. A question was raised about social media impressions and the correlation to positive impact on local businesses. It was requested to put quantified goals into perspective to show how those compare to previous results.

Motion by Ald. Wirball, second by Ald. Weber to recommend approval of the Annual Funding Request of the St. Charles Business Alliance in the Amount of \$698,6000 for Fiscal Year 2023-2024.

Roll Call Vote: Ayes: Ald. Kalamaris Ald. Payleitner, Ald. Bongard, Ald. Bancroft, Ald. Pietryla, Ald. Wirball, Ald. Bessner, Ald. Weber. Nays: None. Absent: Ald. Lencioni. Ald. Silkaitis did not vote as Chair. **Motion Carried.**

c. Recommendation to approve an Ordinance Amending Title 3, "Revenue and

Finance,” Chapter 3.36, “Home Rule Municipal Retailers’ and Service Occupation Tax,” of the City of St. Charles Municipal Code.

Bill Hannah referred to the Budget Workshop that was held on January 23, 2023. One of the items discussed at that meeting was the condition of the City’s 138 miles of streets, which have deteriorated over the last five years. In a 2022 study, 54% of City streets were evaluated as Poor or Very Poor in condition. The City budget includes approximately \$2.9 million annually for road improvements, on average. This level of funding supports a 50-year cycle for road improvements, which is not sufficient for adequate maintenance.

A recent study showed that the City would need to spend an additional \$3.5 to 4.2 million annually, for approximately 10 years, to attain a 30-40-year maintenance cycle. Staff considered several options to generate the needed funding; an increase to the 2-cent local fuel tax, a new 3% natural gas tax, a new 1% food and beverage tax, an increase to the 3% alcohol tax, increase in property tax, or establish a real estate transfer tax (by referendum.) Many of these options put the financial burden on residents, and the total revenue amount will be insufficient for the current needs. The most financially impactful option would be to increase the local Home Rule Sales Tax, which is currently at 1%. Increasing that tax to 1.5 % would generate an additional \$4.4 million dollars per year in revenues, which could be designated for used on City roads and related infrastructure. This tax does not apply to food purchased at the grocery store, medicines, or auto sales. It is estimated that 40-60% of Home Rule Sales Tax is currently paid by nonresidents. The Home Rule Sales Tax was established in 1994 at .25%, increased to .5% in 1997, and raised to the current level of 1% in 2004. The intention is to designate all additional tax funds which are a result of this Ordinance to improvement of roads, bridges, and related road and pedestrian system infrastructure. Another evaluation would be anticipated in three to five years.

Multiple alderpersons commented in favor of the change and designation of the use of funds, despite a reluctance to increase taxes. Based on complaints received from residents, it’s believed that there is a willingness to pay for those repairs.

Steve Gaugel, resident, spoke in detail about his concerns regarding this tax increase. He raised questions about the road assessments and financial decisions made in 2018, and asked what has changed since that time. City Administrator Heather McGuire provided some context about the predictions made in 2018 and the results of the current street assessment. A delay in implementing an accelerated road maintenance program will result in even higher costs to replace roads that may be able to be resurfaced. Ald. Bancroft

suggests that it would be a worthy exercise for staff to understand the significant issues that caused the need for more revenue for roads and related infrastructure compared to the last evaluation.

Motion by Ald. Weber, second by Ald. Bancroft to recommend approval of an **Ordinance** Amending Title 3, "Revenue and Finance," Chapter 3.36, "Home Rule Municipal Retailers' and Service Occupation Tax," of the City of St. Charles Municipal Code.

Roll Call Vote: Ayes: Ald. Kalamaris Ald. Payleitner, Ald. Bongard, Ald. Bancroft, Ald. Pietryla, Ald. Wirball, Ald. Bessner, Ald. Weber. Nays: None. Absent: Ald. Lencioni. Ald. Silkaitis did not vote as Chair. **Motion Carried.**

*d. **Budget Revisions January 2022.**

Motion by Ald. Wirball, second by Ald. Bancroft to recommend approval of Budget Revisions January 2022.

Roll Call Vote: Ayes: Ald. Kalamaris Ald. Payleitner, Ald. Bongard, Ald. Bancroft, Ald. Pietryla, Ald. Wirball, Ald. Bessner, Ald. Weber. Nays: None. Absent: Ald. Lencioni. Ald. Silkaitis did not vote as Chair. **Motion Carried.**

7. Human Resources Department

a. **Recommendation to approve a Resolution Authorizing an Intergovernmental Agreement between the City of St. Charles and the St. Charles Park District for the Participation in the Intergovernmental Personnel Benefit Cooperative.**

Jenn McMahon explained the reasons for the City move to the Intergovernmental Personnel Benefit Cooperative last year. This new Ordinance will allow the City to sponsor the St. Charles Park District in joining this cooperative and create a seamless transition for their staff. In the spirit of intergovernmental cooperation, and with no extra costs or burden to the City, it is recommended to approve this agreement.

Motion by Ald. Bessner, second by Ald. Wirball to recommend approval of a Resolution Authorizing an Intergovernmental Agreement between the City of St. Charles and the St. Charles Park District for the Participation in the Intergovernmental Personnel Benefit Cooperative.

Roll Call Vote: Ayes: Ald. Kalamaris Ald. Payleitner, Ald. Bongard, Ald. Bancroft, Ald. Pietryla, Ald. Wirball, Ald. Bessner, Ald. Weber. Nays: None. Absent: Ald. Lencioni. Ald. Silkaitis did not vote as Chair. **Motion Carried.**

8. Public Comment – None

9. Additional Items from Mayor, Council, or Staff

Ald. Payleitner addressed the topic of the Ethics Ordinance and acknowledged that after reviewing it, the majority of alderpersons do not feel this needs to be updated.

10. Adjournment

Motion by Ald. Weber, second by Ald. Kalamaris to adjourn the meeting at 8:04 pm.

Roll Call Vote: Ayes: Ald. Kalamaris Ald. Payleitner, Ald. Bongard, Ald. Bancroft, Ald. Pietryla, Ald. Wirball, Ald. Bessner, Ald. Weber. Nays: None. Absent: Ald. Lencioni. Ald. Silkaitis did not vote as Chair. **Motion Carried.**

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