

**MINUTES OF REGULAR SESSION  
HIGHLAND CITY COUNCIL  
MONDAY, APRIL 3, 2017**

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 Michael McGinley, Asst. City Manager Peck; Directors Cook, Gillespie, Imming, Kim, Rosen; EMS Chief Wilson and Fire Chief Bloemker, Lt. Conrad, Deputy City Clerk Hediger, City Clerk Bellm, Scott Hunt, of Hurst-Roche, 13 citizens, and 1 member of the news media.

**MINUTES**

Councilwoman Bellm made a motion to approve the minutes of the March 13, 2017 Special Budget Session as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Councilman Schwarz made a motion to approve the minutes of the March 20, 2017 Regular Session as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

**PUBLIC FORUM**

Citizens' Requests and Comments:

*Building Permit Fee Waiver Request – Relevant Pregnancy Options* – Tricia Bisdell, Director of Relevant Pregnancy Options Center (RPOC), a non-for-profit organization, stated we have been in operation for twenty-two years and helped over 1300 individuals in those year. We were outgrowing our former location and our landlord needed the space. We were fortunate enough to have Pete & Jane Korte donate property along Plaza Drive. We are asking the city's assistance in waiving variance, building permit, and tap-on fees. Councilwoman Bellm made a motion to approve Relevant Pregnancy Options Center request for fee waivers as attached; seconded by Councilman Schwarz. Councilman Schwarz asked if we approve this, what allows us or stops others from receiving the same. City Manager Latham reminded the council the city-waived fees for the food pantry. Councilman Frey pointed out that was a little bit of different situation, as it was on city property and is a government program. Councilman Schwarz expressed I would like to support it, but do not want to create a situation that allows for anyone to walking and request this. Ms. Bisdell stated, you mention the food pantry; we get no government funding; everything comes from members of this community. Councilwoman Bellm asked is there other non-for-profits that have asked but not been granted. City Manager Latham replied not that he is aware. Councilman Frey pointed out there are a lot of non-for-profits with churches and church affiliated organizations. I think it is a great thing they are doing; however, it sets a precedence. Mayor Michaelis stated I feel each person that comes to that podium has to build their own case. You have to look at what other organizations bring to the community. This organization supports lives within the community. I have no problem voting for this person over another organization. Councilwoman Bellm asked how

much are we talking about. City Manager Latham replied \$7600. Councilman Nicolaides asked are we still thinking about the subdivisions and giving them incentives. Mayor Michaelis stated that was voted down.

Paul Dunker, President of RPOC Board of Directors, stated we have lived here twenty years. One thing I like about this community is how it is supportive of these organizations and how the organizations support the community. We have HACSM, which would not be called a Christian Service Ministry in many other communities. This organization (RPOC) is based upon community support solely. We have very little overhead, other than Tricia small salary and our building. Councilwoman Bellm asked if anyone would feel better if we put a cap on it. Councilman Schwarz expressed it is not about the dollar amount. The question is what impact does this has on the budget. He asked Director Cook what this does not his budget. Light & Power Director Cook stated this does not concern me, because it is a limited number, unlike the subdivision development. That one concerns me more. Just a side note, the subdivision discussed last time is not in our service area. Fixed cost would be to set and you would have to wait for the connections to receive a return on our assets placed out there. If it is small number of hookups for special reasons, I see no issue. Councilman Frey explained we are looking at this so hard, because the state has budget issues that impact our budget and we are not sure, where that is going. Councilwoman Bellm expressed I am comfortable with non-for-profits and looking at them each with their own merit. I am thinking of others that would ask with the same merits, and having trouble coming up with this.

Dave Todd stated he and his wife, Paulette have been at several fundraising programs for RPOC and donated to it over the years. If the city cannot support the organizations that trying to do good within the community, it would be wrong. Ms. Bidel stated we have impacted the lives of technicians at the hospital, landscapers, as well as professionals within the community. We have past clients that now donate to the center, because they know how much it changed their lives. I had a past client that was so upset when she heard we were moving, because she feared we were closing. We provided her with parenting classes and support, and now she is on her way to becoming a nurse. We are not a handout center. The clients have to take classes to educate themselves. In return for completing the classes, they get stamps to purchase things. That is what improves the community. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Mayor Michaelis voted aye. Motion carried.

*2017 Rock-A-Block Request – Apostolic Revival Church* - Joe Garson, Outreach Coordinator for Apostolic Revival Church, 11656 State Route 143, stated he has lived in Highland for two years and in Pocahontas before that. Our church is requesting use of the Square and pavilion to hold their seventh annual Rock-A-Block event on Saturday, July 22, 2017, 10am – 4pm. This is a community outreach event that is free to the public with Christian music, bounce houses, family games and giveaways, including 200 free backpacks to children. Last year, we had over 600 people attend. That was our biggest event turnout. This year, we are hoping for 700. We are requesting water supply for a small misting station to cool the kids down. Councilwoman Bellm made a motion to approve the request of the Apostolic Revival Church for use of the downtown square on Saturday, July 22, 2017 from 10am – 4pm to hold Rock-A-Block as attached; seconded by Councilman Schwarz. Councilwoman Bellm asked if we can do a small water supply. Public Works Director Joe Gillespie replied yes, we can. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

*2017 Schweizerfest Request – Highland Jaycees* members Sarah Sloan, 2017 Chairman and Andrew Plocher, 2017 Co-Chair, were present to request permission to hold the Schweizerfest, June 9, 10 & 11, 2017. Miss Sloan stated we are requesting closure of the parking spots on the inner square at 1:00pm on Friday, and 3:00pm on Friday, for the outside of the square and Broadway, from Washington to Laurel Street. Councilwoman Bellm made a motion to approve the Jaycees' request for street closure June 9-11, 2017 as requested; seconded by Councilman Schwarz. Councilman Nicolaides asked if you have talked to the businesses around the Square on Friday at 3:00pm. Miss Sloan responded that is on the

agenda to do that after this. Councilman Nicolaides stated I did that today. Other than one person, they were unanimously opposed to that. This is our livelihood; we cannot shut down for a party. No one is happy about the 3:00pm. Miss Sloan stated if we close the street parking at 5:00pm, people are parked there until about 5:30pm, and we are trying to get the festival running by 6:00pm. Last year, we started at 7:00pm. We are trying to get the rides going and vendors in place. Mayor Michaelis expressed I don't think that this body does not appreciate what the Jaycees have done for the community. It would be nice to have that survey in place before coming here with this request. We have to answer to the businesses around the Square and their patrons. If you close off their businesses, you are closing off their livelihood. Councilman Schwarz concurred that we don't want to close off the businesses on the Square. Councilman Frey stated we have had concern about promoting business near and around the square. The more we inconvenience them, makes it more difficult. Sarah Sloan informed the council that we are planning to have a craft and vendor fair with the event, this year. Our plans were to go around to the businesses on the Square and offer them free space. Councilwoman Bellm expressed I appreciate everything you do for the community. Years ago, you did not do Fridays. I understand why you are doing it. However, we keep creeping more and more into the business week. Councilman Schwarz asked if the reason for this is to close Broadway earlier to get the rides set up sooner. Miss Sloan replied that does not matter. We have to shut down the Square for the amusement company to finish putting the rides into place and setup, as they use that intersection area and part of Laurel Street. Councilman Schwarz stated those business owners already are giving up parking on the weekend. I am not sure that we want to shut them off any sooner. Councilwoman Bellm asked would you like to talk to the businesses around the Square before us voting on this. Miss Sloan replied yes. Councilman Schwarz stated think that is a great idea and in your best interest to get that communication going. Councilwoman Bellm made a motion to table the Highland Jaycees Schweizerfest Square Use Request; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Item tabled.

*2017 Easter Egg Hunt Request* – Megan Braa, Representative for Highland News Leader stated it is her understanding that everything is pretty much the same as in years past. Councilwoman Bellm made a motion to approve the Highland News Leader's Easter Egg Hunt request to use the Square on Saturday, April 8, 2017, from 12:00 – 2:45pm, as in years past; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Bellm and Nicolaides voted aye, none nay. Motion carried.

Requests of Council:

No requests or comments.

Staff Reports:

Public Works Director Joe Gillespie reported we employed Hurst-Rosche, Inc. for this project. Scott Hunt, of Hurst-Rosche, Inc., is here tonight to present the findings of their recently completed Water System Study and Hydraulic Analysis. Mr. Hunt noted that copies of the presentation have been given to the council. Three copies of the full report that will be available at City Hall for review. We went in with the intent to review the city's GIS system, which is an inventory of all water mains in the city's system, and evaluate the GIS data to compile it for characteristics that would be scored and prioritize replacement. A hydraulic analysis of the system, in which software is plugged into the mains to assess flows to find any bottlenecks or weak spots within the system. Based on that information we assigned cost estimate to replace mains in need of replacement and provide a report to summarize the findings.

With initial look at the system, we found outdated or missing data. We allowed the city the opportunity to update the data for more accurate and current information. The final result was an updated GIS database. Each line segment is a block of main. We established a scoring system based on pipe material, pipe size, number of breaks, pressure, flow, and dead ends. Cast iron mains have the highest priority, because they have the highest number O&M costs, breaks, dirty water and restricted flow. Undersized mains were the second highest priority. The goal is to replace all lines less than six inches in

diameter. The scoring sheet give a high points of 140 (cast iron) down to 60 points for PVC. If the material is unknown, we are assuming cast iron (highest score). One-inch diameter pipe was given the highest score. Deadend received five points and non-deadend was zero points.

The hydraulic analysis revealed the system is in pretty strong, from a flow standpoint. There are a few target undersized mains. Highland is in a lot better place than many communities that we see. The O&M side of it should be the high priority. A score of 195 would be a good cutoff point to establish replacement of all undersized and cast iron water mains. 1,336 line segments (455,000 LF) exist in the city's system. Of that, 1,336 segments, 327 segments (25%) need to be replaced over next twenty years. Total costs estimate of \$14,509,876 over the next twenty years, which averages to \$725,000 per year, based on 2017 costs, to eliminate the cast iron mains within the system.

Mr. Hunt noted the council approved, last year, two 16% increases followed by 3% increases annually for one year, when they implemented the rate study. Based upon this study, it is our recommendation to continue 3% increase for five years and then review. This accomplished all the goals. There are some lines in the system that are under 6" in diameter. Most of those are four-inch, that are not cast iron, serve a small number of customers on them, are fairly new PVC, and showed good flow. The priority would be to get 20 city blocks 1-4" and 6" lines replaced, with the exception of the large 12" main behind Trouw Nutrition that has been problematic. The implementation plan is to utilize the list for replacement each year, based upon the study. They will replace the mains based upon highest score to lowest, up to \$750,000 limit. The exception is if other projects are being done in other areas of the system that would make more sense to do the lines there in coordination with those projects. This gives you something to show a plan for improvement to your residents, and for staff to work from.

*Other Staff Reports:* City Manager Latham reported he has provided to the council members a map showing all the subdivisions. There is also a list of subdivision showing date platted, number vacant lots, and date of last permit issued within that subdivision. Staff called Edwardsville, Columbia, Mascoutah, O'Fallon and other communities regarding incentives offered. City Manager Latham stated we hope to have more discussion on this at the April 17 meeting. Councilman Schwarz asked how many developers are homebuilders. City Manager Latham stated the two that were here, at the last meeting, are actually homebuilders and developers. We do not have a lot of homebuilders in Highland. Councilman Frey recalled Jason Mettler had said he has about ten different builders. Asst. City Manager Lisa Peck noted most of the builders are local, now. We had one that came from Maryville. Councilman Schwarz stated he called and talked to Jason Mettler, to get more information. Jason's contention is that Highland gets passed over because there are not a lot of spec homes. Why is there not more? People are building spec homes. City Manager Latham pointed out if a builder owns the lot, it is easier for them to build the lot than to go into another subdivision. Director Peck pointed out that we were #5 in Madison County, out of twenty-some communities, in the number of home building permits, last year. Councilman Schwarz summarized so one would conclude that there is no problem. City Manager Latham explained as communities grow, sales tax increases and utility revenues grow. The revenues on all of our utilities is not growing. Part of that is the wet summers, so we do not sell a lot of water; and, cooler summers mean less electric. Councilman Schwarz expressed I think it is going to be really hard to administer. Do we pass something along to the builders? Councilwoman Bellm stated I would like to know what our fees are in comparison to other communities. Director Peck replied mid-to-low range of the communities shown. Councilwoman Bellm suggested maybe we should look at an incentive to the buyer, whether custom home or spec home. Councilman Frey expressed my concern is for the taxpayers. We just passed an increase for electric rates and we just spent money for sewer rate study with proposed increases; and, we are looking at increases on water. Yet, we are looking at giving incentives for builders and developers. Developing is no different from any other business - you go into it for the risk.

## NEW BUSINESS

Making Tentative Budget for FY 2017-2018 Available for Public Review at City Hall and Setting the Public Hearing Date for Monday, April 17, 2017 – Councilwoman Bellm made a motion to make the Tentative Budget for FY 2017-2018 available for public review at City Hall and setting the Public Hearing date for Monday, April 17, 2017 as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Approve Mayor's Appointment of Marshall Rinderer to the Library Board of Trustees – Councilman Schwarz made a motion to approve the mayor's appointment of Marshall Rinderer to the Library Board of Trustees, to fill the unexpired term of Matt Frederickson, to expire June 2017, as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Approve Notice of Municipal Letting, Bid #PD-03-17 for the Purchase of One 2017 Chevrolet Tahoe Police Special Service Vehicle – Councilwoman Bellm made a motion to approve Notice of Municipal Letting, Bid #PD-03-17 for the purchase of one 2017 Chevrolet Tahoe Police Special Service Vehicle as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Approve Notice of Municipal Letting, Bid #PD-04-17 for the Purchase of One 2017 AWD Utility Police Interceptor (SUV) – Councilman Schwarz made a motion to approve Notice of Municipal Letting, Bid #PD-04-17 for the purchase of one 2017 AWD Utility Police Interceptor (SUV) as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #17-25/RESOLUTION Waiving Normal and Customary Bidding Procedures and Authorizing the Purchase of a C&D Flooded Battery System from Engineered Power Systems - Councilwoman Bellm made a motion to approve Bill #17-25/Resolution #17-04-2445 waiving Normal and Customary Bidding Procedures and authorizing the purchase of a C&D Flooded Battery System from Engineered Power Systems, in the amount of \$17,170.00 as attached; seconded by Councilman Schwarz. Councilwoman Bellm inquired I guess we do not have much choice on this. Director Cook stated the battery lifespan is about ten years. What we found is that the current unit is about eighteen-years old and experiencing some cracking and warping. This is the backup on our 138kV line. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #17-26/ORDINANCE Amending Division 2, of Article VIII, in Chapter 74, of the Code of Ordinances, City of Highland, Entitled Abandoned Vehicles, Inoperable Vehicles, Hazardous Vehicles, and Stolen Vehicles – Councilman Schwarz made a motion to approve Bill #17-26/Ordinance #2774 amending Division 2, of Article VIII, in Chapter 74, of the Code of Ordinances, City of Highland, entitled Abandoned Vehicles, Inoperable Vehicles, Hazardous Vehicles, and Stolen Vehicles as attached; seconded by Councilwoman Bellm. Councilman Schwarz asked what this actually does. City Manager Latham explained we had a version of this; however, we have found that there was some due process issues. City Attorney Mike McGinley explained this ordinance sets up a procedure by which the police department and City Attorney can work together to make sure that the vehicle owner is given due process before an abandon or inoperable vehicle is towed. Director Lisa Peck added we will be review the rest of this ordinance at later date. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #17-27/ORDINANCE Amending Chapter 10, Article II, of the City's Code of Ordinances, Entitled Amusements – Councilwoman Bellm made a motion to approve Bill #17-27/Ordinance #2775

amending Chapter 10, Article II, of the City's Code of Ordinances, entitled Amusements as attached; seconded by Councilman Schwarz. Councilman Schwarz asked what we are doing. City Attorney McGinley stated there existing ordinance had some inconsistency regarding public dances. Some places were being charged as a fee, while other places were not charged. Councilman Nicolaides asked does this cover bands and dancing at the bars. Attorney Mike McGinley replied that was addressed in this. Other places had to pay a fee to hold dances throughout the year. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #17-28/ORDINANCE Amending Chapter 6, Article II, of the City's Code of Ordinances, Entitled Alcoholic Beverages – Councilman Schwarz made a motion to approve Bill #17-28/Ordinance #2776 amending Chapter 6, Article II, of the City's Code of Ordinances, entitled Alcoholic Beverages as attached; seconded by Councilwoman Bellm. Mayor Michaelis asked legal counsel to discuss how this amendment came about. Attorney Mike McGinley explained we are cleaning up the process on how some organizations obtain a liquor license. Schweizerfest, for example, is a non-for-profit liquor license handled through the State of Illinois. This establishes the ability for a bar/tavern to get a traveling license for a special event. With this process, we are going to give them the state mandated form. The police will still have jurisdiction and the liquor commissioner for the city will issue a letter. That will be the extent of the city's involvement in special event non-for-profit liquor license. Councilman Nicolaides inquired this does not apply to establishments serving liquor. Attorney McGinley replied this does not. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

## **REPORTS**

Approve Warrants #1053 & #1054 – Councilwoman Bellm made a motion to approve Warrants #1053 & #1054 as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey and Bellm voted aye, none nay. Councilman Nicolaides abstained. Motion carried.

## **NEW BUSINESS (Continued)**

Discussion - Gaming Parlors – Mayor Michaelis reported we have three gaming parlors in town. Anytime you are dealing with alcohol, you have to have a liquor license. Presently, we have twenty-three issued liquor licenses. The city can always up the number of liquor licenses. My concern is what happens if a business wants to come to Highland and the lack of licenses keeps them out. Those three gaming parlors - Spin-2-Win, Lacy's Place, and Baymount Inn - have Class A liquor licenses. Mayor Michaelis proposed a Class H liquor license for Baymount Inn. Another business, that sells food and drink, primarily, has a Class A liquor license. The council may want to have a parlor-type only license and limit the number of those. City Attorney Mike McGinley explained there has been several changes in state statute, allowing communities to establish different classifications based on the type of business. With the ordinance amendments, today, for instance, we freed up two classifications of licenses. We could do a gaming only liquor license, under Illinois State law. Councilwoman Bellm inquired if gaming parlors are using Class A, right now, we could give them a different class of license and allow for other businesses, such as a restaurant to open. Mayor Michaelis concurred, I think Class A licenses should be opened up for what the intent they were meant. Attorney McGinley explained you could set a number for those that serve food and liquor with no gaming and a set number of those that serve only liquor. Councilman Nicolaides asked why limit the number liquor licenses of any type. Councilwoman Bellm noted it used to be you could only have one tavern for every church. I do not think that I would like to go back to that. Councilman Frey suggested unlimited licenses for restaurant-only establishments. Mayor Michaelis stated it is not going to do any good to open up an unlimited number of any classification. Attorney McGinley suggested putting it in by percentage of revenue generated by food sales to qualify for

a specific class of license. Councilwoman Bellm suggested limiting the number for parlors to what we presently have now. Those will be freed up for uses they were intended for.

Mayor Michaelis reported other cities are monitoring game parlors and the number of machines in each establishment. Do we know how many gaming machines we have in this town? Councilman Frey stated five machines is the maximum an establishment can have. City Attorney McGinley explained some communities have it set up that if you have a machine, you come to City Hall and get a sticker for each machine, which is placed on the machine. Then we can track how many machines are in each establishment. Mayor Michaelis pointed out this goes back to discussion we had several years ago, which was a very sensitive issue. We need to make it very clear that we are not increasing the number of establishments allowing gaming machines. Councilwoman Bellm agreed.

Councilwoman Bellm made a motion to adjourn; seconded by Councilman Schwarz. All council members voted aye, none nay. Motion carried and meeting adjourned at 8:50pm.

Joseph Michaelis, Mayor

Barbara Bellm, City Clerk