

**MINUTES OF REGULAR SESSION
HIGHLAND CITY COUNCIL
MONDAY, NOVEMBER 6, 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, Asst. City Manager Peck, City Attorney McGinley; Directors Cook, Gillespie, Korte, Rosen, and Schoeck, EMS Chief Wilson, Fire Chief Bloemker, Deputy City Clerk Hediger, and City Clerk Bellm, Library Director Kim, 7 Veterans from VFW Post, 3 Police Officers, 6 EMS Staff, 55 citizens and one member of the news media.

MINUTES

Councilman Schwarz made a motion to approve the minutes of the October 2, 2017 Regular Session as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

PROCLAMATIONS

With seven veterans present, representing the VFW Post, Mayor Michaelis read a document proclaiming November 5 – 11, 2017 as Veterans Awareness Week, for the purpose of emphasizing the education of elementary and secondary students with the contributions and sacrifices made by those who served, in the City of Highland. Lenny Gall, representing VFW announced the Veterans' Parade, will be held on Sunday, November 12, 2017 at 2:00pm, with a brief ceremony to be held on the Square.

Mayor Michaelis read a document proclaiming the week of November 20 through 24, 2017 as Youth Appreciation Week.

MAYORAL RECOGNITION

Mayor Michaelis stated we want to take a moment to recognize a number of the youth in our community, tonight. The first is Sadie Carroll, a student at Highland High School, for her scholastic achievement. Sadie was one of twenty-three juniors from HHS to be nominated and participate in Southwestern Illinois College's two-day Youth Salute Program, based upon her GPA and leadership skills. Miss Carroll reported during the seminar we learned about how important it is for the youth to lead the world today; how to make contacts and network. Sadie introduced her family, in attendance:

Mayor Michaelis noted Sadie rode with him during the HHS Homecoming Parade, displaying the poster she made about the youth leadership program, which displayed 'Teambuilding, Communication, Leadership, Self-motivation, and 177.' "177" was the number of students that participated at the event at SWIC.

Mayor Michaelis recognized the Highland Middle School 8th Grade Boys' Baseball Team on their State Championship. He introduced Sam Weber, Coach of 8th Grade HMS Boys' Baseball Team. Coach Weber stated it was one of those years when a lot of things went right. More important than teaching them to win and be champions on the field, we want to teach them something they can take on in the future. We want them to be champions in life. They represent this team, their families and the community as a whole well. They already won before that final game, because of how they are as individuals. This was a tremendous group of kids with awesome families to support them and the team. In our final game, we faced a player on the other team that was older than I was, I believe. He looked like he shaved more than I probably do. We scored early; we were able to make plays happen; and, we made their starter leave in the fourth inning, because our strategy was to take it to a full pitch count. The game, they would say, was "the most fun" was the semi-playoff game in Marion. We played a team that was 20-3. It was a fun run. I am not sure that they took a day off in practice. This team worked hard and they really deserved this championship, by showing a lot of tenacity and dedication. Mayor Michaelis congratulated all of the boys.

PUBLIC FORUM

Citizens' Requests and Comments:

Mike Gilomen, 518 Broadway, expressed with what is being proposed as a business development tax, I am hoping we will be fiscally responsible and that it will be spent addressing multiple issues that have been put off and delayed for years. Not that it gets spent largely on one project and work to find money to fix the drainage and the other issues. Nothing has been done in five years to fix the drainage, in my area of town. It does not take that much for water to run across my driveway and then down to the alley. How many years has it been since we spent a pretty penny to stamp in the crosswalks along Broadway, only to have a number of them covered this week with oil and sand to the point that they can no longer be seen. What is it going to cost to restore that? Public Works Director Joe Gillespie explained the restorative seal that was put down, last week, is an oil and water emulsion. We put a lime screen on it to allow for driving across it almost immediately. We did a project last year, and after a period of time, all those markings are visible again. At Mayor Michaelis request, Mayor Michaelis addressed the Mr. Gilomen's concerns regarding drainage, by stating we did take a look at drainage in the area, in the past two-three years. We spoke with our consultant and reviewed conditions. Mr. Gilomen stated I know you have looked at it, but is there something that can actually be done to make more water go down. Mayor Michaelis asked did we not clean out the ditch on the backside of the old Artex property at the end of Walnut Street. City Manager Latham responded, yes, we did. We changed out one of the culverts. As far as I know, the water drains, as it should. Director Gillespie and an engineer walked through the culvert all the way from Highland Home to the end. It is completely clean. Mike Gilomen suggested doing the next phase of the plan you said you were going to follow through and do. City Manager Latham noted that phase is going to take about \$2M. Mr. Gilomen stated, hopefully some of this money will be spent on that. City Manager Latham responded that is up to the council.

Requests of Council:

No comments or requests presented.

Staff Reports:

City Manager Latham stated we are being held up on the traffic signal by Hemlock & Route 40. We need the approval of CCX, the railroad operator, and the ICC because of the intersection's proximity to the railroad crossing.

UNFINISHED BUSINESS

Bill #17-92/ORDINANCE Adopting Business District Development Plan A – Councilwoman Bellm made a motion to approve Bill #17-92/Ordinance #2815 adopting Business District Development Plan A as attached; seconded by Councilman Schwarz. Councilwoman Bellm expressed I am convinced there is a need. Some have asked why this is such an immediate need. It really is not an anything new. We have continued to put this off. We knew we needed to get something done. I think we have looked at all other avenues to make these repairs. I do not want to continue to put a Band-Aid on it. I want to do something that addresses it going forward into the future.

Councilman Nicolaidis stated I want to back up a couple of months. Why do we have to have a business district to raise taxes? Councilman Schwarz inserted I do not want to raise property tax. If there is another way, than property taxes we need to consider that. City Attorney Mike McGinley advised Illinois State Statue established business districts for this purpose. This is the only mechanism, since Highland is a non-home ruled community. The business districts have to be there to raise the sales tax, according to state statue. Councilman Nicolaidis asked why not district the whole city versus three separate districts. City Attorney McGinley explained, by statue, the study and establishment of business districts requires that term that we all hate, in that the area has to “show blight”. It is easier to draw it up in three separate districts to meet that standard under the statue. You have to decide how you want to raise taxes within those districts. Councilwoman Bellm added, it is her understanding there has to be some adjacent properties within those districts. Asst. City Manager Lisa Peck clarified business districts have to be contiguous parcels. You do not want residential areas in it, because they do not apply. City Attorney McGinley explained that if you want to use the funds from district to district, they have to flow together. Three districts give more flexibility to show blight versus one contiguous area that blankets the whole community.

Councilwoman Bellm summarized if agree there is a need, and then we have to decide how much (tax) we want to do. Councilman Schwarz expressed we need to vote in the districts, at a minimum, since we spent the money on the study. Then we have to decide if we want a sales tax increase or not, and if so, then how much. Do we feel comfortable doing this or do we take it to the public for a vote? I think we have the information to make decision, tonight. We were voted in to make these decisions. Councilman Frey stated I do not want to postpone this. We have waited long enough. Councilwoman Bellm agreed, if we take to a referendum, we could take it to a special election, but it does not make much sense. If it was approved in November 2018, we would not start collecting funds until July 2019. So, we would lose a year and half of revenue. In that time, the equipment and cost of repairs keep going up. I am here to make these decisions and save the citizens money. On the other side, I would want a voice, as a citizen. I am here to make decisions for the citizens as a whole. Councilman Frey pointed out the additional cost of special referendum is about \$20,000. Councilman Schwarz asked can we vote in a tax percent, then wait for an economical time to get feedback from citizens on a change in that tax rate. City Attorney McGinley explained the tax rate voted in is a one-time fixed rate, for a twenty-three-year window. Councilman Frey clarified whatever we vote on, as a rate, tonight, we are locked in for twenty-three years at that rate.

Councilman Schwarz noted the city will have bonds paid off by 2021. Ultimately, paying off those funds will provide relief. We could look at doing away with the tax, at that time. Councilman Nicolaidis asked when did anyone every lower taxes. Councilwoman Bellm stated, the way I see it, a half-percent (½%) is enough for immediate needs. It would be my hope that every penny of this comes before the council for approval. The money that comes in must be watched very, very carefully that it is used for the needs list. Councilman Schwarz expressed I don't think it is any different from that of any other funds received. I want to save every dollar. Councilwoman Bellm stated someone says there is waste out there. I hear that. There is always waste, as some will see.

Director Bell addressed the question of why there cannot be one blanket business district. Since we are non-home ruled community, we have to establish districts by Illinois State Statute. On Councilman Schwarz's point, of changing the tax percentage rate: You cannot raise it, but you can lower it. Councilman Schwarz stated I came in planning to vote for 0.25%, but now I am open to a half-percent (0.50%) sales tax. We need to be conscience of getting a larger portion of a smaller pot. We need more money, but we have to reduce cost. Councilman Frey stated I do not feel a half-percent is going to cover all of the needs. Councilman Schwarz expressed it appears if there was something that could be done to cut costs or find funding it would be done already. Councilwoman Bellm stated I am leaning towards a half-percent, because anything less than that would not cover our needs of why we are doing this. Councilman Schwarz suggested approving a half-percent sales tax, then taking to the public for vote. If the voters oppose the tax, then we could turn it down. The referendum is just a gathering of opinion. City Attorney McGinley stated a referendum is usually a vote to determine an outcome. Councilman Nicolaides expressed he is not happy with going with a half-percent without a vote, but I can do it. Councilman Frey stated no one is happy about it; however, it is something that needs to be done. Councilwoman Bellm added a half-percent is not going to be enough. We are still going to have to find ways in the budget to reduce costs. City Manager Latham reported the consultant estimated \$1M-\$1.1M generated with a 1% sales tax. Public Safety is estimating costs of \$550,000 - \$600,000, so a half-percent may still be short.

Councilman Nicolaides asked is there a priority list set up, if the funds become available. Councilman Frey stated the things at Station #1 need to be addressed; if they are not, then it affects our ratings, which is a cost passed onto businesses. Councilwoman Bellm added there is equipment replacement. Councilman Nicolaides asked shouldn't a priority list be in place before we put this in place. Councilwoman Bellm stated what was presented to us last week, is what I feel is a priority list. Councilman Frey summarized we have talked about this for quite a while now. I feel we can survive with less than 1%. Councilwoman Bellm made a motion to amend the motion to approve Bill #17-92/Ordinance #2815 adopting Business District Development Plan A with a one-half percent (1/2%) sales tax; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion Amended. On the Roll Call Vote to approve Bill #17-92/Ordinance #2815 adopting Business District Development Plan A with a one-half percent (1/2%) sales tax: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #17-93/ORDINANCE Adopting Business District Development Plan B – Councilwoman Bellm made a motion to approve Bill #17-93/Ordinance #2816 adopting Business District Development Plan B as attached; seconded by Councilman Schwarz. Councilman Frey made a motion to amend approving Bill #17-93/Ordinance #2816 adopting Business District Development Plan B with a 1/2% sales tax versus the proposed 1%. Motion seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion Amended. On the Roll Call Vote to approve Bill #17-93/Ordinance #2816 adopting Business District Development Plan B as amended: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #17-94/ORDINANCE Adopting Business District Development Plan C – Councilwoman Bellm made a motion to approve Bill #17-94/Ordinance #2817 adopting Business District Development Plan C as attached; seconded by Councilman Schwarz. Councilman Schwarz made a motion to amend Bill #17-94/Ordinance #2817 adopting Business District Development Plan C with a 1/2% sales tax rate. Motion seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion Amended. On the Roll Call Vote to approve the Bill #17-94/Ordinance #2817 adopting Business District Development Plan C as amended motion with 1/2% sales tax: Schwarz, Frey, Bellm, and Nicolaides voted aye, none nay. Motion carried.

NEW BUSINESS

Bill #17-106/ORDINANCE Approving the Illinois Municipal League Risk Management Association Minimum/Maximum Contribution Agreement for the Period of January 1, 2018 to January 1, 2019, and the Associated “2018 IMLRMA Contribution Payment Agreement” - Councilman Schwarz made a motion to approve Bill #17-106/Ordinance #2817 approving the Illinois Municipal League Risk Management Association Minimum/Maximum Contribution Agreement for the period of January 1, 2018 to January 1, 2019, and the associated “2018 IMLRMA Contribution Payment Agreement” as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #17-107/RESOLUTION Approving Contract for Ambulance Service with Marine Community Fire Protection District and Authorizing Its Execution – Councilwoman Bellm made a motion to approve Bill #17-107/Resolution #17-11-2478 approving contract for ambulance service with Marine Community Fire Protection District and authorizing its execution as attached; seconded by Councilman Schwarz. Councilwoman Bellm asked if anything is different about this. EMS Chief Brian Wilson reported we looked at the numbers and we found we did have a little bit of shortfall. We averaged out the outlying territory levies. We had quite a range with comparable call numbers. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #17-108/RESOLUTION Approving Contract for Ambulance Service with St. Jacob Fire Protection District and Authorizing Its Execution – Councilman Schwarz made a motion to approve Bill #17-108/Resolution #17-11-2479 approving contract for ambulance service with St. Jacob Fire Protection District and authorizing its execution as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #17-109/ORDINANCE Authorizing City to Borrow Funds From the Water Pollution Control Revolving Loan Program – Councilwoman Bellm made a motion to approve Bill #17-109/Ordinance #2819 authorizing city to borrow funds from the Water Pollution Control Revolving Loan Program as attached; seconded by Councilman Schwarz. City Manager Latham explained we are working with the state. Eight million dollars will be used for Water Reclamation Facility updates and three million dollars to address sewer mains. Director Gillespie added the \$3M will be for the trunk mains, which have not been addressed yet. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #17-110/RESOLUTION Authorizing City Manager to Sign All Loan Application Forms and Supporting Documents Required for City to Borrow Funds From the Water Pollution Control Revolving Loan Program – Councilwoman Bellm made a motion to approve Bill #17-110/Resolution #17-11-2480 authorizing city manager to sign all loan application forms and supporting documents required for City to borrow funds from the Water Pollution Control Revolving Loan Program as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Councilwoman Bellm motion to remove Bill #17-111 Declaring Personal Property of the City Surplus and Authorizing its Disposal of (1) Ricoh Aficio MP C3300 Copier from the agenda; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #17-112/RESOLUTION Approving an Intergovernmental Agreement for an Emergency Water System Interconnection Between the City and the Tri-Township Water District – Councilman Schwarz made a motion to approve Bill #17-112/Resolution #17-11-2480-A approving an intergovernmental agreement for an emergency water system interconnection between the City and the Tri-Township Water District as attached; seconded by Councilwoman Bellm. City Manager Latham reported we made some strides with Tri-Township Water District and how we serve any parcels that we annex in, several years ago. They came to us with this proposal for the ability to serve their district in emergency use, should their system have issues. Councilman Frey noted their lines are pretty close to ours, so it is not the much of an issue, should it be needed. City Manager Latham concurred. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #17-113/RESOLUTION Approving Affiliation Agreement for City d/b/a HCS, Between Vivicast Media, LLC and NHL Network US, LP – Councilwoman Bellm made a motion to approve Bill #17-113/Resolution #17-11-2481 approving affiliation agreement for City d/b/a HCS, between Vivicast Media, LLC and NHL Network US, LP as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #17-114/RESOLUTION Approving Contract for Ambulance Service with Clinton County SSA #5 (St. Rose) - Councilman Schwarz made a motion to approve Bill #17-114/Resolution #17-11-2482 approving contract for ambulance service with Clinton County SSA #5 (St. Rose) 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 #E-17-17, for the Purchase of LED Street Light Fixtures – Councilwoman Bellm made a motion to approve Notice of Municipal Letting, Bid #E-17-17, for the purchase of LED Street Light Fixtures as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

REPORTS

Approve Warrants #1074 & #1075 – Councilman Schwarz made a motion to approve Warrants #1074 & #1075 as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Frey and Bellm voted aye, none nay. Councilman Nicolaides abstained. Motion carried.

Councilwoman Bellm made a motion to adjourn; seconded by Councilman Schwarz. All council members voted aye, none nay. Motion carried and meeting adjourned at 8:25pm.

Joseph Michaelis, Mayor

Barbara Bellm, City Clerk