

TO: Mayor and Members of the City Council
FROM: Steve Rasmussen, Interim City Manager
SUBJECT: Feedback from Council Retreat
DATE: December 19, 2017

As you will recall, at the Council Retreat on November 4, 2017, the Council left me with a number of items to research for possible budget reductions. They are generally summarized in the 13 items you will see on the attached index. Of those, the following do not appear to have significant savings associated with them: Partnering with Other Cities, Police Training Facility, Lake Bloomington, Golf, and the Creativity Center. There is a memo from each respective department head explaining the rationale for this.

The remaining eight all have potential savings associated with them. There is also a memo from the respective department heads explaining what this might amount to. The total, however, is \$3,112,000. The staff will continue to refine these numbers and research what it may take to capture some or most of these savings. There are, of course, consequences associated with each one. I would ask that you read over these memos and then discuss with me at your individual conveniences which ones you might like to pursue.

Thanks,
Steve Rasmussen
Interim City Manager

Feedback to Council on 13 Items

1. Partnering with other Cities		\$0.00
2. Police Training Facility		\$0.00
3. Lake Bloomington		\$0.00
4. Improving Revenue Collection	A \$40,000.00	B \$50,000.00
5. Cost Recovery	A \$225,000.00	B \$5,000.00
6. Soft Freeze	A \$500,000.00	B \$0.00
7. 87 Unaddressed Programs		\$371,000.00
8. Golf		\$0.00
9. Solid Waste		\$1,250,000.00
10. Parking		\$400,000.00
11. Inspection Program		\$221,000.00
12. Divest Ourselves of Some City Facilities		\$50,000.00
13. Creativity Center		<u>\$0.00</u>
	TOTAL	\$3,112,000.00

MEMO**1A**

To: Mayor Renner and Members of the City Council
From: Brian Mohr, Fire Chief
Date: November 22, 2017
Subject: How the Fire Department partners with Other Communities

The Bloomington Fire Department responds to all types of hazards within the City limits as the primary responding agency. There are many times that additional resources are needed and mutual aid is requested from surrounding communities. We are also requested from time to time to help neighboring communities when they are overwhelmed. This type of partnership is in response to all type of emergencies and are typically within the county of McLean. The Bloomington Fire Department has also been a member of MABAS (Mutual Aid Box Alarm System) since 1997. MABAS provides mutual aid in times when local resources are overwhelmed by an incident or emergency on a much larger scale and resources are shared throughout the State as well as across the Nation. Bloomington Fire Department even sent personnel to New Orleans in response to Katrina as a MABAS deployment. The City of Bloomington has agreed to provide Hazardous Materials Response for MABAS Division 41. The Town of Normal provides Technical Rescue response for Division 41 helping to share the burden to the area. This relationship has existed since approximately 2004. Equipment has been provided to both Bloomington and Normal Fire Departments with a Memorandum of Understanding to provide those respective services. There is a significant value to the equipment that has been made available to the area without placing a financial burden on the City of Bloomington's budget.

January 2018 Bloomington Fire is partnering with the Peoria Fire Department to run a Basic Fire Academy to train new personnel. This partnership will drastically reduce the cost to get probationary employees the basic training required to meet certification requirements (cost \$30,000). Bloomington has partnered with Normal Fire over the past few years to share training resources. This last Fall, we partnered with the Illinois Fire Service Institute and provided Live Fire Training opportunities to all of our mutual aid partners throughout the county.

The Town of Normal has recently provided a service agreement to respond to roughly a 3 square mile section of the Northeast as the primary responding agency. This is not a cost saving measure and would actually come at a higher cost per call or per square mile than the rest of the city. This would only have an impact on less than 3 percent of our call volume and would not have a significant impact on response times citywide. There are also no response time performance guarantees with the service agreement. Note that this contract would also be in direct violation of the current Collective Bargaining Agreement with Firefighters Local 49. The cost of this to the City would be about \$1,700,000 per year with an additional annual increase of about 4%.

The next major step in partnering with other communities would be to collaborate with Normal Fire an automatic aid agreement and dispatching the closest unit available for high priority emergencies without a jurisdictional boundary (AVL Dispatching). This will require collaboration between both Fire Departments as well as both Dispatching agencies. There are definitely obstacles in the way to change the current deployment model but both communities could see a benefit to this partnership. This is not a cost saving measure, however, but will increase efficiency.

MEMO

1B

To: Mayor Renner and Members of the City Council
From: Jim Karch, Director, Public Works
Date: November 22, 2017
Subject: How the Public Works Department Partners with Other Communities

The Public Works Department has many partners throughout the state. Utilizing organizations such as the American Public Work Association (APWA) and the Illinois Public Service Institute gives the City a network of communities that can provide helpful information for policies and best practices. Examples of these cities include:

- Normal
- Peoria
- Decatur
- Springfield
- Rock Island
- Champaign
- Urbana
- Galesburg
- East Peoria

Information provided by these and other cities have been invaluable to Public Works for topics such as brick streets, private streets, snow and ice removal, and solid waste.

Public Works also partners with the Town of Normal to share or test equipment. One example of this is when Public Works borrowed a knuckleboom truck from the Town of Normal. Public Works was able to test the truck's efficiencies and determine if it was the best fit for its bulk waste and brush pickup program. Ultimately, Public Works decided that the knuckleboom would not work for the City of Bloomington. If the City had purchased the equipment prior to testing, it would have cost nearly \$2 million for the twelve that would have been required for the amount of bulk waste and brush that is picked up by Public Works.



Knuckleboom Truck (Source: City of Ridgeland, MS)

If the current bulk and brush collection amount were to change, then savings could be realized with both equipment and personnel.

MEMO

2

TO: Mayor Renner and Members of the City Council
 FROM: Brendan Heffner, Chief of Police
 DATE: November 22, 2017
 RE: BPD Training Facility

The Bloomington Police Department Training facility is located approximately 17 miles east from the Bloomington Police Department. The facility includes a lodge/clubhouse, indoor shooting range, outdoor range, garage, storage shed, and skeet and trap area. The facility has hosted firearms training, K9 training, crowd control training, Special Weapons and Tactics training and explosives training.

The trap and skeet areas were not maintained following the purchase of the property 24 years ago and have not been used. The lodge/clubhouse and indoor shooting range fell into disrepair between 2007 and 2013. The roofs on the lodge/clubhouse and the indoor range were replaced FY14 at a cost of approximately \$84,000.00. Following the roof replacement no further actions were taken with the buildings. Damage to the lodge/clubhouse is deemed to be extensive resulting in it being unfit for use. The indoor shooting range did not suffer as much damage and in FY15 approximately \$46,000.00 was spent on mold and lead mitigation.

Approved in FY17 was approximately \$537,000.00 in improvements to bring the indoor shooting range within code. The improvements and addition added restrooms and a storage area necessary for the function of the training facility. HVAC systems had to be updated to allow for sufficient movement of air for the safe use of the indoor shooting range.

Much of the recent investment in the property has not resulted in enhancements of the training facility. The investments have restored facilities, with the exception of the lodge/clubhouse to a useable condition. The outdoor shooting range remains largely unchanged with the exception of minor changes and slight improvements. The Normal Police Department (NPD) and McLean County Sheriff's department (MCSP) currently pay the City of Bloomington \$8050.00 per year to use the training facility. This contract allows for each of the agencies to have access to the training facility 25 days per year.

The original vision for the training facility was a place where officers of the Bloomington Police Department could train and perfect techniques. The vision for the training facility remains unchanged and is not intended or positioned to be revenue source.

The following table illustrates the costs associated with the operation of the training facility.

Average Annual Operating Expense (5 yr)	\$11,818.56	
Future Capital Investment (4%)**	\$13,105.34	4% of current estimated value of property for maintenance and upkeep
	\$24,923.91	
Less Average Annual Revenue (5yr)	\$17,355.11	NPD, MCSP, occasional use by FBI & IROC
	\$7,568.79	Estimated Annual Operating & Capital Expense
Divided by 128 Officers	\$59.13	Annual Cost to City of Bloomington Per Officer to Train

Therefore, it is not anticipated that the training facility can result in significant revenue increases.

MEMO

3

To: Mayor Renner and Members of the City Council

From: Robert Yehl, PE, Water Director

Date: November 22, 2017

Re: Lake Bloomington Cost of Services / Level of Service Outline

The Water Department is responsible for community development and management of approximately 220 leased lots at Lake Bloomington. The Department has historically provided services to our lease holders that are partially reimbursed by the lake lot lease revenue. The Department reviewed services being provided with a focus on evaluating revenue and the provided level of service. The Department, along with Administration, determined that the revenue collected from lake lot leases does not fully reimburse the Department for the services provided.

During initial reviews performed to balance revenue received with services provided it was determined that the Department would eliminate or reduce services not related to basic needs. To date the Department has eliminated a recycling drop off center, reduced the level of landscaping / brush collection services, eliminated reimbursement for fireworks at the Lake, removed reimbursement of landscaping material used for welcome signage, and placed a temporary hold on road resurfacing for streets that serve only the leased lots. In addition, starting the winter of 2017 / 2018, the Department will reduce the amount of salting and associated operations on roads that strictly serve the leased lots. By salting intersections, rather than the entire roadway system, it is expected that material, labor and equipment expenditures will be reduced. Our evaluation indicates that by incorporating these modifications, expenditures will be fully funded by the lake lot lease revenue in the near term. As costs continue to increase, and roadway maintenance becomes necessary, it is anticipated that expenditures will again outpace revenue.

The Department and Administration have met with the Lake Bloomington Association (LBA) to discuss the cost of services. Options discussed include modifying leases through a lease amendment, modifying lease rates for future renewals (when conditions allow rate modifications), providing an additional invoice for funds needed above revenue received, and implementing a Special Service Area (SSA).

At this time, the Department and Administration are working to start efforts focused on implementing a SSA. Administration has met with the County to discuss the option in concept. These initial discussions indicate the County is willing to assist the City pursue this option further. The Water Department has included funding in the proposed FY 2019 budget to hire a consultant that specializes in SSA development.

Though the costs of the services provided by the Department do not directly impact the general fund, when expenditures outpace revenue and fund balance is needed to make up the difference, the water revenue provided by the in town residents is used to fund services provided to the lease holders. The current approach affects the water rates paid by all users and potentially impacts in town residents who also pay fees, charges and assessments that provide revenue to the general fund.

MEMO**4A**

To: Mayor Renner and Members of the City Council

From: Robert Yehl, PE, Water Director
Russ Waller, PE, Facilities Manager
George Boyle, Assistant Corporation Council

Date: November 22, 2017

Re: Improving Revenue Collection

Collection of City Services Utility Bills – Water Department

City code, Chapter 27, provides available collection methods and guides the Water Department in the City's efforts. Collection methods currently used include billing for services, delinquency notifications, water service shut-offs for delinquent payments, lien placement, outstanding bill transfers, reminder calls / letters to tenants and owners, payment arrangement options, duplicate billing statements for landlords, penalty assessment, and partnership with outside agencies that provide utility payment assistance.

The Department strives to balance customer service with the need to collect revenue for City services used by our residents. The revenue collected by the Water Department funds the water, refuse, storm water, and sanitary sewer enterprise funds. These enterprise funds have been charged with using the collected funds for expenses related to the operation, maintenance and facilities of the enterprise funds.

To ensure the enterprise utilities are providing efficient and cost effective service, all customers need to pay for the services they utilize. The Department recommends continued support for these efforts and the need for our citizens to pay for services they utilize. Collection of enterprise funds helps reduce the amount of general funds required to support enterprise functions and responsibilities.

A review of end of month financials indicates there is an average of approximately \$4,000,000 owed by our customers for our enterprise funds and BNWRD services at any given time. Please note that a portion of this outstanding amount is due to aged and uncollectible accounts. The Water Department is working with Legal and Finance to determine the collectability of accounts and appropriate measures to address the aged and uncollectible accounts.

The department estimates that aggressive collection fees could result in a \$40,000 per year gain.

MEMO**4B**

To: Mayor Renner and Members of the City Council
From: Russ Waller, Facilities
Date: November 22, 2017
Subject: Revenue Enhancements

OUTSTANDING PARKING CITATION COLLECTIONS

In 2017 staff from Facilities, Legal, Finance and Information Services investigated methods to recover the approximate \$150,000 outstanding parking citation debt owed the City. The current method involves sending multiple statements, followed by issuing tow notices and then actually towing the vehicles only if they're parked on public property. Collection of money is only completed after court proceedings are complete. The process is extremely time consuming and involves staff from multiple City departments. The new process involves turning citations which are over 60 days old over to a collections agency. Since T2 Systems currently handles the software and hardware for issuing citations, they were contacted about outstanding citation collections. They have a subsidiary called T2 Citation Collection Services (T2-CCS) which provides this service. An agreement with T2-CCS was executed by the City Manager in September and implementation of the collection services begin in October. Although financial recovery information is not currently available, staff in the Legal, Facilities and Cashiers areas have received numerous calls regarding the collection letters being sent by T2-CCS. In accordance with the agreement, T2-CCS will provide a monthly reconciliation statements. Statements are expected to begin in December but staff estimates a gain of about \$50,000 per year net.

MEMO**5A**

To: Mayor Renner and Members of the City Council

From: Jim Karch, Director, Public Works
Jay Tetzloff, Director, PRCA
Bob Coombs, Community Development

Date: November 22, 2017

Subject: Possible Cost Recovery Options for the City of Bloomington

The City of Bloomington is lacking sufficient cost recovery on many services provided to organizations and individuals. Three services exist with cost recovery potential, however.

Public Works Department

Application fees and fees based on the number of intersections blocked with barricades could be utilized in order to recover Public Works costs for special events such as parades and runs. This type of fee could also deter some organizations from using public streets, relocating to parks or other facilities, which would also reduce costs. The most recent (2015) data shows that Public Works spent over \$65,000 on labor for the entire calendar year. Since then, the number of events have gone up, so further Staff analysis would be required. Initial estimates for cost savings if such fees were implemented ranges from \$30,000 to \$40,000. The City of Peoria will implement a \$100 per blocked intersection fee and a \$200 per police officer fee beginning in 2018, for example, and Peoria's Public Works Department expects \$100,000 in cost recovery or about 60 percent in 2018.

Parks, Recreation, and Cultural Arts

Further Staff analysis could be performed to examine raising fees for programs without hurting enrollment. Examples could include recovering the cost of instructors and some indirect costs of some programs. A department-wide Staff analysis would be required, which would be time-consuming. Zoo and Recreation would be the focus of the department's cost recovery research. Current estimates for cost savings range between \$10,000 and \$25,000.

Community Development

Cost recovery options recommended by the Community Development Department include business registration at \$100 per business. For example, if 2,000 businesses were required to register, an additional \$200,000 could be raised. The Department also suggests the ability to issue tickets with fines for repeat and procrastinating building owners who know and do play the system when appearing at Administrative Court.

Public Works	\$35,000.00
Parks	\$20,000.00
CD	\$255,000.00

MEMO**5B**109 E. Olive
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To: Mayor Renner and Members of the City Council

From: Jeff Jurgens, Corporate Counsel

Date: November 28, 2017

Subject: Cost Recovery

This memorandum is to outline potential ways to improve cost recovery within the Legal Department. While many steps have been taken in recent years to increase collections, there are additional measures that can be attempted. First, the City recently entered into an agreement with State of Illinois for the Illinois Local Debt Recovery Program wherein names can be submitted for those who owe a judgment debt to the City and tax refunds directed to the City for payment. We are in the process of implementing this program, including the necessary name submittal and database requirements.

Although the City has not had great luck with collection agencies in the past, we can attempt to reinvigorate our collection program by trying a new collection agency to help collect debts owed through the City's Administrative Court and other court judgments. Finally, to help recover costs associated with operating the City's Administrative Court, we can explore collection of court costs for any case that gets to the first appearance stage. Currently, the City has not been charging the \$100 court cost if in housing court the violation has been abated by the first appearance or in behavioral court, the individual pleads liable and pays the fine.

Staff estimates that this could result in a gain of \$5,000 for the City.

MEMO

6A

To: Mayor Renner and Members of the City Council

From: Nicole Albertson, Director of Human Resources

Date: November 22, 2017

Subject: Soft Freeze

Our staff is critical in serving the City of Bloomington and helping us realize our vision to be the “Jewel of Midwest Cities.” In order to attract and retain employees who are service centered and results driven, we must maintain a competitive Total Compensation package that shows our continued commitment to being an Employer of Choice.

Similar to private employers, the City’s employees are a primary component of operating costs, as salary and benefits make up 49% of General Fund expenditures. While changes like the integration of Illinois Municipal Retirement Fund (IMRF) Tier 2 benefits, reduction of Sick Leave Buy Back benefits, and the working spouse medical plan eligibility exclusion will collectively decrease the City’s workforce-related costs, adoption of a broader Workforce Strategy will help limit financial obligations associated with maintaining City Staff.

Moving forward, Human Resources (HR) will partner with departments to evaluate position requests based on their impact to the organization. As existing positions have a vacancy or new positions are requested, we will assess:

- **Strategy** – impact the position has on the City’s or department’s strategic goals or initiatives.
- **Financial** – impact the position has on the City’s or department’s financial goals or initiatives.
- **Customer** – impact the position has on the citizens of Bloomington.

The position being reviewed must meet one of the three criterion listed above in order to be further considered. The impact of technological advancements, departmental process improvements, and length of time the position/skillset will be needed will also be reviewed.

Based on analysis performed, HR will make a recommendation to the department and City Manager on whether the position will be filled with City Staff or handled via other means. Other staffing options may include, but are not limited to implementation of new technology, a revamp of internal process/controls, or integration of external staff to meet business needs. Additional workforce structure studies may also be conducted.

We estimate 10 positions could remain unfilled resulting in a savings of \$500,000.

MEMO

6B

To: Mayor Renner and Members of the City Council
 From: Jim Karch, Director, Public Works
 Date: November 22, 2017
 Subject: Capital Equipment Soft Freeze

The City Council has requested that City Staff look at a soft freeze on capital equipment in order to save money.

The Fleet Management Division of the Public Works Department provides in-house maintenance, repair, equipment fittings, and fuel for the City's fleet. In addition, the division develops specifications for vehicles and equipment and makes recommendations to the City Council for new purchases.

If a soft freeze were implemented, any proposed capital equipment under the FY18 budget would go through the Fleet Management Committee for review and consideration prior to final approval. However, as all current equipment requests are funded by capital lease, and wouldn't incur costs until at least FY19, none of the requests would save money in FY18.

Department	Item	FY 2018 Cash	FY 2018 Capital Lease (Cash Value)	FY 2018 10yr Capital Lease (Cash Value)
Code Enforcement	2002 Ford Focus	\$ -	\$ 20,259	
Parks	2001 Ford E250	\$ -	\$ 24,191	
Snow & Ice	2006 IH 7400	\$ -	\$ 164,800	
Police	2004 Chevrolet Impala	\$ -	\$ 35,535	
Police	2011 Chevrolet Impala	\$ -	\$ 35,535	
Police	2011 Chevrolet Impala	\$ -	\$ 35,535	
Police	2011 Chevrolet Impala	\$ -	\$ 36,605	
Police	2004 Chevrolet Impala	\$ -	\$ 35,535	
Police	2004 Chevrolet Impala	\$ -	\$ 35,535	
Police	2004 GMC Savana Cargo Van	\$ -	\$ 67,465	
Fire	2000 Pierce Dash Apparatus	\$ -		\$ 742,630
Water Trans/Dist	2006 Dodge Dakota	\$ -	\$ 48,198	
Water Trans/Dist	1998 Sullair 185DQ Comp.	\$ -	\$ 20,159	
Water Trans/Dist	Pallet Forks (Wheel Loader)	\$ -	\$ 6,200	
Storm Water	2006 IH 7400	\$ -	\$ 144,200	
Solid Waste	2012 Crane Carrier LDT2-26	\$ -	\$ 319,331	
Solid Waste	2012 Crane Carrier LDT2-26	\$ -	\$ 319,331	
Solid Waste	2006 IH 7400	\$ -	\$ 144,200	
Solid Waste	2006 IH 7400	\$ -	\$ 144,200	
Solid Waste	2007 Komatsu WA200PT-5L	\$ -	\$ 11,150	
Solid Waste	2007 JRB	\$ -	\$ 11,330	
Solid Waste	2007 JRB	\$ -	\$ 11,330	

This item is not feasible for further Staff analysis, as it would not result in cost savings.

MEMO

7

To: Mayor Renner and Members of the City Council
 From: Steve Rasmussen, Interim City Manager
 Date: November 22, 2017
 Subject: Response to Unaddressed Programs

With various plans, goals, values and objectives to consider it is often difficult to determine the highest priorities for the City. As we begin the FY'19 Budget preparation process it is the perfect opportunity to consider the follow: which priorities are the most important; do the priorities still align with the needs and wants of the community; should there be a change in priorities and/or the allocation of resources. At the City Council Retreat on November 4, 2017, the Mayor and Council reviewed the 160 programs identified in the Priority Based Budgeting draft dated March 1, 2017. With assistance from facilitator, Diane Crutcher, the Mayor and Council identified 73 high priority programs during the first initial review. Programs from the list of 73 identified that received multiple votes include the following:

DEPARTMENT	PROGRAM
<i>Administration</i>	Communications – Outreach
<i>Communications Center</i>	Emergency Call Processing
<i>Communications Center</i>	Police Dispatching
<i>Communications Center</i>	Emergency Medical Dispatching
<i>Communications Center</i>	Emergency Fire Dispatching
<i>Community Development</i>	Code Enforcement
<i>Economic Development</i>	Local Retail, Property Development, and Business Retention & Attraction Initiatives
<i>Economic Development</i>	Tourism Promotion Initiatives
<i>Economic Development</i>	Regional Major Employer Business Retention & Attraction Initiatives
<i>Economic Development</i>	Downtown Bloomington Revitalization Initiatives
<i>Finance</i>	Budget
<i>Finance</i>	Delinquent Tax
<i>Fire</i>	Emergency Medical Services (EMS)
<i>Fire</i>	Fire Suppression
<i>Human Resources</i>	Compensation and Benefits
<i>Human Resources</i>	Recruitment and Hiring
<i>Legal</i>	Administrative Court
<i>Legal</i>	Consultation and Advisory
<i>Legal</i>	Municipal Legal Services
<i>Police</i>	Patrol Division
<i>Police</i>	Street Crimes Division
<i>Police</i>	Neighborhood Focus Team (NFT)
<i>PR&CA</i>	Parks Maintenance

7 continued

DEPARTMENT	PROGRAM
PR&CA	Pepsi Ice Center
PR&CA	Miller Park Zoo
PR&CA	Bloomington Center for Performing Arts (BCPA)
PR&CA	Golf
Public Works	Solid Waste – Refuse Collection
Public Works	Solid Waste – Recycling Collection
Public Works	Snow & Ice Removal
Public Works	Sanitary Sewer Cave Ins
Public Works	Potholes
Public Works	Street Panels
Public Works	Mill & Fill
Public Works	Traffic Engineering
Water Department	Water Supply
Water Department	Water Treatment
Water Department	Billing & Collection

Of the 87 programs remaining, that were not selected during the initial review, some are mandated and others are essential; such as the administration programs that provide over-sight of the departments. Still other programs are considered best practice and help to define the character of our community, such as brick street maintenance and repair.

Those that do not meet these criteria are low on the priority list and are not otherwise discussed and could potentially be cut, wholly or partially, are the following 7 programs which could result in the savings as follows:

- | | |
|-----------------------------|--------------------|
| 1. Street Sweeping | \$75,000.00 |
| 2. Parkway Restoration | \$50,000.00 |
| 3. Facilities Maintenance | \$50,000.00 |
| 4. Street Lights | \$100,000.00 |
| 5. Curb Replacement | \$36,000.00 |
| 6. Overhead Sanitary Sewers | \$35,000.00 |
| 7. Custodial Services | <u>\$25,000.00</u> |
| | \$371,000.00 |

MEMO

8

To: Mayor Renner and Members of the City Council

From: Jay Tetzloff, Director of Parks, Recreation and Cultural Arts

Date: 20 November 2017

Subject: 13 things - Golf

The issue of outsourcing and/or selling the golf courses was discussed and voted on at the 28 March 2016 City Council meeting. Resolution No. 2016-14 passed with a seven (Ayes: Aldermen Mwilambwe, Fruin, Hauman, Lower, Painter, Black and Schmidt) to one (Sage) vote (Alderwoman Buragas was absent). Five of the aye votes are still on the City Council and are underlined above. This resolution supported the retention of the Bloomington Golf Courses as City-owned properties for the sport of golf and ceased the RFQ/RFP process for outside management.

Golf is located within an enterprise fund. From an operational standpoint, the golf courses receive enough revenue to cover operational costs. When capital is necessary, Golf must utilize the City's General Fund for capital projects when there are insufficient funds in the Golf Enterprise Fund. Other golf organizations have suggested they could raise funds for capital projects.

The three Bloomington golf courses also provide an economic impact to the community. 50% of the golfers that play at the Den do not live within McLean County. Two events held at the courses (The Youth Classic and the IHSA State Finals) bring in \$330,000 in economic impact according to the BNCVB.

When staff met with a private golf management company in 2016, it was relayed that they would hire more staff with similar pay rates. Most contracts do not contain capital as part of the deal so the City would still be responsible for covering these necessary costs while, at the same time, giving up control of the operations of the golf courses.

Efforts are constantly on-going to become more efficient by reducing costs and/or increasing revenues. A few items to mention is technology. A new software that could be utilized to maximize revenue is currently being considered. Another example is as staff retire the utilization of how that FTE is designed is considered to change to meet the future of golf's needs.

MEMO

9

To: Mayor Renner and Members of the City Council

From: Jim Karch, Director, Public Works

Date: November 22, 2017

Subject: Outsourcing Solid Waste Services Provided by Public Works

The Solid Waste Division of the Public Works department currently handles garbage, recycling, bulk, brush and leaf collection. Division employees also sweep streets and maintain alleys. The Division is funded by the Solid Waste Fund, which is enterprise fund that receives about \$3m from cart fees but is also subsidized \$1.5m from the General Fund due to revenue shortfalls.

Two options under consideration by Public Works to save money on solid waste services include:

- Reducing the service level of bulk and brush services to three a year
- Outsourcing all bulk waste services citywide

Potential Benefits

- Savings of \$1 million to \$1.5 million
- Solid Waste fees may be able to be reduced
- Eliminates the need for a new Public Works facility, and makes it easier to relocate the Public Works dropoff facility for potential expansion of the library to the south.
- Reduces staffing requirements
- Reduces the City's exposure to worker's compensation claims and premiums
- Reduces the amount the City would have to spend on IMRF pensions
- Reduces the General Fund subsidy for the Solid Waste Fund
- Current containers could be included in a contract with solid waste provider

Potential Drawbacks

- Directly affects employees who live, work, and shop in Bloomington
- Snow removal would need to be expanded to additional employees or outsourced
- With citywide outsourcing, the city's equipment and personnel would be eliminated, which could create a monopoly for the outside service provider. This could lead to increases in costs beyond current costs.
- Several divisions of Parks and Recreation and Public Works could be affected by the removal of the Solid Waste Division, as displaced Solid Waste employees could bid on other positions.

Possible savings \$1.25million.

MEMO

10

To: Mayor Renner and Members of the City Council

From: Russ Waller, Facilities

Date: November 22, 2017

Subject: Parking

If approved by Council, the access control system for all three parking garages will be replaced in 2018. Once operational, the new access control system will be entirely automated and not require an attendant. The operation of one or all the garages could be changed to 24 hours a day, 7 days a week (24/7) and fees could be collected for parking in the garage at all times. Many of the existing patrons who pay for occasional daily parking or who park for free will purchase monthly parking passes. The estimated increased revenue for making all three garages 24/7 operation is about \$400,000 annually, should Council deem to go with this.

MEMO**11**

To: Mayor Renner and Members of the City Council
From: Bob Coombs
Date: November 29, 2017
Subject: Inspection Program

Fire inspections do not meet the requirements set by City Code, due to the number of units required to be inspected and the number of inspectors being asked to complete this task. They are the closest thing we have to a business registration, however, noting the changes to buildings that have occurred over time without permits and any consideration to zoning along the way. This is why Business Registration is needed in the City. At just \$100 per year per business, we would be aware of these changes and possibly stop changes being made without regard to whether it is even a legal use in the zoning district, let alone if the building and fire codes are observed. With an estimated 2,000 businesses, this would generate enough additional revenue (\$200,000) to hire a staff member (\$50,000) to manage the program. This would eliminate many small illegal business start-ups working without permits and opening where the zoning does not support their type of business. It is difficult to inform someone they cannot conduct their business in a certain location, only to have them inform us they are simply doing the same type of business that the previous tenant was conducting in the space for the two years prior to us discovering it was there. This could potentially net the City \$150,000.

Code Enforcement time needed to prepare for Administrative Court and the time at court greatly reduces the time in the field addressing issues and complaints. The labor to prepare to present a case takes three times as long as the court spends on it before giving the building owner or tenant yet another two weeks to correct the violation and if they only get part of the corrections made, they are usually given another two weeks or longer to comply. Fines need to be increased and leniency toward ultimate compliance timeline needs to be shortened. A system of increasing fine amounts should be put into place to deter the building owners from playing the system and dragging out complete compliance over several months, only costing them the initial \$100 they are charged on day one. Yet inspectors' time is taken every two weeks to show up to court. After the second appearance, the cost should double each additional day in court. This would increase compliance and generate an additional \$6,000 - \$8,000 in revenue.

Building review and inspections in general are at maximum level as per workload per person. Third party reviews are often not as time saving as one might think. Our inspectors still have to review the plans just to be familiar with the project and learn what areas may need extra scrutiny when being inspected. Third party reviewers also do not understand what type of leeway we afford contractors in the process. Most people do not realize that changing one wall position or door location for instance can make a huge difference in whether or not the plan will meet code requirements. About half of a review gets completed in the field by looking at the actual work taking place. For this reason, fees should increase across the board by at least 7%-10% since it has been five years since we initiated an increase. Labor has increased, materials have increased, but we have not increased our fees. Lack of adequate funding will lead to greater risk for citizens living in Bloomington and people who come to work in Bloomington.

This building review and inspection fee increase would generate about \$64,000 per year.

	\$150,000.00
	\$7,000.00
	<u>\$64,000.00</u>
TOTAL	\$221,000.00

MEMO**12**

To: Mayor Renner and Members of the City Council

From: Russ Waller, Facilities

Date: November 22, 2017

Subject: Facilities and Properties

The City currently owns eight properties that are considered surplus and can be sold. Four are vacant lots that could be marketed and sold as buildable lots. The remaining four are small parcels that could be sold to adjacent property owners. The combined approximate value of all eight lots is about \$200,000. Why this might be sold is anybody's guess but aggressive marketing might result in \$50,000 per year.

In addition to the vacant lots, the City owns two facilities that are currently vacant and not being fully utilized. These are the City Hall Annex and Fire Station #5. The City Hall Annex is slated for demolition which should be completed by April 2018. Once demolition is complete, the area will be used for vehicle and equipment staging by Fleet Maintenance. Fire Station #5 was never put into operation as an active station and is currently being used for vehicle and equipment storage. The facility is also being used for select training activities for both Fire and Police personnel, supply warehousing, and sometimes as a service bay for large fire apparatus. Selling or leasing the facility may have merit and should be discussed with the Fire Department.

MEMO**13**

To: Mayor Renner and Members of the City Council

From: Jay Tetzloff, Director of Parks, Recreation and Cultural Arts

Date: November 20, 2017

Subject: Creativity Center

Since the City Council voted 9-0 to not allow VenuWorks to manage the BCPA, it sent a clear direction to staff about maintaining the BCPA as an intact division within Parks, Recreation and Cultural Arts.

The future of the Creativity Center is moving forward stronger than ever after the November 13th vote. An MOU between the City and the Friends of the BCPA (non-profit support organization) will be in front of the City Council in December. With the MOU becoming formally approved, Parks, Recreation and Cultural Arts staff will move forward with the hiring of a Development Manager for the division. This position will help in generating donations for the Creativity Center while also raising revenues for the division.

It was determined at the City Council meeting on 24 October 16 that the Creativity Center should move forward with non-City funding sources supporting the capital while the City would cover the operational costs for this building.

As the building is renovated with private dollars, the costs will increase but so will the revenue from renters and other revenue opportunities. It is the goal of staff that the Creativity Center should cover the costs of the operation of the Creativity Center.