

**MINUTES OF REGULAR SESSION
HIGHLAND CITY COUNCIL
MONDAY, JULY 15, 2013**

Mayor Michaelis called the Regular Session to order at 7:00pm. Council members Schwarz, Frey, 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, Supervisor Limestall, Library Director Kim, Treasurer Foehner, Deputy City Clerk Hediger, City Clerk Bellm; 6 citizens, and one member of the news media.

MINUTES

Councilwoman Bellm made a motion to approve the minutes of the July 1, 2013 Regular Session as attached; seconded by Councilman Frey. Roll Call Vote: Frey, Bellm and Nicolaides voted aye, none nay. Councilman Schwarz abstained. Motion carried.

PUBLIC FORUM

Citizens' Requests and Comments:

HHS Homecoming Parade – Denise Augustin requested the same route as last year for the homecoming parade, which will be Wednesday, October 9, 2013. The parade will begin at the elementary school and end at the Square with some activities on the Square at the end of the parade. We will start with line up activities at 5:30pm. Councilwoman Bellm made a motion to approve the HHS Homecoming Parade on October 9, 2013 at 6:30pm as attached; seconded by Councilman Schwarz.

Highland Community Chorus – Joyce D. Jones, Representative recognized Luanne Murphy who addressed the council on behalf of the group of four that attended regarding this. Mrs. Murphy stated we are a committee of four. Our group wants to promote and preserve the art of the choral music in the community of Highland. We wanted to know, if we create a website, if we can add a link to the city's website. We have created flyers and a survey, which we have been dropping off and leaving at various businesses, for people to take, complete and return to us. We would like to leave some of those here, at City Hall, along with a drop box for people to return them. Mayor Michaelis clarified your first request would be to have a link on the city's website. Director Korte stated there should be no problem with that. We have a link on our website to the Highland Chamber of Commerce. Councilwoman Bellm expressed she thought that was a great idea. Mayor Michaelis noted the second item is to have a drop box. Mrs. Murphy explained we have surveys seeking participants, financial supporters and promoters for the group. This would allow people to pick them up or drop them off here. We are also looking at putting in an article in the Pioneer, Highland News Leader and Chamber Connections to promote the group. Mayor Michaelis asked Lana if we have space available in the Highland Highlights. Deputy City Clerk Lana Hediger stated she believes there would be some space that could be made available in there. Mayor Michaelis suggested Mrs. Murphy or someone come in and meets

with Lana this next week. City Manager Latham stated he did not think there should be any problem with placing the box up here at City Hall.

Requests of Council:

Nothing presented.

Staff Reports:

City Manager Latham reported a major stock car race event was cancelled on July 6 due to rain. It has been reschedule for Sunday, August 25. Councilman Frey noted it is a Sunday race. Councilman Schwarz asked if there would be any issues with it being a Sunday night. Councilman Frey explained the reasoning behind that date is that the racers are going to be in the area on Friday and Saturday night, doing different tracks. We are hoping to pull from those who travel those circuits. We plan to start at 4:00pm and end by 9:00pm. Councilman Schwarz asked if it will detract from Kirchenfest. Councilman Frey reported it normally does not affect Kirchenfest. If anything, we hope it will add to attendance at Kirchenfest, as they can go there on their way to the race.

NEW BUSINESS

Approve Mayor's Reappointment to the Tree Commission – Councilman Schwarz made a motion to approve the mayor's reappointment of Mr. Josh Hetley to the Tree Commission for a three-year term or until a replacement can be found; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Approve Mayor's Reappointments to the Parks & Recreation Advisory Commission – Councilwoman Bellm made a motion to approve the mayor's reappointment of and extend the terms of Susanne Davendonis and Susan L. Amaro to the Parks & Recreation Advisory Commission for three-year terms, to expire July 31, 2016 as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Determine Means of Repayment for Bonds to Fund the Sanitary Sewer Improvements – City Manager Latham explained we have two options for the council. It does affect the payment plan by \$183,000, between the two debt services, over a twenty-year period. If you look at the rate schedule that Public Works Director Joe Gillespie put together showing the level and the blended comparison. The rate structure shows a slightly higher increase in rates in the first year, more than the blended debt service would require. With the blended debt service, we would only pay the interest the first four years, versus principal and interest, which increases the cost by over \$180,000 over twenty years. The flat fee is about a \$1 difference and about \$0.05 increase per 100 gallons. Councilman Schwarz asked is the blended debt service being looked at due to current cash flow constraints. City Manager Latham responded yes. Councilman Schwarz asked can we still afford to pay the interest and principle up front. City Manager Latham replied yes. Councilman Schwarz stated I would prefer to do that. Councilwoman Bellm concurred she would rather pay interest and principal up front. Councilman Frey stated he agrees with going with the level debt service, as he does not like seeing us pay interest only. Councilman Nicolaides concurred.

Bill #13-54/ORDINANCE Amending Section 78-379, Section 78-380, and Section 78-387 of the Highland Municipal Code to Increase Sewer Rates to Assist in Financing Improvements to the Sewer System - Blended Debt Service – Councilman Schwarz made a motion to approve Bill #13-54/Ordinance #2576 amending Section 78-379, Section 78-380, and Section 78-387 of the Highland Municipal Code to increase sewer rates to assist in financing improvements to the sewer system - Blended Debt Service as attached. With no second to the motion, the motion failed.

Bill #13-55/ORDINANCE Amending Section 78-379, Section 78-380, and Section 78-387 of the Highland Municipal Code to Increase Sewer Rates to Assist in Financing Improvements to the Sewer System - Level Debt Service – Councilwoman Bellm made a motion to approve Bill #13-55/Ordinance #2576 amending Section 78-379, Section 78-380, and Section 78-387 of the Highland Municipal Code to increase sewer rates to assist in financing improvements to the sewer system - Level Debt Service - as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #13-56/RESOLUTION Approving Financial Advisory Agreement Concerning Services for the Issuance and Sale of General Obligation Bonds (Alternate Revenue Source), Revenue Bonds, or Debt Certificates, for Public Improvements to the Sanitary Sewer System) – Councilman Schwarz made a motion to approve Bill #13-56/Resolution #13-07-2135 approving financial advisory agreement concerning services for the issuance and sale of General Obligation Bonds (Alternate Revenue Source), Revenue Bonds, or Debt Certificates, for public improvements to the sanitary sewer system as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #13-57/RESOLUTION Approving Terms of Engagement Set Forth in Bond Counsel's Engagement Letter Concerning Specialized Legal Services for the Issuance and Sale of Revenue Bonds with Respect to the Public Improvements to the Sanitary Sewer System – Councilwoman Bellm made a motion to approve Bill #13-57/Resolution #13-07-2136 approving terms of engagement set forth in Bond Counsel's Engagement Letter concerning specialized legal services for the issuance and sale of revenue bonds with respect to the public improvements to the sanitary sewer system as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #13-58/RESOLUTION Approving Engineering Services Agreement with Crawford, Murphy, & Tilly, Inc. (CMT) for Sanitary Sewer Improvements – Councilman Schwarz made a motion to approve Bill #13-58/Resolution #13-07-2137 approving engineering services agreement in the amount of \$200,000 with Crawford, Murphy, & Tilly, Inc. (CMT) for sanitary sewer improvements as attached; seconded by Councilwoman Bellm. Councilman Schwarz asked how we verified that this price was in line with what was expected. Director Gillespie stated we did not have another quote to compare it to. We look at the scope of the work included, the number of hours estimated and what standard rates. Councilman Schwarz asked what rates we compare them against. Director Gillespie explained we have other engineering firms that we work with and we compare it against that. It would be our opinion that it is an appropriate number hours for the work. Councilman Schwarz asked how you base your decision. Director Gillespie stated we base it on other projects that have been done in the past and experience. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #13-59/RESOLUTION Approving Engineering Services Agreement with Oates Associates for the Sportsman Road Reconstruction Project – Councilwoman Bellm made a motion to approve Bill #13-59/Resolution #13-07-2138 approving preliminary engineering services agreement with Oates Associates for the Sportsman Road Reconstruction Project in the amount of \$93,000 as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #13-60/ORDINANCE Declaring Certain City-Owned Mowing Equipment Surplus Property and Authorizing Its Sale – Councilman Schwarz made a motion to approve Bill #13-60/Ordinance #2577 declaring certain city-owned mowing equipment, specifically a 2004 Toro Groundsmaster Mower Model 30410 and 2000 Toro Sand Pro (Groomer) Model 08886 as surplus property and authorizing its sale as attached; seconded by Councilwoman Bellm. Councilman Schwarz asked if there is any value in keeping the equipment or is it a space issue. Parks & Receptions Director Mark Rosen stated we did talk about that last week. However, we spent a couple hundred dollars to get the equipment to sale condition, and we feel it would be a matter of time before we would be more money into them, based on our usage.

Therefore, it would be better to sell them. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #13-61/ORDINANCE Adding Bulk Pricing for Delivery of Internet Data Services, RF Video, and IPTV Services for Highland Communication Services – Councilwoman Bellm made a motion to approve Bill #13-61/Ordinance #2578 adding bulk pricing for delivery of internet data services, RF video, and IPTV services for Highland Communication Services as attached; seconded by Councilman Schwarz. Councilman Schwarz asked is this consistent with what Charter and other communication providers do. City Manager Latham reported these are bulk pricing for hotels and nursing home facilities, etc. Charter and other similar companies do the same. Councilman Frey pointed out we are doing this to compete. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #13-62/RESOLUTION Appointing a Member to the Board of Directors of the Illinois Municipal Electric Agency – Councilman Schwarz made a motion to approve Bill #13-62/Resolution #13-07-2139 appointing Dan Cook as a member to the Board of Directors of the Illinois Municipal Electric Agency as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #13-63/RESOLUTION Regarding Release of Executive Session Minutes – Councilwoman Bellm made a motion to approve Bill #13-63/Resolution #13-07-2140 regarding release of Executive Session Minutes as attached; seconded by Councilman Schwarz. Councilwoman Bellm asked if this is something we do normally. Deputy City Clerk Hediger responded this is something we should be doing regularly and we are now catching up. Councilman Schwarz asked who selected these and decided what was to be released. City Attorney Long reported we had someone in the partnership that deals with this review the information and determine these items would not affect anything by releasing these items. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #13-64/RESOLUTION Authorizing Destruction of Audio Recordings of Executive Session Meetings of the City Council – Councilman Schwarz made a motion to approve Bill #13-64/Resolution #13-07-2141 authorizing destruction of audio recordings of Executive Session Meetings of the City Council as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #13-65/RESOLUTION Requesting Road Closure for HHS Homecoming Parade - Councilwoman Bellm made a motion to approve Bill #13-65/Resolution #13-07-2142 requesting road closure for HHS Homecoming Parade on Wednesday, October 9, 2013 from 6:60pm – 7:30pm as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #13-66/RESOLUTION Declaring that Table 3.1 of Section 90-201 Was Never Repealed or Otherwise Deleted as Positive Law, and, In Consequence, Should Be Restored to the Codification of Section 90-201 of the Highland Municipal Code – Councilman Schwarz made a motion to approve Bill #13-66/Ordinance #2579 declaring that Table 3.1 of Section 90-210 was never repealed or otherwise deleted as positive law, and, in consequence, should be restored to the codification of Section 90-210 of the Highland Municipal Code as attached; seconded by Councilwoman Bellm. Deputy City Clerk Hediger reported a correction to the agenda. This is should state ‘Section 90-201’ rather than ‘Section 210’ as stated on the agenda. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Approve Purchase of Beta Test of Next Generation Meter Systems – Councilwoman Bellm made a motion to approve purchase of beta test of Next Generation Meter Systems with purchase

orders to Cooper Power Systems in the amount of \$35,500.24 and Tantalus and HD Supply totaling \$41,283.33 and request a budget amendment facilitating a transfer from Electric Reserves to GL#101-104-5-530-60 in the amount of \$26,783.57 as attached; seconded by Councilman Schwarz. Councilman Schwarz asked how we decided on these two systems. Director Dan Cook reported I have been looking at this and all the providers, vendors and equipment for a couple of years. These stood out – Tantalus equipment utilizes iron meters, which the water department presently utilizes. This is the only system that uses the existing meters that are out there. We would be able to phase people in because we could use the water systems’ existing meters while phasing in new meters. The meter data is collected electronically. You have to have a meter data management system allowing for information to be maintained for longer than fourteen months. Cooper’s system allows for the functionality in software to allow us to not purchase that data management software, yet retain that data over an extend period of time. Councilman Schwarz inquired if the businesses that have this equipment realize that they would likely buy the equipment, would they allowed us to use it free of charge for a period of time. Director Cook stated I explored that. One company does allow that; however, they will only give you four meters. Councilman Schwarz asked what if we went to these vendors and pushed them to allow us to have it free for a trial period. Director Cook responded I have pushed as far as I can. Keep in mind we are a small user compared to the municipalities and utility companies that are purchasing this equipment. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Approve Notice of Municipal Letting Bid #PD-06-13 for Purchase of Outdoor Warning Siren System – Councilwoman Bellm made a motion to approve Notice of Municipal Letting Bid #PD-06-13 for purchase of Outdoor Warning Siren System as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

REPORTS

Approve Warrants #919 & #920 – Councilman Schwarz made a motion to approve Warrants #919 & #920 as attached; seconded by Councilman Nicolaides. Roll Call Vote: Schwarz, Frey and Nicolaides voted aye, none nay. Councilwoman Bellm abstained. Motion carried.

Councilwoman Bellm made a motion to temporarily adjourn, to conduct an Executive Session pursuant to the Illinois Open Meetings Act under Section 2(c)(21) for discussion of executive session minutes, and 2(c)(8) to discuss specifications of equipment and structures used for public safety communications, the disclosure of which specifications would create a reasonably potential danger to the security of the equipment, structures, and public safety communications; seconded Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried. Meeting temporarily adjourned at 7:44pm.

Mayor Michaelis reconvened the Regular Session at 8:41pm. Council members Schwarz, Frey, Bellm and Nicolaides were present. Also present were City Attorney Long and City Clerk Bellm.

Mayor Michaelis stated nothing discussed in executive session would be acted upon tonight.

Councilwoman Bellm made a motion to adjourn; seconded by Councilman Schwarz. All council members voted aye, none nay. Motion carried and meeting adjourned at 8:42pm.

Joseph Michaelis, Mayor

Barbara Bellm, City Clerk