

**MINUTES OF REGULAR SESSION  
HIGHLAND CITY COUNCIL  
MONDAY, APRIL 2, 2012**

Mayor Michaelis called the Regular Session to order at 7:00pm. Council members Nicolaides, Bellm, Bardill and Schwarz were present. Others in attendance were City Manager Mark Latham, City Attorney Long, Directors Cook, Gillespie, Korte and Rosen; Chief Bell, HCS Manager Steve Ferguson, Fire Chief Rick Bloemker, Treasurer Foehner, Deputy City Clerk Hediger, 3 members of Tourism of IllinoisSouth, 3 citizens and one member of the news media.

**MINUTES**

Councilman Bardill made a motion to approve the minutes of the March 15, 2012 Special Budget Session as attached; seconded by Councilwoman Bellm. Councilwoman Bellm stated there was not a consensus on the funding for hotel/motel tax with regards to the amount to give in Tourism Bureau funding. Mayor Michaelis asked Councilman Schwarz if he felt there was a consensus. Councilman Schwarz stated while he did not agree on giving them any money, he felt there was a consensus. Mayor Michaelis stated I felt the consensus was to give them \$4500. Councilwoman Bellm stated I voiced an opinion to give more; one voiced an opinion to give nothing. Councilman Bardill and Nicolaides stated they felt there was consensus. Mayor Michaelis stated I thought there was. Mayor Michaelis stated when it comes up tonight, we will vote on it. \$4500 was budgeted. Mayor Michaelis asked Director Korte, did you feel there was a consensus. Director Korte responded I changed the budget according to the discussion. Councilwoman Bellm stated it is not a big deal; however, I am just asking that the word "consensus" be struck from the minutes. Councilman Schwarz expressed just because there is a difference in opinion does not mean there cannot be a consensus. Mayor Michaelis stated I think we will leave it as it is. Roll Call Vote: Schwarz, Bardill and Nicolaides voted aye, Councilwoman Bellm voted nay. Motion carried.

Councilwoman Bellm made a motion to approve the minutes of the March 19, 2012 Regular Session as attached; seconded by Councilman Bardill. Roll Call Vote: Schwarz, Bardill, Bellm and Nicolaides voted aye, none nay. Motion carried.

**PRESENTATION**

Jo Kathmann, President/CEO of the Tourism Bureau ILLINOISouth, gave a presentation on how the bureau works for Highland, accompanied by Scott Winter, Marketing Manager and Dan Krankeola, Sales Manager. Ms. Kathmann reported our Fiscal Year 2012 budget is \$1.1M. Half of the budget comes from the state in the form of a grant; local communities must match the other half. The states portion comes from the 6% lodging tax within our bureau's nineteen-county area. Thirty percent of the six percent lodging tax is then figure in with the population of each county and that is how the

state bases our budget. I submit our budget to the state to get those funds; in doing so, I have to show that we can match those funds with funds from local communities. Chicago-area tourism works differently than we do down here, because they do a lot more conventions than tourism to bring in tax dollars and dollars into their budget. If we say we have a city that does not participate, it makes a significant difference to us. If the match dollars do not come from somewhere, they will pull the grant. The good part about tourism is that it is the second leading industry in Illinois. Many schools and mental/healthcare agencies that are subsidized through grants have been cut off, due to the Illinois budget issues. We do not get cutoff, as long as we can match it. Tourism brings people in to spend money, which keeps and creates jobs; therefore, politicians on both sides of the aisle support tourism grants. Councilman Schwarz asked what prevents any community from applying for the tourism funds. Ms. Kathmann stated you could; however, they will ask what tourism bureau you are working with. They will ask you to work with the bureaus because they will enhance your dollars.

Ms. Kathmann reported the State of Colorado decided several years ago to stop investing in tourism, because they figured that people would come regardless of advertising dollars spent. People stopped coming and it took them about five years to get tourism back to the level it was before. She showed a video produced by State of Colorado on the effects of tourism and tourism advertising throughout the economy, which was modified at the end with figures regarding the local impact of Tourism of IllinoisSouth.

Scott Winter, Marketing Director for Tourism of IllinoisSouth, explained funds are generated from hotel/motel tax. What we do day in and day out is work to get people into the hotels/motels to regenerate funds for the next year. We work with a lot of different communities in nineteen counties. Some communities have their own tourism directors; however, usually, we get funneled to the people controlling the budget for those communities. We are a membership-based organization. Any projects or advertising in our Season Times gets radio or television advertising. All this count towards our budget when we are involved. In the metro-east, we have a lot of communities that have a lot of things all in one location. As we go east, we had to focus on putting people into regional groups or counties. We have helped Art in the Park the past few years, by them running their marketing funds through our bureau. Mayor Michaelis asked whom do you work with in the City of Highland as the points of contact. Mr. Winter responded City Manager Latham and Jami Jansen, with the Highland Chamber of Commerce.

Dan Krankeola, Director of Sales, explained we sell memberships ranging all the way up to \$7,000, primarily for communities. We do four publications per year. The yearly publication catalog is done annually. Highland has a 1/3 square in the current publication. The Tourism Times Newsletters has a spring, summer, fall, & holiday editions. In the last holiday newsletter, Highland had a small publication advertising their holiday events. There are also 15,000 territory maps, which are placed in lodging and tourism centers. There are some advertisements on this. The City of Highland will have a 2x2 square on this year's territory map. Highland is presently at the Gold-level and receives a 40% discount on advertising costs. We work with you on designing a game plan for marketing the City of Highland. Councilwoman Bellm asked, looking at the first page for the \$5,000-level, when the City buys an advertisement, we are buying an advertisement with the \$5,000 funds we have committed already. Jo Kathmann explained when a city commits a certain amount of dollars; we do not spend money on anything that you would not approve of. When there is a \$5,000 commitment to the bureau, you simply tell us how you want to spend it – on what advertisement, in what brochure, newsletter, or billboard. Anytime you have something that you want us to advertise, we will help you figure out how to best spend those advertising dollars. Councilwoman Bellm summarized part goes to membership and the rest goes to advertising. Then if there is a group in Highland that wants to advertise their project through Tourism IllinoisSouth, our commitment assists their dollars through advertising discounts. Scott Winter replied yes. Councilman Schwarz stated I do not see anything in the spring newsletter. Mr. Krankeola stated we put information in that is provided to us. Typically, Jami Jansen provides that information. We ask for a contact to provide us with information. Jo Kathmann added visitors like to go and see new and unusual things; that is how stories are determined.

If you have something new and unique, call us and we will be happy to meet with you and take pictures to market it. It is always important that you ask us if you have a question.

## **PUBLIC FORUM**

### Citizens' Requests and Comments:

*The Tourism Bureau ILLINOISouth – 2012-13 Funding Request* – Jo Kathmann, President/CEO of Tourism Bureau ILLINOISouth, asked the council to go to page two of the presentation provided. FY 2009-2010 and 2011 contributions remained the same. We have some thoughts and ideas on increasing the commitment. What we have found with communities is that Tourism Bureau is a great, award-winning publication, provided at tourism bureaus and convention centers. We take the marketing and advertising of your community very seriously. Page 2 represents what we feel we can do with \$10,000, which allows you a larger discount credit and to still be in the seasonal calendars and newsletters. The difference in cost would be the map and newspaper inserts in major Midwest and major Illinois markets, as well as an online campaign that has provided us with 10,000 unique leads. Typically, we take on 14-15 partners. All the major players around the state do this, so they are in front of the traveling public for quite some time. By the time you package and mail out the information, you are looking at a cost of \$0.21 per lead. We want you to know there are some options and flexibilities. Taylor Studios has met with us, and I know they are working with the City of Highland. There are pieces and parts that we can work with to assist you with that project; however, the City decides to move on that project. Mr. Winter stated that could figure into the commitment amount. Councilman Bardill made a motion to fund FY 2012-2013 for the Tourism Bureau of Illinois South in the amount of \$4,500 with hotel/motel tax funds; seconded by Councilman Nicolaides. Bardill and Nicolaides voted aye; Schwarz voted nay. Councilwoman Bellm abstained, since she has and may be participating in Art in The Park. Mayor Michaelis voted aye. Motion carried.

*Memorial Day Parade and Band Funding Request* - Paul Bohn, Sgt. of Arms of American Legion Post #439, 1413 6<sup>th</sup> Street, on behalf of the American Legion Post #439 and VFW Post #5694 requested permission for the annual Memorial Day Parade, on Monday, May 28, 2012. We will route the parade from the south parking lot of St. Paul's Church to Lemon Street and over to 12<sup>th</sup> Street, then Poplar Street to VFW Road. The parade will step off at 1:00pm. As in the past, we request assistance from the city in defraying the cost of the band with a donation of \$200. We would appreciate it if Mayor Michaelis would participate by riding in the parade and doing a short welcoming address at the ceremony that will follow. We also invite the council to ride in the parade as well. Councilwoman Bellm made a motion to approve the request of American Legion Post #439 and VFW Post #5694 to hold the Memorial Day parade, on Monday, May 28, 2012, and to give a donation of \$200 donation to help defer the cost of the band as attached; seconded by Councilman Bardill. Roll Call Vote: Schwarz, Bardill, Bellm and Nicolaides voted aye, none nay. Motion carried.

Danielle Koehneman, 5 Alice Drive, and Mandy Ringwald, Chairpersons of the Relay for Life were present to ask for the city's support to fund power to the area of our event at Glik Park. Councilwoman Bellm inquired you are asking for permanent power in this area of Glik Park. Director of Light & Power Dan Cook reported we talked several time, with them last year, before and after the event. The area best suited for their activities is near and around Hunsche Harbor. There is not a lot of permanent power in that area; they need power for some lighting and for vendors at the event. The power would be located between the Quarterback Field and Hunsche Harbor. He estimated a cost of about \$7,000 to put power pedestals in this area. Mayor Michaelis asked are there other uses for power there. Director of Parks and Recreation Mark Rosen stated he believes so. With holding the fireworks out there, it would not go to waste. Councilman Schwarz stated I think it is a good idea. This is a good event that brings people into Highland. Mayor Michaelis explained we cannot vote on this tonight, because it is not on the agenda. We will put this request on the agenda for the next meeting, at which time we will vote on it. Please send a representative back for this request.

### Requests and Comments of Council:

None presented.

Staff Reports:

City Manager Latham reported he, Director Gillespie and Steve Kyle, of Oates Associates, met with the Illinois Commerce Commission (ICC) to present our plans for the Northeast Quadrant of the peripheral route. While funds are not available right now, they have put us in the five-year plan and we should be receiving information in writing that we can start within one year.

**NEW BUSINESS**

Making Tentative Budget Available for Public Review at City Hall and Setting Public Hearing Date for Monday, April 16, 2012 – Councilman Bardill made a motion to approve making tentative budget available for public review at City Hall and setting public hearing date for Monday, April 16, 2012 as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Bardill, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #12-38/RESOLUTION Approving Commitment of Fund Balances and Order of Use of Fund Balances - Councilwoman Bellm made a motion to approve Bill #12-38/Resolution #12-04-2038 approving commitment of fund balances and order of use of fund balances as attached; seconded by Councilman Bardill. Roll Call Vote: Schwarz, Bardill, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #12-39/ORDINANCE Approving and Authorizing Execution of a Redevelopment Agreement for a Project in Business District No. 1, and Other Actions Related Thereto – Essenpreis Plumbing & Heating, LTD – Councilman Bardill made a motion to approve Bill #12-39/Ordinance #2522 approving and authorizing execution of a redevelopment agreement for a project in Business District No. 1, and other actions related thereto – Essenpreis Plumbing & Heating, LTD as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Bardill, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #12-40/RESOLUTION Approving Operator Agreement for HCS with Respect to Aggregator Affiliation Agreement Between Scripps Networks, LLC, Television Foot Network, G.P., Cooking Channel, LLC and the Travel Channel, LLC, on One Side, and National Telco Television Consortium, LLC, on the Other Side – Councilwoman Bellm made a motion to approve Bill #12-40/Resolution #12-04-2039 approving operator agreement for HCS with respect to aggregator affiliation agreement between Scripps Networks, LLC, Television Foot Network, G.P., Cooking Channel, LLC and the Travel Channel, LLC, on One Side, and National Telco Television Consortium, LLC, on the other side as attached; seconded by Councilman Bardill. Councilman Schwarz asked what exactly what this means. HCS Manager Steve Ferguson explained these are programming and transmission rights. These are all different networks, so they request separate agreements. Councilman Schwarz asked can we pass all of these in one vote. City Attorney John Long explained you can make a motion to vote on specific Items on the agenda with one omnibus vote. If the motion is approved unanimously, then someone can make a motion to approve all the items under one omnibus voted. Since we have a motion on the floor, we must vote on that before going on. Roll Call Vote: Schwarz, Bardill, Bellm and Nicolaides voted aye, none nay. Motion carried.

Councilman Schwarz made a motion to make an omnibus motion for Items E through Q on the agenda, which are similar; seconded by Councilman Bardill. Roll Call Vote: Schwarz, Bardill, Bellm and Nicolaides voted aye, Mayor Michaelis voted aye, none nay. Motion carried.

Councilman Schwarz made a motion to approve Items E – Q, as attached, in an omnibus vote; seconded by Councilman Bardill. Roll Call Vote: Schwarz, Bardill, Bellm and Nicolaides voted aye, Mayor Michaelis voted aye, none nay. Motion carried. Items as follows:

<b>Item</b>	<b>Bill#</b>	<b>Resolution #</b>	<b>Description</b>
E	12-41	12-04-2040	Approving Affiliate Participation Agreement for HCS with Respect to FX Affiliation Agreement between FX Networks, LLC, on One Side, and National Telco Television Consortium, LLC, on the Other Side
F	12-42	12-04-2041	Approving Affiliate Participation Agreement for HCS with Respect to FX High Definition Agreement between FX Networks, LLC, on One Side, and National Telco Television Consortium, LLC, on the Other Side
G	12-43	12-04-2042	Approving Affiliate Participation Agreement for HCS with Respect to Fox Deportes Affiliation Agreement between FOX Sports En Espanol, LLC, on One Side, and National Telco Television Consortium, LLC, on the Other Side
H	12-44	12-04-2043	Approving Affiliate Participation Agreement for HCS with Respect to FOX College Sports Affiliation Agreement Between FOX College Sports, Inc., on One Side, and National Telco Television Consortium, LLC, on the Other Side
I	12-45	12-04-2044	Approving Affiliate Participation Agreement for HCS with Respect to FOX Movie Channel Affiliation Agreement between FOX Movie Channel, Inc., on One Side, and National Telco Television Consortium, LLC, on the Other Side
J	12-46	12-04-2045	Approving Affiliate Participation Agreement for HCS with Respect to BTN Affiliation Agreement between FOX B10 Channel Partner, Inc., on One Side, and National Telco Television Consortium, LLC, on the Other Side
K	12-47	12-04-2046	Approving Affiliate Participation Agreement for HCS with Respect to BTN High Definition Agreement Between FOX B10 Channel Partner, Inc., on One Side, and National Telco Television Consortium, LLC, on the Other Side
L	12-48	12-04-2047	Approving Affiliate Participation Agreement for HCS with Respect to Speed Affiliation Agreement Between Speed Channel, Inc., on One Side, and National Telco Television Consortium, LLC, on the Other Side
M	12-49	12-04-2048	Approving Affiliate Participation Agreement For HCS with Respect to Speed High Definition Agreement between Speed Channel, Inc., on One Side, and National Telco Television Consortium, LLC, on the Other Side

N	12-50	12-04-2049	Approving Affiliate Participation Agreement for HCS with respect to National Geographic Channel Affiliation Agreement between NGC Network US, LLC on One Side, and National Telco Television Consortium, LLC, on the Other Side
O	12-51	12-04-2050	Approving Affiliate Participation Agreement for HCS with Respect to National Geographic Channel High Definition Agreement between NGC Network US, LLC on One Side, and National Telco Television Consortium, LLC, on the Other Side
P	12-52	12-04-2051	Approving Affiliate Participation Agreement for HCS with Respect to FOX Soccer Channel Affiliation Agreement between FOX Soccer Channel, LLC on One Side, and National Telco Television Consortium, LLC, on the Other Side
Q	12-53	12-04-2052	Approving Affiliate Participation Agreement for HCS with Respect to Fuel TV Affiliation Agreement between Fuel TV, Inc. on One Side, and National Telco Television Consortium, LLC, on the Other Side

Award Bid #PW-05-11 for Installation of Sanitary Sewer Cured-In-Place Pipe – Councilman Bardill made a motion to award Bid #PW-05-11 for Installation of Sanitary Sewer Cured-In-Place Pipe in the amount \$124,861.54 to Walden Associated Technologies, Inc. as attached; seconded by Councilwoman Bellm. Councilman Schwarz inquired did we consider going bigger to take advantage of economy of scale, since we know that we need to do more. Public Works Director Joe Gillespie explained we are bond by limits of the grant and the area by terms of the grant with Madison County. Roll Call Vote: Schwarz, Bardill, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #12-54/RESOLUTION Determining that Facts Exist Justifying – and Approving and Authorizing – A “Change Order to Generator Relocation Project (#E-02-11) for Asbestos Removal” – Councilman Bardill made a motion to approve Bill #12-54/Resolution #12-04-2053 determining that facts exists justifying – and approving and authorizing – a Change Order to Generator Relocation Project (#E-02-11) in the amount of an additional \$24,980.00 as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Bardill, Bellm and Nicolaides voted aye, none nay. Motion carried.

## **REPORTS**

Approve Warrant #873 – Councilwoman Bellm made a motion to approve Warrant #873 as attached; seconded by Councilman Bardill. 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 8:07pm.

Joseph Michaelis, Mayor

Barbara Bellm, City Clerk