

**MINUTES OF REGULAR SESSION  
HIGHLAND CITY COUNCIL  
TUESDAY, FEBRUARY 20, 2018**

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 Bell, Cook, Gillespie, Imming, Korte, Rosen and Schoeck, EMS Chief Wilson, Fire Chief Bloemker, Police Lt. Conrad, Parks & Rec Managers Gramlich and Koehneman, Deputy City Clerk Hediger, and City Clerk Bellm, Director of Latzer Library Kim; 8 HHS FFA members, HHS FFA Advisor Jones, 3 citizens and one member of the news media.

**MINUTES**

Councilman Schwarz made a motion to approve the minutes of the February 5, 2018 Regular Session as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

**PROCLAMATION**

With HHS FFA Vice President Mitchell Widman, Dylan Knebel, Treasurer Dylan Kloss, Secretary Payton Nagel, Taylor Ernst, Historian Kayla Korte, Sentinel Sarah Good and President Kaylee Rutz present, Mayor Michaelis read a document proclaiming the week of February 18-24, 2018 as FFA Week.

HHS FFA Advisor Mr. Jones stated our chapter has eight-five members. As part of the week's activities, we will be holding a bags tournament to raise funds for those battling cancer. Along with that, members have written inspirational letters to those fighting cancer. Other events include a luncheon put on by the alumni, on Thursday. On Friday, we cook breakfast for all faculty of the school district. Mayor Michaelis expressed this has been a great organization for a long time. Mr. Jones stated we have three advisors, and are the third longest running chapter in the State of Illinois.

**PUBLIC FORUM**

Citizens' Requests and Comments:

No comments or requests.

Requests of Council:

No requests or comments.

Staff Reports:

Nothing to report.

## NEW BUSINESS

Bill #18-18/ORDINANCE Approving Renewal of Pool Rental Agreement with St. Joseph's Hospital, of the Hospital Sisters of the Third Order of St. Francis for the One-Year Term from March 1, 2018 through February 28, 2019 – Councilwoman Bellm made a motion to approve Bill #18-18/Ordinance #2830 approving renewal of pool rental agreement with St. Joseph's Hospital, of the Hospital Sisters of the Third Order of St. Francis for the one-year term from March 1, 2018 through February 28, 2019 as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #18-19/ORDINANCE Amending Chapter 90 of the Highland Municipal Code, Amending Article III, Section 90-201, Permitted and Accessory Use Table 3.1 – Councilman Schwarz made a motion to approve Bill #18-19/Ordinance #2831 amending Chapter 90 of the Highland Municipal Code, amending Article III, Section 90-201, Permitted and Accessory Use Table 3.1 as attached; seconded by Councilwoman Bellm. Councilwoman Bellm asked if this is just tidying things up. Asst. City Manager Peck replied yes. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #18-20/RESOLUTION Approving Maintenance and Support Addendum Between Fidelity Solutions, Inc. and the City of Highland d/b/a Highland Communication Services – Councilwoman Bellm made a motion to approve Bill #18-20/Resolution #18-02-2507 approving Maintenance and Support Addendum between Fidelity Solutions, Inc. and the City of Highland d/b/a Highland Communication Services as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

## REPORTS

Approve Warrants #1084 & #1085 – Councilman Schwarz made a motion to approve Warrants #1084 & #1085 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 temporarily adjourn this regular session to enter into executive session under the Illinois Open Meetings Act under 5 ILCS 120/2(c)(21) to discuss approval of executive session minutes and 2(c)(23) to discuss sale and/or delivery of electricity; seconded by Councilman Schwarz. Motion carried. Meeting temporarily adjourned at 7:10pm.

Mayor Michaelis reconvened the Regular Session at 7:18pm. Roll Call Vote: Councilmembers Nicolaides, Bellm, Frey and Schwarz were present. Others in attendance were City Manager Mark Latham, Asst. City Manager Peck, City Attorney McGinley; Directors Bell, Cook, Gillespie, Imming, Korte, Rosen and Schoeck, EMS Chief Wilson, Fire Chief Bloemker, Police Lt. Conrad, Parks & Rec Managers Gramlich and Koehneman, Library Director Kim, Deputy City Clerk Hediger, and City Clerk Bellm.

## NEW BUSINESS (continued)

Bill #18-21/RESOLUTION Authorizing Execution of Memorandum of Understanding With Ameren Services Company as a Designated Agent for Ameren Illinois Company – Councilman Schwarz made motion to approve Bill #18-21/Resolution #18-02-2508 authorizing execution of Memorandum of Understanding with Ameren Services Company as a designated agent for Ameren Illinois Company as

attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Councilwoman Bellm motion to adjourn for a couple of minutes to setup for budget discussion; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried. Regular Session temporarily adjourned at 7:20pm.

Mayor Michaelis reconvened the Regular Session at 7:25pm. Roll Call Vote: Councilmembers Nicolaides, Bellm, Frey and Schwarz were present. City Manager Latham, Asst. City Manager Peck, City Attorney Michael McGinley, Directors Bell, Cook, Gillespie, Imming, Korte, Rosen and Schoeck, EMS Chief Wilson, Fire Chief Bloemker, Police Lt. Conrad, Parks & Rec Managers Gramlich and Koehneman, Library Director Kim, Deputy City Clerk Hediger, and City Clerk Bellm.

### **Budget Discussion – FY 2018-2019 Annual Budget**

City Manager Latham stated departments continue to monitor expenses against critical measures. With the State of Illinois economic uncertainties, we have been budgeting pretty conservative, so whatever happens, we should be okay. The proposed budget has about a 4% increase represented. Four percent increase in Operating and Maintenance (O&M) expenditures and 4% in revenues. In an effort to begin building reserves for future needs, it includes transferring \$1,875,000 to reserves. We anticipate a surplus of \$863,370 while accomplishing the capital projects and maintaining our facilities. City Manager Latham stated the directors have asked me to do an overview with the council and then if the council has any questions, they will answer those.

#### Parks & Recreation Department

##### *Korte Recreation Center*

City Manager Latham reported we did some increases with fees to assist with maintaining the facility, this past year, and are beginning to see that revenue. It is a revenue-based facility. It is operating in the black, which is the number one goal. Even in last year's budget, the pool heater was discussed to purchase. Director Rosen has made a decision to have the existing heater repaired versus replacing it. It is a long process to replace it, which involves working with the Health Department, to do so. Under contractual services, funds are being marked for needed repairs to the sprinkler system water line.

Councilwoman Bellm noted the Korte Rec Center building needs some attention. Is that in here? Painting, inside and outside and updating the restrooms. We need to focus on maintaining what we have versus adding. Director Rosen reported we hired a young man that is a painter, by trade, and we are having him started on the process of painting inside. On the outside, I am on the fence on what to do with it. The touchup paint put on in August is holding. We will continue to decide the painting of two colors green or one color. Councilwoman Bellm expressed I just want to make sure we have money to address it. Director Rosen responded it will help when the debt service is paid off on the facility. Then we can work to address more of the issues. We do our best to make sure to limit those things that frustrate people. Mayor Michaelis asked what people get frustrated about. Director Rosen reported equipment repair is the biggest issue; however, we are at the mercy of the repair vendors or having to wait for parts to come in. There are the people that think that things are not kept clean enough. Some of it is trying to keep up with the volume coming through. Some if of it is education of staff. We try to do what the best we can with the number of people coming through the facility. While some complain of these issues, others come in and tell us what a great facility and staff we have.

Councilwoman Bellm stated the Korte Rec Center is such a visible point of the community, so we want to maintain it properly. Director Rosen stated we have a lot of the equipment on rotation for replacement. I do not like “out of order” signs on equipment.

### *Parks Program*

\$32,000 is in the budget for replacement of surface under the playground at Glik Park. They have requested to purchase a UTA for use of clean up and maintenance at Silver Lake Park, and for hauling water to watering trees and baskets. Funds are being set aside for the all-inclusive playground surface to be put down, once funds are raised and equipment is ready to install.

### *Outdoor Pool*

City Manager Latham noted that we cross our fingers with the pool each year. It continues to function well, but we will need to be replacing it, at some time. It may be replacing it with bonds that we are using for the KRC presently. Director Rosen reported that, this past year, had a company come out and address areas in the supply line that we knew was leaking. A drain is leaking in the baby pool. We are probably going to have to remove and replace some of the decking to get to that drain line. The expected life of the pool was twenty-five years. The swim team accounts for 150 passes each year. We draw people from Troy and Collinsville, with the Red Cross swimming lessons. Staff continues to evaluate where it needs be, if it were replaced. Stay where it is at or move to Glik Park? The Highland person in me says it needs to stay there. I think the Sharpshooters would support us in that. Councilman Frey pointed out that leaving where it is at, means the pool is shut down for a whole summer. Years ago, people walked or rode their bike to the pool. Now people drive their kids out there. I am watching the town shift north. Director Rosen noted if we relocate, we are taking something away from those whom live in the older section of town. He acknowledged that attendance does drop during the Madison County Fair and during Saturday night races, but we have gotten used to that. He stated he thinks with the Sharpshooters Trail, more ride their bikes or walk to the pool.

### *Cemetery*

City Manager Latham stated we have a great group that does a wonderful job with the small crew we have. \$75,000 is being set aside, out into FY 2022-23, as the board has discussed blacktopping the roads in the future.

Councilman Schwarz asked is the high school looking at swim team. Director Rosen reported we are looking at offering a program, with the school to have swimming or water safety program during the first couple of weeks of school, since we still have the pool open. We have not worked with the school, formally, on this yet.

City Manager Latham stated we need to back up to Parks, as I forgot to mention, the budget also includes \$30,000 for the addition of a comfort station, at Silver Lake Park, along the roadway going to boat ramp. There is Pavilion #3 and the gazebo out there. We have disc golfers out there, scouts that camp out, several times a year, people accessing the archery range, and people that park along there in that area. Pavilions #3 and #4 could use that restroom.

Councilman Schwarz asked why revenue allocation for KRC is expected to be down in 2019, (to \$681,955) from \$685,695 in the current fiscal year budget. Director of Finance Kelly Korte explained we are comparing according to what we expected. It was expect to be \$685,695. Projections for next fiscal

year are based upon the actual first six months. We are coming in a little under. We attribute that to the Silver Sneakers program, which has really picked up, and the rate increases did not go through until later in the year.

Mayor Michaelis noted when the peripheral route was built and the lake was put in along Veterans' Memorial Parkway, for detention, there were plans to put a small dock in there for fishing. Do we know when that will be done? Director Rosen stated we just have not gotten around to it yet. Mayor Michaelis stated I just remember seeing that on the plan. All the times there are Eagle Scouts looking for projects. To me that would be a great project idea. Director Rosen stated I do provide ideas, but they get to choose. Quinten Holzinger approached me, recently, and is has decided to work on a garden with stepping-stones between the wall and berms, at Rinderer Park. Gavin Kolhbrecher is working on the dock at the Old City Lake.

### Public Works Department

#### *Street & Alley Division*

City Manager Latham reported the retirement of Mike Lengermann is coming up in Street & Alleys Division. We are also requesting an additional employee for that department, so you will notice a slight increase in personnel costs. \$82,500 for replacement of two 2008 dump trucks with salt spreaders and snowplows. \$128,500 budgeted for the city's portion of costs associated with construction of the Broadway/Veterans' Memorial Parkway/Iberg Road Roundabout. We are hoping to get that started this year; however, we are delayed with IDOT project review. We cannot purchase property until we get the review done. We are looking at, right now, letting for bids in March 2019, and beginning construction in May-June 2019.

Money is set aside to begin engineering for Oak Street Reconstruction. \$425,000 for signalization of Hemlock/Frank Watson Parkway/Route 40 intersection is in the upcoming budget year. We have to make our presentation to the ICC. We are looking at an additional cost of \$120,000 for engineering and ICC approval process. We have money in the budget for the culvert replace to mitigate FEMA issues. I do plan to ask CSX to participate in that cost, since they caused the issue. Either way, we are going to continue to move forward. The shared use path along Route 160 will likely not happen until 2019-2020 FY. \$70,000 is in there for engineering for the resurfacing of Broadway from Helvetia Drive to the new roundabout, also. On administrative side, we are upgrading software for processing of work orders. You will see that in a lot of the utility areas. This will assist with the billing process.

Councilman Schwarz asked are these the exact same critical measures as last year. Director Korte replied no, they are all adjusted. Councilman Schwarz asked what O&M changed from. Director Korte looked at it again, and stated it does need to be adjusted, because it is the same as last year. City Manager Latham stated Street & Alley has been asking for an additional employee for a couple of years. They have taken on a lot more responsibility with maintaining of right of ways with the addition of the peripheral routes. Councilman Frey pointed out the total revenue projected almost equals what we had to spend this year. Director Korte reported they anticipate taking \$26,000 to reserves. The major decrease in revenues is the government funding for projects with cost sharing. Councilman Frey asked does that include Motor Fuel Tax (MFT). Director Korte replied that is a separate fund. Property taxes and sales tax are in this. She added we used to take some portion of the solid waste funds and apply that for repair of alleys, since the trash trucks are hard on the condition of the alley surfaces.

#### *Water Department*

City Manager Latham noted there are some specific things such as replacement of the boat used to testing and monitoring of the lake. We do have a service contract with the company that does maintenance and painting of water storage tanks. \$169,279 budgeted for this year's maintenance contract. On the distribution side, the budget includes replacing a service truck and an easement machine,

which will be cost-shared with the sewer department. There is also relocation of the twelve-inch transmission main along Route 143, at an estimated cost of \$725,000, with engineering costs. \$1.6M-\$1.7M to start on the three priority lines to replace - Broadway from Route 160 to Poplar Street; Route 143 from Highway 40 to Troxler Ave; and, in the White City area. We have been back and forth on doing a short-term or long-term increase of rates. If we can get some commitment for a 1.5% increase each year for five years, to get the three major projects done and then re-evaluate. Councilwoman Bellm expressed I am convinced we need to get them done right now. The cost to keep repairing offsets that. I favor smaller increases than one large one. Councilman Frey stated we discuss that last month. I am in favor of getting this done. City Manager Latham pointed out the cost of operations continue to go up. Councilman Frey expressed if 1.5% for five years get us through completion of the three projects and we can do it for that, then we should.

Councilman Schwarz asked is that '\$4.70 per 1,000 gallons' the same as last year. Director Korte replied no, it was \$4.50 last year. We are making more revenue than O&M than we anticipated. Councilman Schwarz asked why are we over on the revenue side in comparison that the APA standards. Director Korte agreed that is something we need to look at. This is something that we monitor all the time; however, finding exact comparisons as to what other costs and revenue figures are in those amounts, by others participating in the surveys is difficult to match up.

#### *Sewer*

City Manager Latham reported we have a \$115,000 budgeted for sewer camera upgrade, \$25,000 for an easement machine, \$30,000 for split cost of the service truck replacement with the water department, and \$200,000 for cure-in-place pipe (CIPP) lining. Other projects include upgrading a control panel for the lift station and other plant upgrades, including security camera system upgrades. We are currently waiting for approval of the discharge permit from IEPA to get that done. There are charges associated with that. Supervisor Bill Zimmer has done a great job at evaluating what the cost would be to have our own equipment to haul to local farmers. We have come to a decision that it is best to contract that out versus doing it in-house. Councilman Schwarz asked why it would be cheaper. Public Works Director Joe Gillespie explained contractors they have the truck availability with volume. A contractor gets enough trucks rolling so the downtime is less and a more efficient process. Also, we are not tying up other city divisions with this process.

#### Electric Department

City Manager Latham reported the electric department is doing a lot of maintenance on the system. Under contractual services and technology, they have added \$10,000 annually for drone inspection of lines and \$15,000 for pole replacements study. We are looking at doing a lot of substation work and including a new transformer for the Northtown Substation. We continue to add 1,000 smart meters each year, to the system, and costs for upgrades to the SCADA system, in FY 19/20. Instead of utilizing a cloud server, we would like to purchase one for in-house. In the current year, the department plans to deploy 150 LEDs, at an estimated cost of \$52,500, in addition to continuing to maintain the 138kv line. We had a drone flown across the line to take shots of the components of the line. \$15,000 under legal fees is for the permitting process with the EPA for CAAPP permits, for generation. \$50,000 is being set aside for improvement to line along Bellm Road for cross ties. In addition to \$50,000 for the purchase of a mini excavator.

Councilman Schwarz asked if the costs and revenue per kilowatt-hours are the same as last year. Director Korte noted it is adjusted. That is difficult to do. For this department, we use what was billed FY 2016-2017, to get a whole year's worth of data. Director Cook noted that the standards are at 90% of revenue dedicated to O&M. We are running at 87%.

#### Fiber-to-The-Premises / HCS

City Manager Latham stated we have a couple of good things going on with Fiber-to-The-Premises. Revenue has obtained average of \$90 per customer. This time, last year, it was \$88 per customer. We are seeing a growth in revenue on voice. Internet has a smaller margin of profit. One issue have been facing is the lead-time for hook up. We are looking at contracting with a firm to shorten the times for hookups. We are also looking at a marketing firm to get us hits on Facebook and other media sights to compete direct with Charter. The main thing is that we do have money in here to finish out the build out. We will be utilizing electric crew staff for boring of the lines. This would finish the Prairie Trails Subdivision and build out Autumn Crest Subdivision. He pointed out that you see less and less reliance on the electric department each year. Revenues are going up. HCS will start paying it way down on the bond versus using the electric department revenues for debt. Director Angela Imming and her crew have done a great job at monitoring this and working with a very slim staff. HCS is very stable.

Councilman Schwarz questioned if there are no union issues with hiring contractors. City Manager Latham clarified we are contracting out for the splicing. Anything that has to do with splicing has been contracted out. Councilman Schwarz asked have we identified companies for that and contracted yet. City Manager Latham replied, no, we are in the engineering stages; however, we have identified potential companies. Councilman Schwarz asked what the timeframe for completion of the build out is. Director Imming reported late August or September for Autumn Crest. Prairie Trails would be done by the end of this fiscal budget. Councilman Schwarz clarified by end of this next fiscal budget we will have the build out completely done. Director Imming replied yes. We will be utilizing a contractor for every third week to push through installs. Our lead time has been 22 days, typically. It has been as high as 29 days. Right now, it is a slower season, so we are presently at 12 days for installs. Councilman Schwarz asked do we know how many we are losing to that wait time. Director Imming responded we do not. We are capturing the market, because while people are not happy to wait, they really do not like Charter. She estimated a loss of 5% that go to Charter due to the wait time. Councilman Schwarz stated with internet, is it pricing more so than the speed. Director Imming explained residential customers do not understand the up-down of internet. The business customers do understand. It is another reason why we have to start grabbing younger generation with e-marketing. All times of the day, they scan the internet for those looking at this type of service. These companies pop in there as first contact and turn them over to us. She added we are also working with businesses in town to give them the idea of the technology that we can offer to them. Next year, this time, we will be talking about what our crews can provide to businesses.

Councilman Frey noted we were looking at the capability to provide data service. Director Imming stated we are still working on it; however, the trust and emotional issue is difficult to break through. Those doing that have not been willing to change, because they know and trust their current provider. We are working with businesses that do not have that storage right now. Councilman Schwarz asked what is with miscellaneous revenues showing as negative amounts. Director Korte explained that is the cash deficit of fiber fund, showing that is borrowing investments. Interest income is at a negative, because we do not have funds to earn interest on. Councilman Schwarz pointed out this shows HCS almost running \$1M in the red this year. Director Imming replied, yes, you could look it that way, if you include the bond debt service. Major pieces of equipment depreciate, while the bonds do not. Director Korte added, as soon as we started servicing customers, we began depreciating fiber lines and other components to service the customer. Councilman Schwarz questioned where you see the (\$987,805) for the current fiscal year, in the budget. What is the number of years until we get that number to nothing or in positive figures? Director Imming responded we are seeing operating costs get less and less and revenue increasing. If it were to continue to go this way, in ten years we would be good assessment. City Manager Latham pointed out the bonds were electric department bonds, so that is in their budget.

Director Imming pointed out that critical measures have changed. We want to track how much are we averaging off each customer. That is what we need to look at. The profit for data is 85%, while

the profit for video is nothing. If we can continue to educate people on how to cut the cord, the margin of profit would increase. City Manager Latham reported if average \$124 per month per customer, we would be operating in the black. We are doing better than the business plan projected. Councilman Schwarz asked, as far as the “cord cutting” initiative, how do you promote that. What is the plan? Director Imming stated we can buy a smart TV cheaper than a set top box. If you bring us the set top box, we will credit your account. In the last two years, this area has shifted dramatically.

Councilwoman Bellm noted it is like giving up the landline phone. It took me years to convince myself. Any possibility of pushing Wi-Fi out to outer areas? Director Imming stated we did the bonds for the debt service to do this under the sale of video and data. If we do use Wi-Fi to push out internet service, we can only provide data; and, we would then have to bring out fiber, on that basis.

### Building & Zoning Department

Assistant City Manager Lisa Peck reported we will be bringing an ordinance to the council, on March 5, for inspection of rental properties. If that is done, there will be revenue from that; however, it will require additional staff. We are moving over \$60,000 for demolition costs, from last year, because we did not utilize that. We are still pushing the banks, as much as possible, to get compliance on these properties. Building & Zoning is charged with safety of the public. We are making sure our staff are properly trained, so you see those costs reflected in the budget as well.

Councilman Schwarz asked is the \$50 for inspection an annual fee. Asst. City Manager Peck replied it is a per inspection fee. Councilman Schwarz asked are the landlords willing to go with that. What happens if the property owner does not pay the fee? Asst. City Manager Peck reported they face paying a fine of \$50 - \$750 per day. Councilwoman Bellm noted when looked at this issue before; we did not have the local landlords objecting. They all realize it was to their benefit to say we they have a good safe place for people to live. Most have a one-year minimum rental agreement, so it is probably \$50 per year. Councilman Nicolaides asked it is going to be up to the property owner to make sure they call in and request the inspection. Asst. City Manager Peck replied yes. We should be able to catch it, also, with change of utilities, because only a small percentage of property owners keep the utilities in their name. Mayor Michaelis expressed we really need to do this. Yes, we cannot achieve 100% compliance, but we will do what we can. Councilman Nicolaides added the good property owners are going to go with this. What about the others? City Attorney McGinley replied then they are fined heavily. Councilman Frey stated they usually the ones that do not fix things. They also cannot afford to pay the utilities on these units to keep them under the radar. We are all thinking about the same ones. Asst. City Manager Peck stated this is yet another prong in protecting the property values in Highland. Mayor Michaelis asked who is going to sign the violation. City Attorney McGinley explained the Building & Zoning Officers will be acting as health and safety inspectors, in this case. They will have a checklist to make sure things are in good working order. They issue a compliance order. You can only do this if there is a change in tenant or the building changes ownership. Mayor Michaelis asked what if the tenant changes, but no inspection has been done. Attorney McGinley stated, should we find out about it, somehow, then Building & Zoning will issue a fine. If an inspection is done and issues are found, then no compliance order is provided. Should the property owner have issues found with the property, they are considered in violation, if they rent the unit. Councilman Nicolaides asked, if utilities are turned on, then the inspection should be done. City Attorney McGinley concurred. We have been working closely with staff to figure this out.

### Public Safety Department

#### *Police Department*

City Manager Latham reported highlights of the budget for this department include \$30,000 for replacement of SUV Police Interceptor as part of the fleet replacement program. Director Bell pointed out that school district wants to do the SRO program. We are telling them they will need to pay 75% of



all costs, and we will pay 25%. We are expanding our city security cameras project to support cameras at our utility departments. We are also budgeting to purchase our own Cellbrite software, to access cellphone data, in conjunction with investigations. Right now, we are relying on other departments for that ability. Cameras at intersections have been helpful with accident reconstruction, and we look to expand in that area, as well. We continue to analyzing best options for location of new police station. We will not start seeing sales tax revenue coming in until October. City Manager Latham pointed out the police department is also switching their phone service over to HCS, so you see the cost of some new equipment in that. We are getting away from Frontier and moving phones to HCS, which will be a significant savings.

Mayor Michaelis asked on the SRO, would we be adding an officer for that position. Director Bell replied yes. However, the SRO would not be the officer that is currently in that position. Mayor Michaelis stated when this was put into place, years ago, it worked well for its intent; however, at one point, it changed and they became more of a school administrative position. Director Bell acknowledged if we do this, it will involve realigning the position that we are seeing today. The SRO has a higher purpose and reason for being there than to load the soda machine. That officer has a tactical position, as well as a community policing position. Mayor Michaelis asked would they bring back the DARE program with that. Director Bell reported the DARE program is still there; however, it is more in dealing with the heroin and other drug issues, social interaction and bullying. We bring in people from a national level to talk and train on active shooter procedures, and talk about meth and heroin. Students are involved in a mock court process for DUI, and other programs. We are trying to think outside the box. With the school district has been trained for active shooters, we are now focusing on the churches. Mayor Michaelis recommended putting it Highland Highlights. Director Bell expressed I want to show what we are doing, but I do not want to challenge anyone. Councilwoman Bellm agreed it could go either way. Director Bell reported Fire Chief, EMS Chief and I sit down with the school superintendent and the principals of the schools, monthly. Mayor Michaelis stated with what happened in Florida, I think it is important to let people know. Mayor Michaelis asked would the SRO spend time at the centers. Director Bell replied I do not think so. I do not want to spread our resources out too much. The idea is to have the SRO there regularly versus the students seeing that officer only occasionally. Our department responded out to the high school 103 times, the last school year. The SRO would free up some of those responses. Councilwoman Bellm asked would that be nine-month or twelve-month process. Director Bell stated that officer would be at school during school months; however, in the summer months, they would be doing training and taking their vacation time. Councilman Frey asked would the school pay for nine or twelve months. Director Bell pointed out the annual salary would be paid 75% by the school and the city would pay 25%, based on the 9/12 split. Councilman Frey asked if they would require a vehicle. Director Bell replied yes; however, we feel we could cover that with one of the units set for trade-in. We believe we have covered the cost with \$25,000 budgeted. I have also requested that the school make this a five-year commitment.

### *EMS*

City Manager Latham reported the increases in revenue reflect the increased rates, recently put into place. The budget reflected the needed replacement of two cardiac monitors in 2018-2019 and two in the next fiscal year. Chief Wilson is requesting the purchase of another ambulance. We have one unit that is 2001, which we would look to replaced immediately in this next fiscal year, with an annual lease cost of \$46,981 per year for four years. In two more years, see the replacement of 2006. The 2013 unit would be replace, under projections, in 2022-23 Fiscal Year. City Manager Latham stated I support the proposal. With purchasing, the problem is you are going to have to continue to save up and this one continues to breakdown. This would give us a new ambulance in here, and pretty quick, too. Staff continues to work to figure out what improvements can be made to Fire Station #1, as well as looking at costs to purchase and develop properties. It may be that we end up at our original planned location.

### *Fire Department*

City Manager Latham reported the biggest thing you are going to see is an increase in revenue due to sales tax. As reported in the news, they are seeing more and more firefighters and their family members getting cancer. Chief Bloemker would like to have replacement gear for each firefighter, so that gears washed up, but have spare gear to wear until other gear gets dry. Chief Bloemker reported you see more discussion in materials regarding ashes and chemicals used in firefighting that end up on the gear. We want to make sure the firefighters are washed up and equipment cleaned, so they are not putting it back on dirty and they are not taking those things home to their families. City Manager Latham noted that cost is about \$15,000.

### General Administration

City Manager Latham reported we are looking at doing a wage study again. Budgeted amount is \$30,000. It has been 8-9 years since it was last done. Public Works operates out of the building next door. The air conditioning needs to be replaced. The budget includes just about \$5,000 for upgrades to the Springbrook software, and about \$15,000 for phone and computer upgrades at City Hall. We did have a visit with a company regarding the sound system, here in the Council Chambers. It is obvious that the microphone system needs to be replaced, along with the speakers. We have set aside \$15,000 in the budget for the sound system in here.

Based upon what we are seeing, as of late, we anticipate a slight increase in Hotel/Motel Tax Funds for the next budget year. Finance Director Kelly Korte reported we are projecting conservatively for a budget amount of approximately \$48,000. Based upon that we have increased the Chamber of Commerce's allocation from \$18,000 to \$22,000. We had a request from the Arts Council for \$6,000-\$8,000, so \$7,000 was put in the budget.

Mayor Michaelis asked if we can do anything to market the Cardinal Inn property. We really do need a low-budget hotel for working crews. Asst. City Manager Peck stated we can try to help the owners to market the property. The property and interior of the units are in bad condition. Mayor Michaelis pointed out it is in floodplain area, so that does not help. I just am not sure that the family is familiar with the best means to market it. Councilman Frey stated he knew someone that looked at the property said the plumbing was a big issue.

### Miscellaneous / Library

Councilman Frey asked what about the 5% from video gaming revenue. Director Korte reported those funds go to the police department. We anticipate that to be \$100,000 for the next fiscal year.

Louis Latzer Library Director Angela Kim reported we have completed a lot of the renovations to the 1971 addition. We built a new classroom for programming and other continuing education programs. We continue to get more efficiency on our utilities. This year we will be doing the second phase of our lighting improvements. We met with Highland Police Department and they recommended that we update our security cameras. Other improvements include adding more signage and doing painting within the building. We continue to work to upgrade our software and technology. Director Kim reported we did have a lot of response with the eclipse that occurred this past year. Our numbers stay consistent, but we were able to get some rebates with the lighting project. Two people retired this past year, so I am hopeful to free up some funds and use them to update the genealogy room. Our system was upgraded last year to show the cost savings on the bottom of the receipt, at checkout, to help promote use of the library as a cost savings to residents. I did make the decision to stay open until 8pm on Wednesday night, by shifting staff.

Councilwoman Bellm made a motion to adjourn; seconded by Councilman Schwarz. All council members voted aye, none nay. Motion carried and meeting adjourned at 9:59pm.

Joseph Michaelis, Mayor

Barbara Bellm, City Clerk