

**MINUTES OF REGULAR SESSION  
HIGHLAND CITY COUNCIL  
MONDAY, JUNE 18, 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, Cook, Gillespie, Imming, Korte and Rosen; EMS Chief Wilson, Fire Chief Bloemker, Interim H.R. Director Stoecklin, Mallord Hubbard, Library Director Kim, Deputy City Clerk Hediger, City Clerk Bellm, 8 citizens and 1 member of the news media.

**MINUTES**

Councilman Schwarz made a motion to approve the minutes of the June 4, 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:

*Relevant Pregnancy Options Center – Walk for Life/5K Life Run Request* – Jennifer Whitten, helping head up the run for this year's event. You should have the event application and the insurance certificate will be in this next month, with our renewal. This is our tenth year for this event. Councilwoman Bellm requested permission for Relevant Pregnancy Options Center to host their tenth annual Walk for Life/5K Life Run Request on Saturday, September 29, 2018 per their request; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm, and Nicolaides voted aye, none nay. Motion carried.

*Chamber of Commerce – 2018 Street Art Fest Request* – Nancie Zobrist, Chamber of Commerce Executive Director, requested permission for street closures and use of the downtown square facilities to hold the Street Art Fest on September 14 & 15, 2018. The event will kick off on Friday night, September 14, at 7pm with the Highland Jaycees hosting a beer tasting festival, "Hops & Colors", as it did last year. We are requesting the same setup as in years past. We ask for closing of streets at 10:00pm on Friday night and that city staff sweep the streets, so that we may begin painting the artists' blocks at 6:00am. The full festival will be Saturday, September 15, with a rain date of Sunday, September 16. We would like to request that if the rain date is not used, that the streets remain closed until 4:00pm on Sunday, so that people may view the artwork.

Councilman Schwarz made a motion to approve Highland Chamber of Commerce's request for street closures and facilities use to hold the Street Art Fest on September 14 & 15, 2018, with a rain date of Sunday, September 16, 2018 as requested; seconded by Councilwoman Bellm. Councilman Frey

asked, are these the same hours as last year? Mrs. Zobrist replied yes. Councilman Schwarz asked are there any concerns by businesses. Nancie acknowledged, yes, the usual ones. We do talk to the businesses around the square. The usual concerns are the closure of parking to their businesses, primarily on Saturday, since we do not close the streets until later on Friday. However, we point out that we encourage people to shop and patronize the businesses during the event and look to bring people to the square to promote the surrounding businesses. Roll Call Vote: Schwarz, Frey, Bellm, and Nicolaides voted aye, none nay. Motion carried.

#### Requests of Council:

Councilwoman Bellm reported the public restrooms, by the square, were open for the band concert, last Friday night. Have we addressed anything about what we are going to do when things change around the square? Councilwoman Bellm stated, as far as I know, those bathrooms are part of that property, so we need to find out what is going to happen. City Manager Latham stated we have reached out to the owner twice, but we have not gotten a meeting with them yet. My understanding is that they will not be building on the big for a while. They will be using mostly the existing Chamber building. Councilwoman Bellm asked do we have a Plan B, if the facilities are not opened. I have been calling the police station to open it up. City Manager Latham replied no. Unless we use the Weinheimer's restrooms. Councilwoman Bellm expressed, hopefully, we will be able to continue to use those. I will continue to call the police department, if they need to be opened. Director Bell stated that is fine. Mayor Michaelis asked Parks & Recreation Director Mark Rosen if he had any information on this issue. Director Rosen replied no. Chief Wilson stated he is not aware of anything regarding the property, through Building & Zoning. This is the first I am aware of this. Councilwoman Bellm asked if Parks & Rec are still taking care of the restroom and filling the supplies. Director Rosen replied yes. Mayor Michaelis acknowledged that is an excellent point. We will need to find out what the plans are and what options we have for restroom facilities.

#### Staff Reports:

City Manager Latham acknowledged several people are upset about the condition of the Walnut Street railroad crossing. We just recently found out who is charge of that with the ICC (Illinois Commerce Commission). We did send IDOT a copy of our complaint and they have forwarded that to the CSX Rail Master. We are awaiting a response and we will continue on that effort.

City Manager Latham reported we have the plans completed for replacement of the culvert under the railroad at Poplar Street. There will be no Notice of Municipal Letting until we get approval that everyone is in agreement on the drop calculations. Oates Associates is awaiting a response from IDNR engineers. Plans are done and ready to go.

## **NEW BUSINESS**

Approve Mayor's Reappointment of LeAnn Landmann, Sharon Rinderer, and Joyce Zerban to the Library Board of Trustees – Councilwoman Bellm made a motion to approve the mayor's reappointment of LeAnn Landmann, Sharon Rinderer, and Joyce Zerban to the Library Board of Trustees for additional three-year terms, to expire June 30, 2021 as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm, and Nicolaides voted aye, none nay. Motion carried.

Approve Mayor's Reappointment of Larry Brammer, Heather Warren, and Susan Amaro to the Tree Commission – Councilman Schwarz made a motion to approve the mayor's reappointment of Larry Brammer, Heather Warren, and Susan Amaro to the Tree Commission for additional three-year terms, to expire July 2021 as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Frey, Bellm, and Nicolaides voted aye, none nay. Motion carried.

Bill #18-79/RESOLUTION Approving Preliminary Plat of Carbay Crest Subdivision – Councilwoman Bellm made a motion to approve Bill #18-79/Resolution #18-06-2538 approving preliminary plat of Carbay Crest Subdivision as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Bill #18-80/RESOLUTION Making Separate Statement of Findings of Facts in Connection With Ordinance Granting Special Use Permit to Allow for a Drive-Through Establishment to be Located at 12556 State Route 143 – Councilman Schwarz made a motion to approve Bill #18-80/Resolution #18-06-2539 making Separate Statement of Findings of Facts in connection with ordinance granting Special Use Permit to allow for a drive-through establishment to be located at 12556 State Route 143 as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Frey, Bellm, and Nicolaides voted aye, none nay. Motion carried.

Bill #18-81/ORDINANCE Granting a Special Use Permit to BRG NLD Development On Behalf of First Cloverleaf Bank to Allow a Drive-Through Establishment to be Located at 12556 State Route 143 – Councilman Schwarz made a motion to approve Bill #18-81/Ordinance #2859 granting a Special Use Permit to BRG NLD Development on behalf of First Cloverleaf Bank to allow a drive-through establishment to be located at 12556 State Route 143 as attached; seconded by Councilwoman Bellm. Councilwoman Bellm noted the ordinance states, on Page 1, Section 2, ‘no stipulations or conditions’; however, the Planning & Zoning Board stated there are six requested conditions outlined on page 4 of the memo from the Building & Zoning staff to the Combined Planning & Zoning Board. Mayor Michaelis asked City Attorney Michael McGinley how he would suggest handling that. Attorney McGinley stated the resolution is separate finding of fact that attaches the information from Planning & Zoning. The stipulation of ‘no stipulations or conditions’ on Page 1, Section 2, is in that there are no other conditions beyond the Finding of Facts. It automatically lumps into the Ordinance, since there is the Resolution for Statement of Finding of Facts. He reviewed the documents attached to the Resolution (Bill 18-80): Exhibit A is the petition and Ex B is the list of persons to whom notices of the public hearing were sent via mail. City Manager Latham explained that the conditions on the Planning & Zoning Advisory Report would have fallen under the Resolution for Finding of Facts. The six conditions are recommendations by Building & Zoning staff. Attorney McGinley continued to review documents, stating one is petition, the second is zoning code, and the third one is suggestions that they have volunteered to do. I do not believe the staff report is attached. Councilwoman Bellm inquired if the conditions need to be stated in the Statement of Finding of Fact. Attorney McGinley replied yes. We need to go back to Item D.

Councilwoman Bellm made a motion to rescind our vote on Item D, Bill #18-80/Resolution Making Separate Statement of Findings of Facts in Connection With Ordinance Granting Special Use Permit to Allow for a Drive-Through Establishment to be Located at 12556 State Route 143. Motion seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm, and Nicolaides voted aye, none nay. Motion carried and the vote on Item D was rescinded.

Councilwoman Bellm made a motion to approve Bill #18-80/Resolution #18-06-2539 making separate Statement of Findings of Facts in connection with ordinance granting Special Use Permit to allow for a drive-through establishment to be located at 12556 State Route 143 as attached; seconded by Councilman Schwarz. Councilwoman Bellm made a motion to amend the resolution to attach the six conditions outlined on Page 4 of Building & Zoning Staff Report to the Combined Planning & Zoning Board as Exhibit C, to the Resolution, and also include as Exhibit D the Combined Planning & Zoning Board’s Advisory Report, which references the six items outlined on Page 4 of the memo in the board’s packet as attached; seconded by Councilman Schwarz. Roll Call Vote to amend the Resolution: Schwarz, Frey, Bellm, and Nicolaides voted aye, none nay. Motion carried. Roll Call Vote to approve the Resolution as Amended: Schwarz, Frey, Bellm, and Nicolaides voted aye, none nay. Motion carried.

Roll Call Vote to approve Bill #18-81/Ordinance #2859 granting a Special Use Permit to BRG NLD Development on behalf of First Cloverleaf Bank to allow a drive-through establishment to be located at 12556 State Route 143, Councilmembers Schwarz, Frey, Bellm, and Nicolaides voted aye, none nay. Motion carried.

Bill #18-82/ORDINANCE Declaring a 2007 Ford F-150 as Surplus Property and Authorizing Its Sale – Councilman Schwarz made a motion to approve Bill #18-82/Ordinance #2860 declaring a 2007 Ford F-150 as surplus property and authorizing its sale Councilwoman Bellm. Councilman Schwarz asked is there anyone in the city departments that could use it. Director Bell responded it would take a lot of work. Roll Call Vote: Schwarz, Frey, Bellm, and Nicolaides voted aye, none nay. Motion carried.

Bill #18-83/ORDINANCE Amending the Intergovernmental Agreement Between the City and Highland Community Unit School District No. 5 for a School Resource Officer With Regard to Compensation Allocation – Councilwoman Bellm made a motion to approve Bill #18-83/Ordinance #2861 amending the intergovernmental agreement between the City and Highland Community Unit School District No. 5 for a School Resource Officer with regard to compensation allocation as attached; seconded by Councilman Schwarz. Councilman Schwarz asked what changed. City Attorney McGinley reported there was a calculation on the allocation on how much the city was going pay versus the schools. Small dollar amount change as a result. Roll Call Vote: Schwarz, Frey, Bellm, and Nicolaides voted aye, none nay. Motion carried.

Bill #18-84/ORDINANCE Approving and Authorizing the City Manager to Execute a Redevelopment Agreement with Furniture Rewards, LLC for Creation of New Jobs, and Other Actions Related Thereto – Councilman Schwarz made a motion to approve Bill #18-84/Ordinance #2862 approving and authorizing the City Manager to execute a redevelopment agreement with Furniture Rewards, LLC for creation of new jobs, and other actions related thereto as attached; seconded by Councilwoman Bellm. Councilwoman Bellm inquired this is different than what we did last time. City Manager Latham responded yes. Councilman Frey noted this job related. Councilman Schwarz clarified that last time we incentivized him to purchase the building and now we are incentivizing him for filling the building. Why are we doing this in two stages? City Manager Latham responded they did not have that information all together at one time. This is not the first time we have done this. We used this same framework when it was approved for Engelmann Enterprise for jobs incentives. Based on the new location, they plan to retain 22 jobs and create 13 full-time jobs; there are categories based on salary ranges, for an incentive package of just over \$85,000 over three years. Economic & Business Recruitment Coordinator Mallord Hubbard explained the package is structured so that it only incentivizes the thirteen new jobs. Councilwoman Bellm clarified those jobs have to be retained for three years. Coordinator Hubbard replied yes, that is the guideline that has been laid out and followed in previous jobs packages.

Councilman Schwarz asked, on income tax, how much does the city collect. I am trying to figure out how the city gets their money back. The city roughly gets 10% in income tax. Salary of \$18,000 times thirteen jobs is \$234,000. So, ten percent is \$23,400. City Manager Latham reported that studies show forty percent of someone's income is turned back over into the community they live in. Somewhere between 30-40% of income is spent in the town you reside in. Mayor Michaelis stated the original incentive was adopted many years ago; a number of companies have benefited from it. It is not only for new businesses, but also to incentivize growth and expansion of existing companies, to grow jobs. We want to reward that action by a company. Councilman Schwarz questioned when we are giving away our tax base. We incentivized them to move there, so what is the incentive now? City Manager Latham reported the last time we did a public survey, people stated within that survey the number one thing they

wanted was to bring jobs to Highland. We paid an existing company within town this same incentive, because they bought out a company from South Carolina and brought engineers into our community. Councilman Schwarz contended they have already bought the facility, what are we incentivizing that would not happen anyways. City Manager Latham explained that was done under a Business District Agreement. Their investment is huge. They are not going to spend the amount of money that they are spending just to get an incentive and then leave town in a couple of years. They are continuing to grow their investment in the community. You should see sales tax increase, plus we will have additional jobs working downtown. That means going to restaurants downtown. Councilman Schwarz acknowledged there is no downside to having that building filled. Are we truly incentivizing or are we giving the farm away? City Manager Latham stated you have to trust the staff with this. Councilman Schwarz stated I can appreciate the decision of staff. I am of the opinion that the less government is the best. With the other business, we were bringing a business into a community versus going some other place. Councilwoman Bellm pointed out they are opening another store in Edwardsville. So, they could chose to run everything through that location. This is an investment in this city. This is only for three years. With the amount of money they are putting into this, they are going to be here a lot longer than that. The public survey said that citizens wanted jobs created. This creates more jobs. Councilman Schwarz stated I am of the opinion that if you protect the community and improve infrastructure that is what keeps companies here. There are going to be situations where businesses take these incentives and then after a few years they move down the road. It happened with businesses in Belleville. Burger King and Jimmy Johns move in based upon demographics and structure of the community. Councilwoman Bellm contended, years ago, it worked that way. Today, it does not work that way. We can show how beautiful the community is and tell them about the people, but it does not work that way. Other communities are doing this and we have to do it to compete. Councilman Schwarz contended I do not think they are making this decision on \$85,000. I think a lot of times we give it away. Mayor Michaelis stated this is something Mark, the staff, and I work on continually. Bringing in a large company, especially in Illinois, is next to impossible. We continually compete with other communities for businesses. Several years ago, we competed for Donnewald Distributing to move to Highland. We almost gave the farm away to make it happen. Looking back now, I am glad we did not. We have to take a common-sense approach to this. How do you promote business and growth? We grow the companies that we have. I look at the vacant building that has been sitting and not doing anything for the community. We have to look at the fact that they are willing to invest one million dollars into this. A lot of businesses or people do not have the money to make that investment. Councilman Schwarz contended this is a regional thing. People are not going to come from Cincinnati to buy furniture. It is regional business. Councilman Frey pointed out the guidelines were set up years ago. They meet those guidelines. Councilman Schwarz asked what about incentivizing businesses that are going to compete with other businesses in town. Mayor Michaelis contended I don't think we have another furniture store in town. We need to keep the businesses we have healthy and growing. Mark and I meet and talk with the large businesses, as well as the hospital, regularly. If it would not be for Kloss Furniture coming in, I would hate to think how long it would sit vacant. Roll Call Vote: Schwarz, Frey, Bellm, and Nicolaides voted aye, none nay. Motion carried.

Bill #18-85/RESOLUTION Approving Acceptance of Service Request for Electric Service from City of Highland – Councilwoman Bellm made a motion to approve Bill #18-85/Resolution #18-06-2540 approving acceptance of service request for electric service from City of Highland as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm, and Nicolaides voted aye, none nay. Motion carried.

Award Bid #PW-06-18 for the Troxler Way Sanitary Sewer Extension project – Councilman Schwarz made a motion to award Bid #PW-06-18 for the Troxler Way Sanitary Sewer Extension project to Hair Plumbing and Heating, of Oakville, IL, in the amount of \$117,215.00 as attached; seconded by Councilwoman Bellm. Councilman Schwarz asked, with a business from Highland that is less than 1% away from the lowest bid, is there anything we can do. City Attorney McGinley advised low bid is whom

you want to go with. Mayor Michaelis noted that question has come up several times. The State has very clear regulations on that. Roll Call Vote: Schwarz, Frey, Bellm, and Nicolaides voted aye, none nay. Motion carried.

## **REPORTS**

Approve Warrants #1096 & #1097 – Councilwoman Bellm made a motion to approve Warrant #1096 & #1097 as attached; seconded Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm, and 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 7:59pm.

Joseph Michaelis, Mayor

Barbara Bellm, City Clerk