

COMMITTEE ON ENVIRONMENT AND PUBLIC SAFETY
JANUARY 27, 1997
7:30 P.M.

Committee Members Present:

James Hayes, Carolyn Kearns, Esther Patt, Michael Pollock,
Marya Ryan (Chairperson), John Taylor, and Joseph Whelan

Committee Members Absent:

None

Staff Members Present:

Jack Waaler, April Getchius, Bruce Walden, Bill Gray, Ronald
Eldridge, Chief Adair, Phyllis Clark, and Mayor
Satterthwaite

Others Present:

Michael Langendorf, Mark Michaels, Mick McAvoy, Chuck
Bright, Ruth Wyman, Laura Huth, Theryl Newland, Allen Booth,
Ruth Ann Fisher, Ron Neimark and Members of the Media

Meeting Location:

Urbana School District Office, 205 N. Race Street

There being a quorum, Chairperson Ryan called the meeting to
order at 7:33 p.m.

Additions to the Agenda and Staff Report

There were none.

Minutes of Previous Meetings

Ms. Patt moved to approve the minutes of the November 25,
1996 meeting. The motion was seconded by Ms. Kearns and carried by a
voice vote.

Public Input

Michael Langendorf (1508 Trails Drive), addressed the
Committee on the topic of better government.

Mark Michaels (705 Harmon Street), Mick McAvoy (811 Oakland

Committee on Environment & Public Safety
January 27, 1996
Page 2

Avenue), and Chuck Bright (1103 N. Coler) addressed the Committee in opposition to the recycling contract that is being proposed and requested that this item be postponed until after the consolidated election in April.

Ruth Wyman (705 W. Main), and Laura Huth (504 1/2 E. Elm), addressed the Committee in support of the U-Cycle Contract.

Theryl Newland (1813 Ridge Park), addressed the Committee in support of the U-Cycle Contract and the development in South East Urbana.

Allen Booth (302 W. High Street), addressed the Committee regarding the BOCA issues involved with the New Yorker Apartment Building.

Ruth Ann Fisher (1214 Lanore Drive), did not address the Committee but registered her opposition to the recycling contract and requested that this item be delayed so that more time can be dedicated to this issue.

Ron Neimark (310 W. High), did not address the Committee but expressed his support for expanding the U-Cycle program.

Mr. Whelan requested that U-Cycle Contract With A.B.C. be moved to the top of the agenda. There were no objections.

U-Cycle Contract With A.B.C.

City Attorney Jack Waaler summarized the U-Cycle contract stating that the initial first draft did not get delivered to John Gwen, attorney for A.B.C., until Thursday or Friday of last week due to the inclement weather. At this point, it has not been determined whether an agreement can be reached between the City of Urbana and A.B.C.

One of the difficulties from A.B.C.'s perspective is the need for a guaranteed five year contract. It has not been determined whether the City wants to guarantee a five year contract considering the that recycling tax is under litigation.

Discussion followed regarding provisions to deal with the problem of litigation with a five year contract; the ability to change the terms of the contract; on-going negotiations; the possibility of cancellation of the contract; and source separation.

Public Works Director Bill Gray explained the due diligence used to find a responsible collector.

Discussion followed regarding the possibility of material being landfilled, as in the case with what happened with CRC before it closed. It was explained that the material from CRC was landfilled due to contamination. Contaminated material cannot be recycled.

Mr. Gray stated that there are markets for the materials that would be recycled, with the exception that markets for glass are sometimes problematic.

Ms. Kearns moved to ask staff to bring something to Council on Monday, February 3, 1997, on the curbside recycling collection processing service and drop off. The motion was seconded by Ms. Patt.

Mr. Whelan proposed an alternate motion that this be sent to the Committee on Administration and Finance for further discussion to give staff the opportunity to provide that information in a more convenient timeframe. The motion died for lack of a second.

Mr. Whelan stated that the Committee was going too quickly on this issue and more time should be spent considering the issue and looking at the program he proposes, which is similar to what the City of Champaign utilizes.

Mayor Satterthwaite stated that this process is not going too quickly. Staff has been asked to bring something back next week, if it is not ready for Council to vote on, or more time is needed to get it ready, staff will take that time.

Ms. Patt spoke in favor of the motion and stated that she feels certain she represents the people in her Ward on this issue.

Mr. Pollock requested a straw poll from the Committee regarding their support for a five year contract. Mr. Whelan requested that the poll be by voice vote. Voting in support of a five year contract were Members of the Committee: Hayes, Kearns, Patt, Pollock, Ryan and Taylor - 6; voting against the five year contract: Whelan - 1.

The motion to ask staff to bring something to Council on Monday, February 3, 1997, on the curbside recycling collection processing service and drop off carried 6-1 by roll call vote. Voting aye were Members of the Committee: Hayes, Kearns, Patt, Pollock, Ryan and Taylor - 6; voting nay: Whelan - 1.

Mr. Taylor requested that letter **b. School District Questions/Answers** under **S.E. Urbana Development (Atkins Group)** come next in discussion in order to allow School District officials to leave.

Chairman Ryan stated that, if there were no objections, the entire item would be discussed at this time, moving item b. to be discussed first. There were no objections.

S. E. Urbana Development (Atkins Group)

School District Questions/Answers - Superintendent Gene Amberg and Assistant Superintendent Bob Nielsen were present to participate in this segment of the agenda.

Superintendent Amberg stated that the Urbana School District is a stable district and serves approximately 4800 students. Because of the national and county trends, the district is looking at about a three percent growth in enrollment over the next few years.

Mr. Amberg stated that the District is looking at some expansion. One of the possibilities is a 5th-6th grade center to alleviate the 1,000 students. Five to six hundred students at the middle school level would be advantageous. It would also be beneficial to the elementary schools. The high School is quite adequate and could serve more.

The cost of a new elementary school is approximately 8 to 10 million dollars; a middle school costs between 10 and 12 millions dollars; and a new high school is even more. Schools are very expensive.

Operating costs are significant because of the cost for personnel and materials for students.

The new communities will not have a significant impact on making decisions on the schools. The District wants those children and wants to grow again.

Chief Administrative Office Bruce Walden and Comptroller Ronald Eldridge discussed the **Financing Plan** of the city's obligations for the S.E. Urbana Development and the **Development Agreement**. The Rosewood development project will require the City to invest approximately \$3,500,000 in infrastructure over the next several years.

City staff has done extensive review of the 10 year cash projects for the general fund, special funds, TIF districts and known capital improvement projects. Staff also inquired with local bond counsel, banks and Moody's Municipal Rating Service to explore possible borrowing scenarios, impact on credit ratings and related costs.

Staff has provided a spreadsheet entitled "Municipal Cash Flow Estimate for Rosewood Golf Course Project" which provides the best available information regarding revenues.

This has also been discussed with local experts regarding the Developer's THK study results, lot pricing and projected market conditions. The absorption rate projected is very similar to the actual absorption rate experienced by the Ironwood Development in Normal, Illinois. The Ironwood Development is the most similar development in the area.

The gross revenues to the City in the first 10 years are estimated around \$4,000,000 and \$10,500,000 for the first 15 years. The combined gross revenues to the Urbana Taxing Districts are \$19,000,000 for the first 10 years and \$50,000,000 for the first 15 years.

The Rosewood project will generate sufficient revenues to recover all City operating costs and infrastructure investment in less than 10 years.

This project has to be viewed in context with the obligations the City has already made. There are several major projects which are being developed including: Schnuck's Urbana Crossings development, the Holiday Inn, Melrose, and Capstone projects, all of which will need some infrastructure support. The Capital Improvement Plan now includes \$7,000,000 lighting replacement plan as well as the 10 year needs for roads, storm sewers and sanitary sewer replacements. In Staff's review of these projects, only one change has been made to the CIP which was to move back the construction of the Windsor and Philo Road improvements (\$2,500,000) from this year to 1999.

Based upon a thorough review of all project needs and existing capital obligations it is evident that all projects may proceed on schedule regardless of the method of financing for the Rosewood project.

The financial position of the City has improved dramatically in the last three years through economic development efforts and cost control.

There are sufficient unrestricted reserves to pay off or finance the Rosewood development without external borrowing.

The City is in excellent financial condition. The City's infrastructure obligation of \$3,500,000 could be borrowed externally without adversely impacting the City's Credit rating on a tax exempt rate of 6% or less.

Prior to updating our financial projections staff was prepared to recommend borrowing \$1,000,000 externally in 1998 to assist in financing the Rosewood project. Based on updated information, staff is now recommending that all funds needed to finance the Rosewood Development be borrowed internally.

Following debate regarding the effect on taxes, Mr. Walden and Community Development Director April Getchius reviewed the proposed amendment regarding Rose Farm regarding the buffer which parallels the resolution which was passed by the City Council. The owner agrees to provide a twenty-five foot building set back between multiple family residential on the Rose Farm and existing adjacent single family development with an appropriate landscaped buffer.

Mr. Whelan stated that he tried, with the help of staff for a larger buffer and stated his acceptance and the acceptance of the people in his ward for the addition of this buffer.

Mr. Pollock stated that this is not an insignificant project. This type of project can be done but this effort is not to be underestimated. This is a job well done.

Review of Traffic Commission Minutes

There were no comments.

Budget Time Table

Mr. Eldridge stated that the Mayor's budget will be presented on Wednesday, April 23, 1997. The first study session will be Wednesday, April 30, and the budget will be acted upon on Monday, June 16, 1997. The study sessions will be on Wednesday rather than Tuesday this year due to scheduled School Board meetings.

Adjournment

There being no further business to come before the Committee, Chairperson Ryan declared the meeting adjourned at 9:35 p.m.

Respectfully submitted,

Elaine Taylor
Recording Secretary

*This meeting was taped.
**This meeting was broadcast on cable television.