

Minutes Budget and Appropriation Ordinance Public Hearing

STATE OF ILLINOIS

LAKE COUNTY

TOWN OF NEWPORT

THE BOARD OF TOWN TRUSTEES met at the office of the Town Clerk at the Village Hall on November 25, 2013

Members Present:

Beth Hartford, Trustee

Ronald Miller, Trustee

Diane Crittenden, Trustee

Corey Kirschhoffer, Trustee

Rodger Edmunds, Highway Commissioner

Randy Whitmore, Supervisor

Debbie Spurgeon, Clerk

Call to Order: Supervisor Whitmore, acting chairman, called the meeting of the Road District Budget Appropriation Ordinance Public Hearing to order at 6:59 p.m.

Pledge of Allegiance: Supervisor Whitmore led the Pledge of Allegiance at the township budget hearing immediately preceding this meeting.

Roll Call: In attendance were Beth Hartford, Ronald Miller, Rodger Edmunds, Diane Crittenden, Corey Kirschhoffer, Randy Whitmore, and Debbie Spurgeon. Jerome Berens, absent. Also present is Attorney Keri-Lyn Krafthefer from Ancel Glink.

Public Hearing for the Amendment to the Road District Budget for Fiscal Year March 1, 2013 - February 28, 2014

Review / Adoption of Tentative Road District Budget:

Attorney Keri-Lyn Krafthefer stated the highway commissioner is able to pass a resolution transferring funds from one fund to another, and he did that---he signed the resolution a couple of

months ago. Krafthefer says now they just want to ensure the budget accurately reflects the transfer by resolution. Highway Commissioner Rodger Edmunds adds the money was transferred from Gravel to Road & Bridge in the amount of \$200,000 via resolution. Krafthefer asks if the transfer is the only change. Hartford inquires whether there have been other line item changes included in the amended budget. Edmunds responds no.

Whitmore asked if the public has any comments on the proposed amendment to the road district budget.

Resident Bob Maday asks why \$200,000 was transferred from one fund to another. Highway Commissioner Rodger Edmunds says he needs the money strictly for operations---citing snowplowing and major road repairs and adding he just wants to ensure he has enough money to carry him through the end of the fiscal year.

Resident Mike Dolan notes the Gravel fund was used to re-surface Edwards Road and wants to confirm his understanding from Edmunds' comments that road repairs do not come out of the Gravel Fund. Edmunds says road repairs come out of the Permanent Road Fund; Dolan can refer to it as the Gravel Fund if he so chooses. Edmunds adds that he has major road repairs to do in the spring, citing Edwards Road as a road he needs to repave. Dolan asks if money in the Gravel Fund could have been used to do these things. Hartford interjects yes, the road repairs can come out of Gravel but if you are paying salaries for example, that has to come out of Road & Bridge.

Resident Bob Maday notes that Newport's portion of Edwards Road has already been paved and asks whether Highway Commissioner Edmunds is referring to repaving the portion of Edwards Road which is not under Newport's jurisdiction. (Yes.) Mr. Maday asks why \$200,000 of Newport's tax dollars is proposed to be expended on another communities' roadway. Edmunds replies, because Old Mill Creek isn't going to do anything with it and they intend to let it go back to gravel. Edmunds says he talked to them [Old Mill Creek] today and he is in the process of getting the road back into Newport's jurisdiction. Resident Maday says let it go back to gravel and don't spend our tax dollars to fix a road that is in another community and is their responsibility. Edmunds asserts he intends to take care of it [Old Mill Creek's portion of Edwards Road]. Mr. Maday asks why Edmunds isn't instead working to have Old Mill Creek live up to their responsibility rather than agreeing to spend Newport's tax dollars on a roadway that doesn't belong to us. Edmunds says if we want it [Old Mill Creek's portion of Edwards Road] taken care of then we will have to take care of it. Mr. Maday asks whether we are getting any money from Antioch Township to maintain their portion of Crawford Road. Edmunds says it is unlikely. Resident Maday comments about the money being spent on the township attorney's retainer. He inquires as to budgets from the previous two years for the road district versus the amount of roadway Newport maintains. Trustee Hartford interjects that the previous year's budget was \$456,000 and the district actually spent \$314,000. Krafthefer interjects there wasn't enough money to do another significant road project. Edmunds agrees.

Trustee Miller notes not only do operating expenses come out of the Road & Bridger Fund but there is also a \$45,000 legal line item. Mrs. Toni Edmunds comments that the \$45,000 is only a budget figure. Miller says he understands this but nonetheless you are moving \$200,000 into a fund that has a legal line item and he thinks the public should be aware of this. Resident Pat

Palmeri asks the highway commissioner why he needs a \$45,000 legal line item. Rodger Edmunds responds it is strictly a budget figure and he hopes he won't need to use it for legal services. He feels he needs to protect himself and alludes to legal issues he says are still out there. Additionally, he says Lake County wants some retainer money for projects he pulled.

Resident Susan Frankenberger questions Edmunds on the county retainer monies and the indication that the county can sue us for not moving forward with a road project, but Newport cannot sue Old Mill Creek to be responsible for their portion of Edwards Road, or Antioch Township for their portion of Crawford Road. Edmunds says we could sue, but it wouldn't get us anywhere. Ms. Frankenberger indicates her point is that Edmunds says he has a need to protect himself, yet is volunteering to take over roads that belong to other municipalities, adding we're just such nice guys that we're going to take over these other communities' roads rather than holding them accountable. Edmunds says some people want the roads to go back to gravel and others want them widened out. The resident says of course residents want their roads to be nice, but what we're asking is that the communities that are responsible for these roads take the responsibility. Mrs. Toni Edmunds says that Old Mill Creek has only a \$100,000 annual budget for their roads. The resident counters that the Edmunds are asking the residents of Newport to move money around to accommodate other communities' roads, asking whether this makes any sense.

Mrs. Palmeri inquires as to what Attorney Keri-Lyn Krafthefer has to say on this matter. Attorney Krafthefer asks what Palmeri's specific question is; continuing it is her understanding the highway commissioner is negotiating an intergovernmental agreement. Susan Frankenberger would like to know whether this agreement will provide fifty dollars or enough money to cover maintenance costs of these roads in their entirety. Krafthefer says Newport is under no obligation to maintain other communities' roads, indicating there needs to be a decision made as to whether the highway commissioner is going to undertake this responsibility. Resident Frankenberger says the precedent being set is that any community that has a boundary with Newport Township can simply let the road go, because Newport will move money around and tax their residents more to maintain it. Krafthefer interjects that decision has not been made yet. The resident persists, noting she just heard it stated by the highway commissioner that monies were being transferred to pay for Edwards Road. Rodger Edmunds says this is only one portion of it and he hasn't even talked to anyone yet on Edwards Road regarding engineering or anything else. Ms. Frankenberger inquires whether Edmunds has approached Antioch Township regarding Crawford Road. (No, not yet.) Frankenberger notes Antioch Township annexed the road against the wishes of Newport and now they need to start maintaining it.

Attorney Krafthefer says the highway commissioner can negotiate intergovernmental agreements and suggests it can be a revenue device--- performing services for other entities. She added it is one of the things they are exploring.

Mrs. Palmeri asks Attorney Krafthefer if when a municipality annexes a road are they not responsible to maintain it. (Yes.) Krafthefer says the residents of Old Mill Creek need to create an issue with their village board. It isn't the township's position to force Old Mill Creek to maintain their roads.

Corey Kirschhoffer says we're going to try to take the portion of tax monies that Old Mill Creek gets. She raised a concern with the township's legal counsel not assisting in the effort to get the responsible municipality to do their duty; instead suggesting intergovernmental agreements which will likely pay the township a pittance. Krafthefer says she doesn't understand the question, as no decision has been made, no discussions have been held with Old Mill Creek, and no agreement has been negotiated with them at this point.

Mrs. Frankenberger asks Attorney Krafthefer why \$200,000 is being transferred. Keri-Lyn Krafthefer replies that it is not for road projects. The resident believes she heard earlier it was. Commissioner Edmunds says it is strictly for operations. Trustee Miller adds it can be used for payroll and for legal, anything but road projects.

Resident Maday wants to know if there will be public meeting held on this subject when the time comes, or if it something the road commissioner is going to go ahead and do without public input. Supervisor Whitmore they haven't made any decisions yet on what they will do with Edwards Road. Susan Frankenberger asks for assurances from Rodger Edmunds that he will work towards Old Mill Creek and Antioch living up to their responsibilities. Edmunds says it will be done. Krafthefer suggests Newport residents attend Antioch and Old Mill Creek board meetings themselves and express their opinions. Frankenberger again asks for confirmation that Newport will spend its efforts on Old Mill Creek and Antioch rather than expending Newport tax dollars. Whitmore responds absolutely. He adds it isn't our jobs to spend our monies on other peoples' problems. Whitmore concludes no money is being spent foolishly.

Mr. Maday asks whether Newport has looked at sub-contracting out our snowplowing rather than maintaining the road district. Whitmore says we're doing that and Rodger can tell you what we're doing with that, adding that they have negotiated intergovernmental agreements with Wadsworth and now Old Mill Creek wants to pay us to do their snowplowing. Mr. Maday inquired as to the number of employees the road district currently has. Rodger Edmunds indicated he has 2 full-time employees. He continues, noting he is doing intergovernmental agreements with the Village of Wadsworth and the Newport Fire Department to perform maintenance work for them. Residents ask if Newport taxes will go down because of this. (No.) Ms. Frankenberger asks if the district has looked at the opposite of this, meaning outsourcing our service requirements rather than maintaining employees. Edmunds says he has capable employees and good equipment so why not do work for other entities. Edmunds says the need is not there to sub-contract out for our services since we already have the equipment and the employees.

Mike Dolan inquires as to whether the \$200, 00 will be transferred back at the end of the year. Edmunds does not think so. Dolan notes that if the monies were in the Gravel Fund they would be assessable for road repairs. Trustee Hartford comments that there is currently quite a bit of money, over \$800,000 in the Gravel Fund. Mr. Tom Hartford notes this is why the voters ultimately shut the special gravel tax off, because the township was always getting tax objections for carrying too much money in the Gravel Fund. Highway Commissioner Edmunds says the issue is that if we don't have more money coming in, in a couple of years there won't be enough money.

Susan Frankenberger asked what the total road district budget is for 14-15 miles of road. Supervisor Whitmore indicated the amount is \$456,632. She wonders if \$456,000 for 14 miles of roadway sounds crazy to anyone else. Mrs. Toni Edmunds & Attorney Keri-Lyn Krafthefer both indicate that one road project can run between \$200,000-300,000. Frankenberger asks what road projects are in need of being done. Rodger Edmunds stated he previously provided the board with a report on the condition of Newport's roadways and projections on when they will need re-surfacing. He says local contractors; Peter Baker & Curran both suggest \$14/square foot as a general cost for re-surfacing. Frankenberger asks what roads are left to be paved since Crawford and Edwards were recently done, even though Crawford didn't need repaving. Edmunds says Hickory Road will need to be done in approximately 2 years. He noted 9th Street was just done. With a 10-year paving program, all roads will need re-surfacing every 10 years. Calling the repaving of Crawford 'a boondoggle,' the resident says Crawford could have easily gone a number of years without resurfacing. The board notes this was a decision made by the previous highway commissioner. Frankenberger understands that Edmunds isn't responsible for the decisions of the past, but residents recognize money was spent improperly by the previous highway commissioner and they want to see more accountability going forward. She suggests that continuing to budget large amounts of money is not appropriate. Trustee Kirschhoffer says they are tightening their belts. Frankenberger asks who was watching the previous highway commissioner. Kirschhoffer says it was the previous board. Hartford states the highway commissioner is his own entity and the board has very little control over the highway commissioner. The only control is through the budget, and when the board tried to cut Dziekan's budget, he sued the board. The resident wants to know what is preventing this from happening again: spending all this money on fancy equipment and roads that didn't need paving. She understands that this is why we ended up with a lawyer on retainer. Hartford interjects; this is the lawyer [Keri-Lyn Krafthefer] that sued the board. Frankenberger persists. Hartford explains if there is a line item in the budget and money in the line item, the highway commissioner can spend the money. She adds the only thing the board can do is say you cannot have this line item at budget time, and it has proven very difficult. Hartford notes that a contentious relationship with a highway commissioner is a bad situation all the way around and she comments that the board has to try to get along with the highway commissioner. Residents want to know what can be done to change the accountability format. Hartford explains the only thing residents can do is pay attention to budget hearing meetings like tonight. She urged residents to come to meetings, especially in January/February when the new fiscal year budgets will be discussed and to speak their minds. Supervisor Whitmore says you have some honest people here now and we're moving on. Frankenberger isn't satisfied with "trust me" commenting there needs to be accountability. Resident Mark Kirschhoffer comments that no one ever comes to the board meetings and this is part of the problem.

Resident Millie Corder asks about contractual services and engineering line items. She also inquired about the availability of the budget for the public to see. It was noted that a copy was available for viewing at the township offices and at the Wadsworth Village Hall, however a copy was not made available by the road district for posting on the township's website.

Identifying himself as the lead proponent, resident Mark Kirschhoffer presented the clerk with a petition of township voters requesting a special meeting take place for the purpose of reinstating the Special Gravel Tax. Residents discuss the merits of such a tax amongst themselves.

Supervisor Whitmore requests a motion to recess the public hearing.

Motion made by Kirschhoffer; seconded by Crittenden to recess.

Vote: Ayes, all; Nays, none. Motion passed 5-0.

The hearing was recessed at 7:32 p.m. for the re-commencement of the General Town Budget Amendment Hearing.

The Newport Township Road District Amendment to the Budget & Appropriation Hearing was reconvened at 7:35 p.m.

Motion to Adopt the Newport Township Road District Budget Amendment:

Motion by Kirschhoffer; seconded by Crittenden to adopt the road district budget with the modifications discussed.

Voice Vote: Ayes, Crittenden, Kirschhoffer, Whitmore; Nays Hartford, Miller. Motion passed 3-2.

Motion to Adjourn: Whitmore asked for a motion to adjourn the hearing if there is no further board discussion.

Motion by Kirschhoffer; seconded by Crittenden to adjourn.

Voice Vote: Ayes, all; Nays none. Motion passed 5-0.

Hearing was adjourned at 7:36 p.m.

Dated the 25th day of November, 2013

s/ Debbie Spurgeon

Debbie Spurgeon, Township Clerk