

**MINUTES**  
CHATHAM, ILLINOIS  
REGULAR VILLAGE BOARD MEETING  
6:00 PM, JANUARY 14, 2014

A. MOMENT OF SILENCE

B. PLEDGE OF ALLEGIANCE

C. ROLL CALL

Board: Trustees Clayton, present; Kimsey, present; Boyle, present; Holden, present; Formea, present; Schatteman, present; President Gray, present. Others present: - Clerk Schad, Chief Fiscal Officer Dierking, Village Manager McCord, Director Branham, and Village Attorney John Myers.

D. HEARING OF CITIZENS

Trevor Baird said a 5K run is being planned for May 17 at Community Park in remembrance of his daughter, Susan, who passed away due to cancer last year. A 5K run was held last year as a fundraiser for Susan's medical expenses.

**EXECUTIVE SESSION – AMENDMENT of PURPOSE**

Trustee Schatteman motioned to amend the purpose of the executive session. The original purpose posted was the review of unreleased executive session minutes. After review by attorney Myers, no unreleased executive session minutes were recommended for release. However, an executive session was still necessary to discuss the subject of Personnel which wasn't posted. Seconded by Trustee Holden, the motion was approved by roll call vote 6 yes, 0 no, 0 absent as follows: Clayton, yes; Kimsey, yes; Boyle, yes; Holden, yes; Formea, yes; Schatteman, yes.

E. CONSENT AGENDA

Trustee Holden motioned for approval of the Consent Calendar; seconded by Trustee Boyle.

Consent Agenda item(s):

1. Payment of Warrants (01-14)
2. Minutes 12-10-13 Regular Village Board Meeting  
12-17-13 Special Village Board Meeting

Without discussion, the motion to approve the Consent Agenda passed by roll call vote 6 yes, 0 no, 0 absent as follows: Clayton, yes; Kimsey, yes; Boyle, yes; Holden, yes; Formea, yes; Schatteman, yes.

F. PRESIDENT'S REPORT - None

G. OLD BUSINESS

Trustee Schatteman motioned for consideration of **Ordinance 14-01, An Ordinance Amending the Personnel Code of the Village of Chatham**; seconded by Trustee Holden. Section 35.098 (Whistleblower Protection) was added to the Personnel Code. All village employees are protected by rights afforded in the Illinois Whistleblower Act. 14-01 passed by roll call vote 6 yes, 0 no, 0 absent as follows: Clayton, yes; Kimsey, yes; Boyle, yes; Holden, yes; Formea, yes; Schatteman, yes.

H. NEW BUSINESS

Trustee Schatteman motioned for consideration of **Ordinance 14-02, An Ordinance Approving a Settlement Agreement with the City of Springfield, Illinois**; seconded by Trustee Holden. The village will pay the city \$500,000 for early termination of a contract Chatham had with CWLP to provide water to Chatham. Chatham will also pay Springfield \$200,000 for

the right to lease land owned by Springfield upon which sits Chatham's pump station. Chatham will also pay Springfield \$1 per year for 99 years to lease the pump station ground.

Trustee Clayton, who wasn't on the board when the contract was terminated, wanted to know why the contract was terminated early and why there wasn't available documentation thoroughly explaining the decision and why there wasn't an ordinance approving the early termination. Saying he couldn't explain the alleged lack of documentation or why there wasn't an ordinance done, Attorney Myers said the decision to terminate the contract early was clearly happening and said the decision was thought to be the best financial decision in terms of being least costly for the village between (1) terminating the contract with CWLP early or (2) ignore Chatham's agreement with the South Sangamon Water Commission to buy water when the plant is online which could put the bonds that built the plant at risk. It was estimated by engineers and contractors that the plant would be built and online in three years. The village gave CWLP a required three-year notice based upon that estimate. The plant was finished and available to supply water 15 months early. Ordinance 14-02 compensates CWLP for those 15 months of "lost profits".

Trustee Boyle asked, "Why did we break the contract to go online?" and wondered if insurance could pay the penalty. Attorney Myers will write and send a letter of inquiry to the insurer.

Eventually, after more discussion, Mayor Gray called for a vote. 14-02 passed by roll call vote 4 yes, 0 no, 0 absent, 2 present as follows: Clayton, present; Kimsey, yes; Boyle, present; Holden, yes; Formea, yes;

Schatteman, yes. (Clerk's Note: A vote of present is a vote with the majority. In this case, yes.)

Trustee Schatteman motioned for consideration of **Ordinance 14-03, An Ordinance Approving a Lease Purchase Agreement with Bank of Springfield**; seconded by Trustee Boyle. This ordinance is for the purchase of an Aerial Truck in the amount of \$111,087, amortized over five years at 1.67% interest with an option to purchase the vehicle at the conclusion of the lease for nominal consideration. 14-03 passed by roll call vote 6 yes, 0 no, 0 absent as follows: Clayton, yes; Kimsey, yes; Boyle, yes; Holden, yes; Formea, yes; Schatteman, yes.

Trustee Schatteman motioned for consideration of **Ordinance 14-04, An Ordinance of the Village of Chatham, Sangamon County, Illinois, Authorizing the Issuance of General Obligation Refunding Bonds (Alternate Revenue Source), Series 2014, of the Village in the Aggregate Principal Amount of \$3,805,000 for the Purpose of Refunding Certain Outstanding Prior Bonds of the Village**; seconded by Trustee Holden. This ordinance refinances through United Community Bank the village's 2006 and 2008 electric bonds. CFO Dierking said refinancing the bonds could realize a savings of \$290,000 without affecting the term. 14-04 passed by roll call vote 6 yes, 0 no, 0 absent as follows: Clayton, yes; Kimsey, yes; Boyle, yes; Holden, yes; Formea, yes; Schatteman, yes.

Trustee Holden motioned for consideration of **Resolution 02-14, A Resolution Approving a Reduction in the Letter of Credit Pertaining to Breckenridge Manor Plats 1, 2 and 3**; seconded by Trustee Kimsey. Explained by title and reduced to an amount of \$34,400 in consideration for

public infrastructure improvements, 02-14 passed by roll call vote 6 yes, 0 no, 0 absent as follows: Clayton, yes; Kimsey, yes; Boyle, yes; Holden, yes; Formea, yes; Schatteman, yes.

Trustee Holden motioned for consideration of **Resolution 03-14, A Resolution Approving a Reduction in the Letter of Credit and Approving Substitute Security for Spruce Estates, Plats 1 and 2;** seconded by Trustee Formea. Explained by title and reduced to an amount of \$19,900 in consideration for public infrastructure improvements, 03-14 passed by roll call vote 6 yes, 0 no, 0 absent as follows: Clayton, yes; Kimsey, yes; Boyle, yes; Holden, yes; Formea, yes; Schatteman, yes.

#### I. CALENDAR OF EVENTS

Regular Village Board meetings are every 2<sup>nd</sup> and 4<sup>th</sup> Tuesday at 6:00 PM, except in December when there is only one on the 2<sup>nd</sup> Tuesday. Committees meet every 1<sup>st</sup> and 3<sup>rd</sup> Tuesday at 6:00 PM. Planning Commission meetings, when scheduled, are the 3<sup>rd</sup> Thursday at 6:00 PM. Public Parks and Recreation Commission meetings are the 2<sup>nd</sup> Monday at 6:00 PM. All meetings are open to the public, unless in executive session, and are posted in advance on the municipal hall bulletin board and/or public door.

#### J. EXECUTIVE SESSION

Trustee Holden motioned for consideration an Executive Session to discuss the subject of Personnel. Second by Trustee Schatteman, the motion passed by roll call vote 6 yes, 0 no, 0 absent as follows: Clayton, yes; Kimsey, yes; Boyle, yes; Holden, yes; Formea, yes; Schatteman, yes.

#### K. RECONVENE OPEN SESSION

Trustee Kimsey motioned for consideration to reconvene the open session of the regular village board meeting. Second by Trustee Holden, the motion passed by roll call vote 6 yes, 0 no, 0 absent as follows: Clayton, yes; Kimsey, yes; Boyle, yes; Holden, yes; Formea, yes; Schatteman, yes. There was no action pertaining to the executive session.

L. ADJOURNMENT

Having no further business to come before the board, Trustee Kimsey moved, seconded by Trustee Holden, to adjourn. The Motion passed by voice vote.

Respectfully Submitted,  
Pat Schad, Village Clerk