

**MINUTES OF REGULAR SESSION
HIGHLAND CITY COUNCIL
TUESDAY, JANUARY 17, 2017**

Mayor Michaelis called the Regular Session to order at 7:00pm. Council members Schwarz, Bellm and Nicolaides were present. Councilman Frey was absent. Others in attendance were City Manager Mark Latham, City Attorney John Long; Directors Bell, Cook, Gillespie, and Korte; EMS Chief Wilson, Supervisors Limestall and Zimmer, WRF Pre-Treatment Coordinator Rich Kraft; Michael McGinley, of Phoenix, Sandberg, & Gontard; Scott Knight, of Crawford, Murphy & Tilly; and, Deputy City Clerk Hediger, City Clerk Bellm, 12 citizens and one member of the news media.

MINUTES

Councilman Schwarz made a motion to approve the minutes of the January 3, 2017 Regular Session as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Bellm and Nicolaides voted aye, none nay. Motion carried.

PROCLAMATION

Pat Noe, RN Cardiac Rehab Coordinator, Barb Zaloga, RN and Barbara Barr, RN Cardiac Rehab Nurse Coordinator from Cardiac Rehab at St. Joseph's Hospital-Highland were present as Mayor Michaelis read a document proclaiming the month of February as Heart Health Awareness Month. Patricia Noe, RN representing HSHS St. Joseph's Hospital Cardiac Rehab Dept. announce activities they will be doing their first Glow Bingo at the KC hall on February 3, 2017. In addition to playing Bingo, we are going to do some exercise and other fun activities supporting heart health awareness. The Bingo is free, but you do have to register for it, since there is limited seating. We will also be lighting the heart light on the side of the hospital, and the staff will be holding a heart healthy recipe-cooking contest.

PUBLIC FORUM

Citizens' Requests and Comments:

Highland Arts Council – 2017 Art In The Park Funding Request – Lynette Schuepbach, with Pat Imming, and Lynn Biel, stated we have come around again for annual sponsorship of Art In The Park. Our event brings in 9,000-10,000 visitors, which earns the tourism funding. We are requesting again, the amount of \$9,000 from the city's hotel/motel funds. Councilwoman Bellm stated because our hotel/motel funding is dwindling down, with having only one hotel in town. I propose that we hold off on approving or denying funding until after the budget process is completed. Mayor Michaelis acknowledged that we once had three entities that brought revenue into the hotel/motel tax fund. We are now down to one. He asked if Councilwoman Bellm suggest they come back after the council reviews and approves the budget. Councilwoman Bellm replied, no. When we complete the budget, we could approve or deny the request at that time. Ms. Schuepbach asked if the council would notify them when that happens. Mayor Michaelis replied yes.

PROCLAMATION

Mayor Michaelis will read a document proclaiming January 22-28 National School Choice Week.

PUBLIC FORUM

Citizens' Requests and Comments:

Chamber of Commerce Annual Funding Request – Nancie Zobrist, Director of the Highland Chamber of Commerce reported that, this past year, we received an annual disbursement of \$24,000 from the City of Highland. We spent a total of over \$34,000 on tourism related activities. We are respectfully requesting an increase to \$27,000, for this upcoming year, as we anticipate an increase in our advertising costs. Since it has been stated that the council is not approving any requests at this time, we will return later, to make this request again.

Requests of Council:

No comments or requests presented.

Staff Reports:

City Manager Latham introduced Scott Knight, of Crawford, Murphy & Tilly, the firm hired to prepare a Comprehensive Facilities Plan for the Water Reclamation Facilities. Mr. Knight reported we have been working with the City of Highland since 2012 on the evaluation of the wastewater collection and treatment facility. In that time, we developed a capital improvement plan and completed rehabilitation of the lines rated poor or fair. Since those improvements, we have seen tremendous improvement in service. The next phase would be to consolidate proposed projects planned for 2018–2025, to take advantage of economy of scale. This would improve to Wastewater Reclamation Facility and trunk sewer rehabilitation. We would focus on cure-in-place-pipe (CIPP) lining of approximately fifty percent with advanced cracks, missing gaskets, and excessive roots/blockage. Forty-six of fifty-seven manholes need to be rehabilitated. At the facility, we would address aging requirement, some that is as much as twenty-five years old, and provide for future additional capacity. Plant improvements recommended will address almost all of the structures, including screening, oxidation ditch, secondary clarifiers, and replacement of two steel tanks. Some of these improvements are driven by new requirements by the EPA. Additional storage will be constructed for storage of solid land waste, because we only have two small windows each year for disposal. A few of the components will require land purchase to allow for work, provide for a buffer area, and allow for additional space for future capacity growth.

Mr. Knight reported the estimated total project cost is \$11 million. We are suggesting financing with State Revolving Fund (SRF) loan financing. This program has a 1.85% interest over 20 years, no debt service reserve or coverage, and repayment begins after construction is completed. Application for the loan requires a facility plan, which we are completing and completion of the SRF application. As part of that process, they will review your rate structure to make sure that you will be able to cover the costs of these improvements. Presently, you have setup annual increases in your monthly sewer charge and service fees. We are looking at submitting the facility permits by May 2017, with design engineering to be done June 2017 – December 2017, bidding in early to mid-2018, and construction in mid-2018 with completion in December 2019. We propose submitting the facility plan to the Illinois EPA for \$8,000,000 for the WRF improvements, and submitting the SRF loan application to Illinois EPA for borrowing up to \$11,000,000. This will require the City of Highland to continue with modest rate adjustment to keep up with inflation.

Councilman Schwarz inquired when you say economy of scale where is that being achieved. Mr. Knight explained while you have contractors at the facility, it only makes sense to go ahead and get as much done at the same time. Councilman Schwarz summarized so the economy of scale is with one contractor, or is there other factors. Mr. Knight acknowledged with one contractor already on site. Additionally, the cost of a project in 2018 is going to be cheaper than the same project in 2025. Councilman Schwarz what is the difference between minor adjustments versus major restoration. On the manholes. Mr. Knight explained \$2500 – \$3,000 for major restoration. A lot of these manholes are located in the middle of the streets and brick encased. Usually a new manhole would be cheaper than the ancillary costs of shutting down traffic, excavating the manhole, and repaving the street surface. CIPP will last about thirty years. We previously lined 21,000 linear feet. In 2014, 24,600 linear feet was done. There is ~110,000 linear feet remaining to be done, to cover the total 156,000 linear feet in the system. Councilman Schwarz noted that it will be 5-10 years before we get to the eight-inch lines in the system. Mr. Knight replied yes. They appear to be in good shape. Councilman Schwarz asked are we adjusting rates presently for inflation. Mr. Knight reported that 3% increase is presently being done to keep pace with inflation. Some municipalities that keep rates static for several years. Councilman Schwarz inquired is the landowner willing to sell the property we need. City Manager Latham reported we have been talking to the owner. Mr. Knight stated the property purchase is not required. We could work around it. However, it is good to have that buffer there and to prevent development immediately up against the facilities. City Manager Latham stated regulations are a big concerns and a primary reason as to why we are pushing to make the improvements. Councilman Schwarz asked if the improvements will affect any of the floodplain mapping. City Manager Latham replied no. WRF Supervisor Bill Zimmer reported we are working on EPA permitting that will be coming up later this year.

NEW BUSINESS

Bill #17-02/RESOLUTION Authorizing Contract with Sandberg, Phoenix & Von Gontard, P.C. for Attorney Services – Councilwoman Bellm made a motion to approve Bill #17-02/Resolution #17-01-2430 authorizing contract with Sandberg, Phoenix & Von Gontard, P.C. for attorney services as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #17-03/RESOLUTION Authorizing Funding for Veterans' Memorial Wall – Councilman Schwarz made a motion to approve Bill #17-03/Resolution #17-01-2431 authorizing funding for Veterans' Memorial Wall as attached; seconded by Councilwoman Bellm. Councilman Schwarz asked do we have these funds. Do we have greater initial need for the park, then this, at this time? City Manager Latham replied we all feel this is an ideal place for this, with the recognition of other war veterans along Veterans' Honor Parkway and within the park already. Councilman Schwarz asked what everyone is going to do as part of this project. Jim Hobbs, of American Legion Post #5694 stated they would be selling pavers, along with members of VFW Post, which is being spearhead by Dave Kampwerth. We make about \$80 per small paver. The pavers will be memorials for anyone that has served in the military, law enforcement, or as first responders. City Manager Latham explained a fund has been set up through the Highland Area Community Foundation. The City will construct the wall, similar to the existing ones, only much larger, itself. Councilman Schwarz asked what happens if the fundraiser does not go as planned. City Manager Latham expressed he believe both organizations are fully committed to raising the funds and will donate to this. Councilman Schwarz asked are we going to wait until a certain amount is raised, or do we build it and hope the funds come. City Manager Latham reported we are confident they will raise the funds, and the intent is to dedicate the wall on Memorial Day 2017. Councilwoman Bellm asked if there will be room for additional remembrances. Mr. Hobbs replied yes. I hope that we will not need to though. Mayor Michaelis reminded everyone that presently there are walls out there honoring two Vietnam Vets, the World War II soldiers that lost their lives in war, along with Gary Vasquez and Eric Ripperda. I think it is important to

recognize those who lost their lives in World War I. I have total confidence in the VFW and American Legion to raise the funds. Roll Call Vote: Schwarz, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #17-04/RESOLUTION Approving Maintenance and Support Addendum with Fidelity Solutions, Inc., to Obtain IPTV Support During 2017 – Councilwoman Bellm made a motion to approve Bill #17-04/Resolution #17-01-2432 approving *Maintenance and Support Addendum* with Fidelity Solutions, Inc., to obtain IPTV support during 2017 as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #17-05/ORDINANCE Approving Rezoning of 1306 8th St. From C-2 Commercial Business to R1D Single Family Residential Zoning – Councilman Schwarz made a motion to approve Bill #17-05/Ordinance #2767 approving rezoning of 1306 8th St. from C-2 Commercial Business to R1D Single Family Residential Zoning as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Bellm, and Nicolaides voted aye, none nay. Motion carried.

Bill #17-06/RESOLUTION Reject, and Deeming to Have Been Rescinded, Mark Latham's Letter of Resignation from the Position of City Manager, and Declaring that Mark Latham Shall Continue to Serve as City Manager of the City of Highland – Councilwoman Bellm made a motion to approve Bill #17-06/Resolution #17-01-2433 reject, and deeming to have been rescinded, Mark Latham's Letter of Resignation from the position of City Manager, and declaring that Mark Latham shall continue to serve as City Manager of the City of Highland as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Bellm and Nicolaides voted aye, none nay. Motion carried.

REPORTS

Approve Warrants #1044 & #1046 – Councilman Schwarz made a motion to approve Warrants #1044 & #1046 as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Bellm and Nicolaides voted aye, none nay. Motion carried.

Councilwoman Bellm made a motion to temporarily adjourn this regular session to enter into executive session under the Illinois Open Meetings Act under Section 5 ILCS 120/2(c)(21) to discuss approval of executive session minutes and 2(c)(1) to discuss the performance and compensation of a specific employee; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Bellm, and Nicolaides voted aye, none nay. Motion carried. Meeting adjourned at 7:57pm.

Mayor Michaelis reconvened the Regular Session at 8:47pm. Roll Call Vote: Councilman Nicolaides, Bellm, and Schwarz were present. Councilman Frey was absent. City Attorney Long and City Clerk Bellm were also present.

Mayor Michaelis stated nothing discussed in Executive Session this evening would be acted upon in this session.

Councilwoman Bellm made a motion to adjourn; seconded by Councilman Schwarz. All council members voted aye, none nay. Motion carried and meeting adjourned at 8:47pm.

Joseph Michaelis, Mayor

Barbara Bellm, City Clerk