

**MINUTES OF REGULAR SESSION
HIGHLAND CITY COUNCIL
MONDAY, MAY 21, 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, City Attorney Michael McGinley, Directors Bell, Gillespie, Imming, Korte and Rosen; Fire Chief Bloemker, Lt. Conrad, Interim H.R. Director Ann Stoecklin, Mallard Hubbard, Supervisor Stram, City Staff: Reanna Ohren and Geralyn Hemen, Treasurer Foehner, City Clerk Bellm, 5 citizens and 1 member of the news media.

MINUTES

Councilman Schwarz made a motion to approve the minutes of the May 7, 2018 Regular Session as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

PUBLIC HEARING

Mayor Michaelis opened the public hearing to receive comments from the public regarding the proposed annexation agreement between the City of Highland and Carl Mersinger. With no comments brought forth, Mayor Michaelis closed the hearing.

PUBLIC FORUM

Citizens' Requests and Comments:

Lee Iten Post #439 VFW Ladies' Auxiliary Poppy Days Announcement – Linda Iberg, President of Lee Iten Post #439 VFW Ladies' Auxiliary, announced that give poppies away during the Memorial Day weekend, in return for donations. She asked for the council's support and to kick off the campaign. Ms. Iberg noted the second National Poppy Day will be Friday, May 25, 2018.

Requests of Council:

No requests or comments.

Staff Reports:

City Manager Latham reported they met with an engineer and ADA specialist, regarding the City Council Chambers. We will need to add some railing and do some larger renovations on the north side of the room for ADA compliance. Installation of new PA system will be the day after Memorial Day.

We have received notice that the IEPA loan approval should be complete soon. Our goal is to get that out for bid sometime in June. Council should see that along with the water line replacement project.

NEW BUSINESS

Approve Mayor's Reappointment of Tim McGinley to the Liquor Control Commission – Councilman Schwarz made a motion to approve the mayor's re-appointment of Tim McGinley to the Liquor Control Commission, for an additional three-year term, to expire June 2021 as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Frey, Bellm, and Nicolaides voted aye, none nay. Motion carried.

Approve Mayor's Reappointment of Rick Ringwald to the Police and Fire Commission - Councilwoman Bellm made a motion to approve the mayor's re-appointment of Rick Ringwald to the Police and Fire Commission, for an additional three-year term, to expire June 2021 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 George Marron to the Telecommunications Advisory Board – Councilman Schwarz made a motion to approve the mayor's re-appointment of George Marron to the Telecommunications Advisory Board, for an additional three-year term, to expire May 31, 2021 as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #18-63/RESOLUTION Approving Annexation Agreement with Carl Mersinger and Mettler Development, LLC – Councilman Schwarz made a motion to approve Bill #18-63/Resolution #18-05-2531 approving annexation agreement with Carl Mersinger and Mettler Development, LLC as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #18-64/ORDINANCE Annexing Territory Owned by Carl Mersinger and the Developer, Mettler Development, LLC – Councilwoman Bellm made a motion to approve Bill #18-64/Ordinance #2850 annexing territory owned by Carl Mersinger and the developer, Mettler Development, LLC as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #18-65/ORDINANCE Amending the Net Metering and Interconnection Policies for Electric – Councilman Schwarz made a motion to approve Bill #18-65/Ordinance #2851 amending the Net Metering and Interconnection Policies for Electric as attached; seconded by Councilwoman Bellm. At Councilman Schwarz request, City Manager Latham explained Director Dan Cook made a presentation to the council regarding drafting these changes, a few meetings ago. With these changes, we are limiting residential solar generation to no more than 90% of annual consumption; fifty percent or 20kW of utilization for commercial or industrial; a distribution utilization fee of \$25 for residential; insurance coverage identification; and, a structural engineer review prior to installation. Any type of service connection requires a fee. Councilman Schwarz asked is this something that Ameren charges. City Manager Latham responded I know IMEA specified some things we need to follow based upon other municipalities within their system. Councilman Schwarz asked do we have to follow their guidelines to be part of IMEA. City Manager Latham replied no. Solar technology continues to develop and become more mainstream. We have to protect our system and cover our system costs. Anyone within Highland can use solar, if they want; however, they have to follow these guidelines. Councilman Schwarz clarified the \$25 fee is for those using solar power only. City Manager Latham replied yes. These are pretty good guidelines, as solar use becomes more prevalent. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #18-66/ORDINANCE Amending HCS Rates for Streamer's Dream and Residential Connection – Councilman Schwarz made a motion to approve Bill #18-66/Ordinance #2852 amending HCS Rates for Streamer's Dream and Residential Connection as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #18-67/ORDINANCE Repealing and Replacing current Highland Communications Services' Residential Gigabit Rate – Councilwoman Bellm made a motion to approve Bill #18-67/Ordinance #2853 repealing and replacing current Highland Communications Services' Residential Gigabit Rate as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #18-68/RESOLUTION Authorizing Engagement of Gilmore-Bell and Joy Howard for services related to Financing of the Public Safety Facility – Councilman Schwarz made a motion to approve Bill #18-68/Resolution #18-05-2532 authorizing engagement of Gilmore-Bell and Joy Howard for services related to financing of the Public Safety Facility as attached; seconded by Councilwoman Bellm. Councilman Schwarz asked is this something the city could not do internally. Director of Finance Kelly Korte explained there are a lot of legal things that have to be done for bond financing. It is a specialized service. Councilman Schwarz asked what they do. Director Korte responded they solicit bond requirements, make sure that everything fits within tax and legal guidelines, and prepare all the documents. City Manager Latham added we have always done this outside. Joy has saved us money on previous bond financing through this process. Councilman Schwarz inquired do you not think this is something that could be done in-house. City Attorney Michael McGinley stated we handle similar services through our firm; however, I would recommend the city hire someone to do this, outside of our firm. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill#18-69/RESOLUTION Rejecting all bids for Demolition of Structures at 1316 Oak Street and 914/916 Deal Street – Councilwoman Bellm made a motion to approve Bill#18-69/Resolution #18-05-2533 rejecting all bids for demolition of structures at 1316 Oak Street and 914/916 Deal Street 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 for Bid #PW-06-18, the Troxler Way Sanitary Sewer Extension project – Councilman Schwarz made a motion to approve Notice of Municipal Letting for Bid #PW-06-18, the Troxler Way Sanitary Sewer Extension project as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #18-70/ORDINANCE Repealing and Superseding Code of Ordinances entitled Health Safety Inspections – Councilwoman Bellm made a motion to approve Bill #18-70/Ordinance #2854 repealing and superseding Code of Ordinances entitled Health Safety Inspections as attached; seconded by Councilman Schwarz. City Manager Latham reported we had a real good meeting with all landlords for informational exchange. The ordinance required paying \$25 for the inspection, but if re-inspected you have to pay another \$25 inspection fee. We have decided to waive the additional inspection fee. Especially since this is a new process for all of us. If selling property, you have to have an inspection for purchase of the property; however, then another one would be done before occupancy, under the ordinance. We are decided to waive that initial inspection. City Attorney McGinley added we are tightening up the ordinance based upon feedback received. We had a great meeting with a lot of conversation and we are integrating their suggestions into the ordinance. Councilwoman Bellm reported Councilman Frey and I were there, along with the mayor. It was a very good meeting with a lot of valuable feedback. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #18-71/ORDINANCE Approving a Redevelopment Agreement with Kloss Furniture to purchase and redevelop the vacated Super Valu building – Councilman Schwarz made a motion to approve Bill #18-71/Ordinance #2855 approving a redevelopment agreement with Kloss Furniture to purchase and redevelop the vacated Super Valu building as attached; seconded by Councilwoman Bellm. Councilman Schwarz stated I just want to understand how this is used. This is based solely off sales tax? City Manager Latham replied yes. Councilman Schwarz inquired that once over that amount they get 25% back on the 1% tax. City Manager Latham clarified they get 75% of the city’s 1% sales tax. They are estimating that with the additional space their annual sales would jump from \$3,750,000 to \$7,000,000. Councilman Schwarz stated this is to incentivize what would happen naturally. I don’t see how this changes anything that would not have occurred. City Manager Latham pointed out this is a redevelopment of 35,000 sq. ft. facility that has been not generating anything for two years. They anticipate the additional space will increase their sales. Councilman Schwarz contended the reason for incentives is to try to take a natural market situation and incentivize it. I do not see where that is going to change habit. City Manager Latham stated you are talking about them investing to almost double sales. I think it is a great deal. They are not going to close up the facility they have, right now. They are going to use it for warehousing and shipping. We are starting to see an increase to the amount of retail wanting to come downtown. Councilman Schwarz stated \$250,000 on \$7M is not going to move the needle. They have an incentive to sell more on their own. I am hoping to hear someone else’s thoughts. If I was selling furniture, I do not think this is a worthy incentive. Roll Call Vote: Frey, Bellm and Nicolaides voted aye. Councilman Schwarz voted nay. Motion carried.

Bill #18-72/ORDINANCE Amending Zoning for Public Safety Building – Councilwoman Bellm made a motion to approve Bill #18-72/Ordinance #2856 amending zoning for Public Safety Building as attached; seconded by Councilman Schwarz. City Manager Latham explained this is the ten acres annexed in, next to HSHS St. Joseph’s Hospital. When property is annex into the corporate limits, it comes in as residential. Since our intention is to build a public safety facility on this property, it was recommended to bring this to Planning & Zoning to change to C-2 for this purpose. This was approved by the Planning & Zoning Board. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

REPORTS

Approve Warrant #1094 – Councilman Schwarz made a motion to approve Warrant #1094 as attached; seconded 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) for discussion of executive session minutes and 2(c)(1) to discuss collective negotiating matters. Motion seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried. Meeting adjourned at 7:35pm.

Mayor Michaelis reconvened the Regular Session at 7:45 pm. Roll Call: Councilmembers Nicolaides, Bellm, Frey and Schwarz were present. Others in attendance were City Manager Latham, City Attorney McGinley, Interim H.R. Director Ann Stoecklin, Director Gillespie and City Clerk Bellm.

NEW BUSINESS (Continued)

Bill #18-73/RESOLUTION Approving Labor Agreement Between City and International Union of Operating Engineers, Local 399, for a Three-Year Term Beginning on May 1, 2018, and Ending on April 30, 2021 – Councilman Schwarz made a motion to approve Bill #18-73/Resolution #18-05-2534 approving labor agreement between City and International Union of Operating Engineers, Local 399, for a three-year term beginning on May 1, 2018, and ending on April 30, 2021 as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. 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 7:46 p.m.

Joseph R. Michaelis, Mayor

Barbara Bellm, City Clerk