

**MINUTES OF REGULAR SESSION
HIGHLAND CITY COUNCIL
MONDAY, APRIL 1, 2013**

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 John Long; Directors Cook, Gillespie, Korte, Rosen and Schoeck; Police Chief Bell, Fire Chief Bloemker, EMS Captain Crosby, Supervisor Limestall; Library Director Kim, Treasurer Foehner, Deputy City Clerk Hediger, City Clerk Bellm; Council Candidate Markus, 14 other citizens, and 1 member of the news media.

MINUTES

Councilman Bardill made a motion to approve the minutes of the March 18, 2013 Regular Session as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Bardill, Bellm and Nicolaides voted aye, none nay. Motion carried.

Mayor Michaelis noted that the public hearing to take comments regarding the budget for Fiscal Year 2013-2014 has been postponed. However, if anyone is here to make comments, please come forward and we will accept those.

MAYORAL RECOGNITION

Mayor Michaelis recognized Mr. Jon Sugg and Mr. Jack Cygan for their years of service as volunteers on the City of Highland's Police and Fire Commission, 32 years and 41 years, respectively. Mr. Sugg thanked the council and the government of Highland for being able to work with them. Chief Bell stated these two gentlemen are class acts all the way around. I was very fortunate when I came aboard to have these two serving on a committee that has the power to hire and fire officers of our department, and they have the full respect of all those in the department. They command respect and I love their history, self-reliance, and proficiency that they brought to the job.

PROCLAMATION

Mayor Michaelis read a document proclaiming Friday, April 26 as Arbor Day in Highland.

SPECIAL PRESENTATION

Scott Knight, of Crawford, Murphy & Tilley, presented the City's Comprehensive Sanitary Sewer Analysis. Mr. Knight stated the goal was to develop a capital improvement plan to meet regulatory requirements, address aging wastewater infrastructure, and at the same time look at rates of the users to cover costs. What was put together is a 10-15-year capital improvements project (CIP) to optimize spending and develop a list of improvements and costs, and then budget out increases from users. In 2013, we are working on regulatory requirements and documenting inventory and condition

of assets, O&M, and the success of the preventative maintenance plan already in place. There has been televising and cleaning of mains. \$100,000 will be invested, using funds from rates, to improve assessment capabilities with purchase of software to enhance data collection and equipment such as cameras and flow meters. Initial items, planned FY 2013-2014, are the completion of smoke testing mains and additional flow monitoring in various areas of the system. These are low cost and easy ways to find infiltration in the system. Engineering will continue to do assessments, designs of initial projects, and work on funding assistance. We anticipate using \$150,000 from funds received through rates for this. A major portion of the project is CIPP rehabilitation of existing lines, which is lining the mains, versus replacement, of the mains rated “poor” and “fair” in FY 2014-2015. We estimate this will involve 23,000 linear feet of mains. Lining extends the life of the main by 50+ years, with limited disruption to property, and is considerably cheaper than replacement of mains. For every \$1 spent to line, it costs \$5 to replace. Estimated cost is \$1.26 million for FY 2014-2015. There are three main trunks of lines (~23,820 linear feet total) that would be rehabilitated in FY 2017-2018, at an estimated cost of \$4.15 million. Improvements to the Water Reclamation Facility will be required about this time, with equipment reaching its life expectancy, at twenty years of service. We estimate and plan for replacement of a lot of the equipment for FY 2019-2020. At Year 2020, assuming a 1.5% growth rate, the capacity of the system will require a parallel relief sewer at an estimated cost of \$1.2 million. Based upon the same growth rate, a plant expansion would be required ~2025 to handle higher flows.

Costs are estimated in 2013 dollars, with estimated inflation added for projected costs. We estimated debt service at a rate of 3%, which is standard. Cost projections and debt service are based upon a rate adjustment going on in 2013. We have figured a debt service for CIPP of the “poor” and “fair” mains would begin in 2015. In 2018, existing debt service for WRF ends and a new debt service for CIPP of trunk sewers begin. In 2025, there would be new debt service for WRF expansion with a portion paid from reserves.

To fund this and cover O&M, the average user (4,000 gallons per month) would see an increase of \$25.19 per month go to \$28.00 per month, with continual increases of \$0.90 per month annually thereafter. The modest initial rate adjustment followed by annual adjustments allows us to keep pace with inflation while funding collection system equipment, CMOM activities, and up-front engineering costs. Mr. Knight pointed out the monthly bill for an average user, in FY 2023, with inflation only – not doing any capital improvement projects – would be \$34.87, as compared to \$37.00 under this plan to fund system improvements.

Director Gillespie thanked Scott and CMT for putting this plan together. We feel, as a department that this a good plan for improving and maintaining the system. City Manager Latham added we have been discussing the aging system for many years; it seems the councils keep “kicking the can” down the street. I would say that it is time to “fish or cut bait”. Councilwoman Bellm expressed, as a homeowner, I would rather see a modest increase with smaller increases, rather than waiting and be hit with a significant costs down the road. This seems to do what we need to do in addressing the problems.

PUBLIC FORUM

Citizens’ Requests and Comments:

Nothing was presented.

Requests of Council:

No comments or requests were made.

Staff Reports:

City Manager Latham stated there was nothing to report at this time.

NEW BUSINESS

Making Tentative Budget for FY 2013-2014 Available for Public Review at City Hall and Setting the Public Hearing Date for Monday, April 15, 2013 – Councilwoman Bellm made a motion to approve making the tentative budget for FY 2013-2014 available for public review at City Hall and setting the public hearing date for Monday, April 15, 2013 as attached; seconded by Councilman Bardill. Roll Call Vote: Schwarz, Bardill, Bellm and Nicolaides voted aye, none nay. Motion carried.

Approve Mayor's Appointment to the Silver Lake Advisory Commission - Councilman Bardill made a motion to approve the appointment of Mr. Ronald Wagner to the Silver Lake Advisory Commission to fill a vacancy, with a term to expire March 2016 as attached; seconded by Councilwoman Bellm. All council members voted aye, none nay. Motion carried.

Approve Petition to Transfer Grave Spaces Located in the City Cemetery – Schwend - Councilwoman Bellm made a motion to approve petition to transfer Grave Spaces 25, 26, 27 and 28 in Row No. 11 in Block 11 located in the City Cemetery to Raymond Eugene Schwend as attached; seconded by Councilman Bardill. All council members voted aye, none nay. Motion carried.

Approve Petition to Transfer Grave Spaces Located in the City Cemetery – Jakel – Councilman Bardill made a motion to approve petition to transfer Grave Spaces 3 and 4 of Lot No. 23 in Block No. 13 to Elana Jene Jakel as attached; seconded by Councilwoman Bellm. All council members voted aye, none nay. Motion carried.

Bill #13-20/RESOLUTION Creating Positions for One EMS Battalion Chief and Two EMS Daily Operations Managers (Captains) – Councilwoman Bellm made a motion to approve Bill #13-20/Resolution #13-04-2117 creating positions for one EMS Battalion Chief and two EMS Daily Operations Managers (Captains) as attached; seconded by Councilman Bardill. Roll Call Vote: Schwarz, Bardill, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #13-21/ORDINANCE Annexing 46.96 Acres of City-Owned Territory Which the City Intends to Use for Construction of the Extension of Iberg Road North to Meet U.S. Highway 40 at Troxler Avenue – Councilman Bardill made a motion to approve Bill #13-21/Ordinance #2565 annexing 46.96 acres of city-owned territory which the city intends to use for construction of the extension of Iberg Road North to meet U.S. Highway 40 at Troxler Avenue as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Bardill, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #13-22/RESOLUTION Accepting the Deed of Easements from CSX Transportation, Inc. for a Bridge to be Constructed Over Railroad Tracks at Milepost QS 207.8, and Authorizing Payment There - Councilwoman Bellm made a motion to approve Bill #13-22/Resolution #13-04-2118 accepting the Deed of Easements from CSX Transportation, Inc. for a bridge to be constructed over railroad tracks at Milepost QS 207.8, and authorizing payment therefore as attached; seconded by Councilman Bardill. Roll Call Vote: Schwarz, Bardill, Bellm and Nicolaides voted aye, none nay. Motion carried.

Award Bid #PW-14-10 for the US Highway 40 / Hemlock Street Intersection Improvements – Councilman Bardill made a motion to award Bid #PW-14-10 for the US Highway 40 / Hemlock Street Intersection Improvements to Bruce Concrete Construction, Inc., of Granite City, IL, for the amount of \$572,960.66 as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Bardill, Bellm and Nicolaides voted aye, none nay. Motion carried.

Approve Notice of Municipal Letting for Bid #PD-02-13 for the Purchase of One Police Vehicle – Councilwoman Bellm made a motion to approve Notice of Municipal Letting for Bid #PD-

02-13 for the purchase of one police vehicle as attached; seconded by Councilman Bardill. All council members voted aye, none nay. Motion carried.

REPORTS

Approve Warrant #909 – Councilman Bardill made a motion to approve Warrant #909 as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Bardill, Bellm and Nicolaides voted aye, none nay. 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 7:41pm.

Joseph Michaelis, Mayor

Barbara Bellm, City Clerk