

**MINUTES OF REGULAR SESSION
HIGHLAND CITY COUNCIL
MONDAY, OCTOBER 3, 2011**

Mayor Michaelis called the Regular Session to order at 7:00pm. Council members Schwarz, Bardill, Bellm and Nicolaides were present. Others in attendance were City Manager Mark Latham, City Attorney Harold Belsheim, Directors Cook, Gillespie, Korte, Rosen and Schoeck, Chief Bell, Supervisor Limestall; City Staff: Andrea Enright, Steve Ferguson and Tracey Robinson; Latzer Library Director Kim, Deputy City Clerk Hediger, Treasurer Foehner, City Clerk Bellm, 2 citizens and 1 member of the news media.

MINUTES

Councilman Bardill made a motion to approve the minutes of the September 19, 2011 Regular Session as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Bardill, Bellm and Nicolaides voted aye, none nay. Motion carried.

PRESENTATION

Director of Parks and Recreation Mark Rosen gave a brief presentation on the Watershed Plan for Highland Silver Lake Watershed, a Clean Lakes Report prepared by HDR Engineering, Inc. They drove through the watershed, navigated the lake, and took soil samples from the watershed and under the lake and samples of the water at different points. The lake's watershed is 83% farmland with row crops. There is 34 miles of unprotected streams. The lake itself is a 550-acre reservoir. Maximum depth is 25 feet, which is an area just directly south of the water intake. The goal is to improve water quality by reducing sediment and nutrient loads. Impairments are total phosphorus, e. coli, total suspended solids (TSS), turbidity and sediment. These impairments come from failing septic systems in and near the watershed, crop production, livestock operations, shoreline erosion, and accumulated sediment. Since 1962, we have lost approximately 33% of the water storage capacity. There are several options to approaching this, depending upon funding and capabilities. So far, we have done 10,260-linear feet of shoreline revetment and construction of a livestock exclusion pond.

Mayor Michaelis asked if any of the sediment removed from the lake would be classified as hazardous waste. Director Rosen explained no. One community had the sediment bagged and resold it as top soil to generate money to offset the project cost. It cost \$1-\$2 per bag for the bagging process. Mayor Michaelis asked what we could take off the list of impairments. Director Rosen reported the biggest is the phosphorus, which is a result of farm chemicals used in the watershed and has the biggest impact on the water quality. Mayor Michaelis asked, because of the prevention we have done so far, are we more eligible for government funds. Director Rosen responded because of the economy, the probability of government funding does not look good. Dredging is considered "maintenance". We can get money for putting in a cofferdam. However, until it is filled up and we can show that it does

not operate as we need it to, then we could get money to take it out. Councilman Schwarz stated, basically, you are saying if we do not dredge and let things get to a crisis point, we would be better off for receiving funding. If that is the case, why do anything? Director Rosen explained there are different impairments we are trying to address. For example, the soil in and around the lake is such fine clay, that it will never settle. Clay does not settle and we will always have those fine particles. Limiting run off from the watershed limits more sediment and lowers the level of other impairments. Therefore, several approaches have to be taken as part of the whole plan. Councilman Schwarz asked if poor management and lack of planning gets you to a crisis point. What is the crisis point? Is waiting an option? How low can we take the lake capacity down to, before we reach a crisis point and get federal or state funding? Director Rosen stated he does not know that and that is very risky, because it does not guarantee assistance, as there may be others at a crisis. We have different areas where we can access the lake and do this in phases. A lot of times, funding is 80/20 on these projects for different grants. We could recover most of our 20% of the cost through the sale of top soil.

PUBLIC FORUM

Citizens' Requests and Comments:

Highland News Leader – Trick-or-Treat Trail Request – Jamie Foresythe, reporter for Highland News Leader, noted a letter was sent to the council stating all the details of the event, which will be held the same as last year. Councilwoman Bellm made a motion to approve the request of the Highland News Leader to hold the Trick-or-Treat Trail on Friday, October 28, 2011, 2:00–6:00pm, with a rain date of Saturday, October 29, 2011, 10:00am – 12:00pm as requested; seconded by Councilman Bardill. Roll Call Vote: Schwarz, Bardill, Bellm and Nicolaides voted aye, none nay. Motion carried.

Chamber of Commerce Lighted Christmas Parade Request – With no one present to represent the Chamber of Commerce, Councilwoman Bellm made a motion to table the Highland Chamber of Commerce's request; seconded by Councilman Bardill. All council members voted aye, none nay. Motion carried. Mayor Michaelis asked Deputy City Clerk Lana Hediger to contact the Chamber Director, tomorrow, so they plan to have someone at the next meeting.

Requests of Council:

Councilwoman Bellm asked Director Gillespie to pass along congratulations to Tony Hempen for his achievements. Mayor Michaelis noted the council recognized Mr. Hempen at the last council meeting.

Staff Reports:

None presented.

NEW BUSINESS

Approve Mayor's Appointment to the Tree Commission – Councilman Bardill made a motion to approve the mayor's appointment of Mrs. Ellen Limestall to the Tree Commission to fill the remainder of the term, which will expire July 2014, vacated by Patricia Steiner as attached; seconded by Councilwoman Bellm. All council members voted aye, none nay. Motion carried.

Bill #11-96/ORDINANCE Setting Date of Public Hearing for the Northside Conservation and Redevelopment Tax Increment Financing Redevelopment Plan and Project – Councilwoman Bellm made a motion to approve Bill #11-96/Ordinance #2488 setting November 30, 2011 at 6:30pm for the public hearing for the Northside Conservation and Redevelopment Tax Increment Financing Redevelopment Plan and Project as attached; seconded by Councilman Bardill. Roll Call Vote: Schwarz, Bardill, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #11-97/ORDINANCE Annexing Territory – Frey Properties of Highland, LLC –
Councilman Bardill made a motion to approve Bill #11-97/Ordinance #2489 annexing ~11.08 acres of territory owned by Frey Properties of Highland, LLC as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Bardill, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #11-98/RESOLUTION Approving Amended Contract with Harry’s Disposal, Inc. –
Councilwoman Bellm made a motion to approve Bill #11-98/Resolution #11-10-1999 approving amended contract with Harry’s Disposal, Inc. as attached; seconded by Councilman Bardill. Roll Call Vote: Schwarz, Bardill, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #11-99/RESOLUTION Approving Contract with Venture Advisors – Councilman Bardill made a motion to approve Bill #11-99/Resolution #11-10-2000 approving a two-year contract with Venture Advisors, Inc. in the amount of \$35,000 as attached; seconded by Councilwoman Bellm. Councilman Schwarz asked for an explanation of the program. City Manager Latham explained this is a mentoring program. We got involved with Venture Advisors when working with prospective buyers for the movie theatre. This group works with the business owners or prospective business owners to prepare them by helping to develop business plans. The program will select business advisors from within the community to mentor several businesses. Highland’s economy was founded on start-up businesses. Councilman Schwarz asked how does people get in contact with the group. How much do they pay to participate in the process? City Manager Latham explained the city is going to support this along with sponsorships by other businesses within the community. The city’s money would be used to set up marketing of the program. We can spend a lot of money marketing the community to try to attract businesses into Highland; this program looks to mentor within. The IDC and the Chamber of Commerce support this program. I think it is a great program. Councilwoman Bellm reported she, too, sat in on most of the meetings Venture Advisors had with the prospective buyers for the Lory Theatre. It is impressive the questions they ask and the amount of work that they make people go through. We have spent a lot of money to put advertising out there to try to attract businesses into Highland. However, we are competing with a lot of other communities that are willing to give more than we have to give to attract these businesses in. We have business people that are looking to start up businesses or expand what they are doing, but they do not know how to make the next step. They need help with a business plan to take it to the next level. Councilman Schwarz pointed out, the question is, is it the job of the city to paying for this assistance. City Manager Latham stated, the community survey done last year said the number one thing this community wants is jobs. You can ask Councilwoman Bellm, we are not going to compete with other communities to bring business here. Councilwoman Bellm expressed my hope is people will start up and expand their business here, while they raise their families here. Roll Call Vote: Bardill, Bellm and Nicolaides voted aye; Councilman Schwarz voted nay. Motion carried.

Bill #11-100/ORDINANCE Declaring that a Portion of Sportsman Trail Shall Be Dedicated to Transportation Uses for a Period of at Least Twenty Years - Councilwoman Bellm made a motion to approve Bill #11-100/Ordinance#2490 declaring that a portion of Sportsman Trail shall be dedicated to transportation uses for a period of at least twenty years as attached; seconded by Councilman Bardill. Roll Call Vote: Schwarz, Bardill, Bellm and Nicolaides voted aye, none nay. Motion carried.

Approve Notice of Municipal Letting Bid #E-02-11 for the Generator Relocation Project –
Councilman Bardill made a motion to approve Notice of Municipal Letting Bid #E-02-11 for the Generator Relocation Project as attached; seconded by Councilwoman Bellm. All council members voted aye, none nay. Motion carried.

Approve Notice of Municipal Letting Bid #L-06-11 for Construction of New Library Parking Lot and Landscaping – Councilwoman Bellm made a motion to approve Notice of Municipal Letting Bid #L-06-11 for construction of new library parking lot and landscaping as attached; seconded by Councilman Bardill. Library Director Angela Kim showed a design of the proposed plan. The plan

includes landscaping, construction of a parking lot, replacement of the circle sidewalk for ADA accessibility, and an outdoor education center/amphitheatre. The parking lot project has been broken into two phases due to budget constraints. Councilman Schwarz noted the parking lot would assist with parking for events held on the Downtown Square as well. All council members voted aye, none nay. Motion carried.

REPORTS

Approve Warrant #855 – Councilman Bardill made a motion to approve Warrant #855 as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Bardill and Bellm voted aye, none nay. Councilman Nicolaides abstained. Motion carried.

Councilwoman Bellm made a motion to adjourn; seconded by Councilman Bardill. All council members voted aye, none nay. Motion carried and meeting adjourned at 7:47pm.

Joseph Michaelis, Mayor

Barbara Bellm, City Clerk