

**MINUTES OF REGULAR SESSION  
HIGHLAND CITY COUNCIL  
MONDAY, MARCH 4, 2019**

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 Conrad, Cook, Gillespie, Imming, Korte, Rosen and Slover; EMS/Fire Chief Wilson, Economic & Business Recruitment Coordinator Hubbard, Planning & Zoning Administrator Speraneo, Treasurer Foehner, Deputy City Clerk Hediger, City Clerk Bellm, Library Director Kim, 20 members of Highland SU 110 Girl Scouts Council, 26 citizens and one member of the news media.

**MINUTES**

Councilwoman Bellm made a motion to approve the minutes of the February 19, 2019 Regular Session as attached; seconded by Councilman Schwarz. Roll Call Vote: Frey, Bellm, and Nicolaides voted aye, none nay. Councilman Schwarz abstained. Motion carried.

**PROCLAMATION**

Mayor Michaelis read a document proclaiming March 10-16, 2019 as Girl Scout Week.

**PUBLIC FORUM**

Citizens' Requests and Comments:

*Highland Arts Council 2019 Art in the Park Funding Request* – Lynette Schuepbach, representing the Highland Arts Council, requested sponsorship from the City for this year's Art in the Park. As you can see from our plan, we are budgeting \$8,000 for advertising. We are asking for \$8,000.00, this year. Councilman Frey made a motion to approve sponsorship of the 2019 Art in the Park, in the amount of \$8,000, from the hotel/motel tax fund; seconded by Councilman Schwarz. Mayor Michaelis complimented them on such a wonderful event. Lynette asked for another favor from the council. In that, the council pray for good weather for the event. Roll Call Vote: Schwarz, Frey, and Nicolaides voted aye, none nay. Councilwoman Bellm stated, because she hopes to be a vendor, she abstained from the vote. Motion carried.

*2019 Schweizerfest Request* – Highland Jaycees 2019 Schweizerfest Chairman Zach Jenny and Matt Stallard, 2019 Co-Chairman were present, along with Rebecca Klug. Mr. Jenny requested permission for the Highland Jaycees to hold Schweizerfest, June 7, 8 & 9, 2019, the same as the past few years. We hosting the Chamber Business After Hours on the Thursday before the event, on the Square, from 500pm – 9:00pm. The only changes for this year is the 5k run. Last year, we brought that up to the Square on Saturday morning. We will be hosting the 5k run, again, on Saturday morning, but moving the start time up to 8:30am. The route is basically the same as the Kirchenfest 5K, only with a slight

alteration so that it starts and ends at the Square. Otherwise, things will be same as the past couple of years. We are requesting closure of Broadway on Friday, beginning at 9am, and Laurel Street, Washington Street and Main Street at 3pm, as we did last year. The events will start at 6:00pm on Friday night, with parades at 5:00pm on Saturday and Sunday evenings. Councilman Schwarz made a motion to approve the Jaycees' request for street closure June 7-9, 2019, including the hosting of Business After Hours, on Thursday, June 9 and the 5K Run as requested; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Frey, Bellm, and Nicolaides voted aye, none nay. Motion carried.

Requests of Council:

No comments or requests.

Staff Reports:

City Manager Latham informed the council that there will be a public meeting, this Thursday, March 7, 2019, 4:00pm – 6:00pm, regarding Phase 1 of the Broadway Streetscape project, which will extend from the Poplar/Broadway Roundabout to Laurel Street.

City Manager Latham reported the first fire truck arrived in from New York. We did receive a bid on the old LaFrance unit for \$55,000. I have agreed to sell it. A rural fire station group over in Indiana made that bid.

## REPORTS

Approve Warrants #1122 & #1123 – Councilman Schwarz made a motion to approve Warrants #1122 & #1123 as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Frey and Bellm, voted aye, none nay. Councilman Nicolaides abstained. Motion carried.

Mayor Michaelis asked for motion to take a five-minute adjournment to reset the room for the budget session. Councilwoman Bellm made a motion to temporarily adjourn; seconded by Councilman Schwarz. All council members voted aye, none nay. Motion carried. 7:15pm.

Mayor Michaelis reconvened the Regular Session at 7:20pm. Council members Schwarz, Frey, Bellm, and Nicolaides. City Manager Latham, City Attorney McGinley, Directors Conrad, Cook, Gillespie, Imming, Korte, Rosen and Slover; EMS/Fire Chief Wilson, Economic & Business Recruitment Coordinator Hubbard, Building & Zoning Administrator Speraneo, Treasurer Foehner, Deputy City Clerk Hediger, City Clerk Bellm, Library Director Kim, Pool Manager Wilken, Sports, Leisure & Facilities Manager Pinsker, 1 citizen and one member of the news media.

### **Budget Discussion – FY 2019-2020 Annual Budget**

City Manager Latham expressed we appreciate these couple of weeks to get the budget together in light of changes with the State of Illinois minimum wage changes, which will greatly impact the budgets for the library, Parks & Recreation, and the fire department. It will affect the operations at the swimming pool and KRC. With some impact this year, the most will be felt in the next few years.

Miscellaneous

*Library*

Louis Latzer Library Director Angela Kim reported our budget is affected by the minimum wage mandate. The library board has been working to try to adopt city's handbook. In doing that, a wage

review was done. We found that all the library employees are below the market rate, so we are giving them 4% increase. As far as the building improvements, in this next year, we will be completing a new ceiling and LED lighting in the upstairs. Unfortunately, you cannot just replace tiles in one small area; you have to do the whole area. We are looking at finalizing a gazebo for the outside learning education area and beautification of areas around the building. We expanded hours, last year, on Wednesday nights. We are open Tuesday, Wednesday and Thursdays until 8:00pm. Program attendance has almost doubled in the last year. Donna Plocher, a retired reading education teacher, has expanded our program a lot. We presented at the Madison County level on the effects of early childhood reading programs. The computers and Wi-Fi are used heavily. The hotspot is turned off around 10pm each night.

### *Miscellaneous Funds*

Director of Finance Kelly Korte reported the miscellaneous funds is where the city sets aside funds for future capital purchases. In TIF District #1, we anticipate \$10,000 more this next year. These funds will be used for FEMA remediation. We will be using some Business District funds for that as well. TIF District #2 is the one for the hospital development. We are anticipating \$5,000 more for this area; however, it has an outstanding bond, so the funds will be applied to repayment.

Three new funds are the Business District Funds. We did not budget for use of any funds. We anticipate \$592,000 in District A. \$50,000 will be used to reimburse Public Safety for architectural fees, \$200,000 for FEMA remediation, and \$345,000 for bonding for the Public Safety Facility. District B we are anticipating \$82,000 taken in. \$20,000 is budget towards Fire Station #1 renovations, and \$63,000 for downtown parking development. Director Korte explained that we will put these Business District Funds into a different section of the budget once we have a better handle on them.

Miscellaneous funds section also includes the police pension, some audit fees, taxes levied, what the city levies for general liability and workers compensation. We also include our solid waste funds under there as well. We had a small increase from our vendor, this past year, and we were okay with that. Director Korte reported the cemetery funds are listed here. We recently increased the rates for the cemetery fees. The city purchased some land a few years ago, and the cemetery board repays a portion of that. One initiative for the year is to update the cemetery software.

### *Community Development*

Economic & Business Recruitment Coordinator Mallord Hubbard reported we increased the revenues in the budget from the various areas to take into account the payouts we anticipate for previous redevelopment agreements. We are continuing programs already existing that will include census effort and education program. We are also planning a new fall festival for this year, and workforce development initiatives, and continuing the homebuilder incentive efforts. Councilman Schwarz asked are we able to collect any data with those purchasing homes on how much the incentives have impacted their decisions. Councilman Frey noted Mr. Mettler is working on a subdivision. Has any other developers showed interest in participating in that program. City Manager Latham reported we had a developer get three permits to finish out a subdivision. Mr. Hubbard stated we do not have all the data in yet. Councilman Schwarz expressed it is comparative data. I think most are more truthful after they are received their incentives or reimbursements.

### General Administration

City Manager Latham reported workers' compensation has gone down, this past year. Initiatives continue with employee recognition, training and safety training. The council should see a contract next meeting for signage for way findings. We put \$55,000 for streetscape signage.

Mayor Michaelis recalled we had talked about the request from the Chamber of Commerce requesting \$24,000 from hotel/motel tax for all items. By state statute, that covers hotel/motel tax and the

city ordinance that governs how that money is to be allocated, we cannot pay monies to any organization. The ordinance hovers around one word, "tourism." It is the focal point of what the money is to be used for. The city attorney can attest that we have been handing it out more freely. The Arts Council came with a list of items in detail and how tourism is generated by the event. Schweizerfest does not ask for any of that funding. Mayor Michaelis reported I asked Finance Director Kelly Korte to look at other communities, as far as what they do with their Chamber of Commerce. Sparta, member of Chamber; Greenville, not part of Chamber, but if funding is requested for events by the Chamber, the funding is given; Marion, only pays for dues as a member and buys table for annual banquet; Oblong, Chamber runs on dues and its own fundraisers, put up decorations, and the city may donate to it on occasion; and, Carbondale, pays \$750 membership. Mayor Michaelis noted the City of Highland pays \$400 to be members. HCS pays \$300 to be members. Mayor Michaelis continued, Waterloo, pays membership fee only; Maryville, pays membership fee, purchases tickets to fundraiser (\$1,000 from general fund), and \$4,500 towards advertising; and, Trenton, does not pay money to chamber, it is completely independent. Mayor Michaelis noted this was done on short notice. Not all communities have responded, yet. I would not be surprised if we get additional information in the next week.

Mayor Michaelis pointed out the state statute clearly states funds shall be expended solely to fund tourism or to attract overnight visitors to community. The City's ordinance stated funds are only for the promotion of tourism or conventions. I am suggesting to council they take a look at this and how we are doing this. The Chamber's request is based off a budget that includes wages, their website, and building maintenance. As far as some of the things the Chamber does for events, it is good. Councilman Schwarz suggested they should come and ask each time. I suggest they come for each event with a detail of how that money impacts tourism. The city attorney can attest to this. City Attorney Michael McGinley advised this covered under Illinois State Statute ILCS 65 5/8-3-14 (d) which states, 'The moneys collected by a municipality under this Section may be expended solely to promote tourism and conventions within that municipality or otherwise to attract nonresident overnight visitors to the municipality.' Money used from hotel/motel tax needs to be used to specifically bring in overnight stays.

Councilman Schwarz stated we recently talked about the need for a new swimming pool. Does it bring in overnight stays? Mayor Michaelis stated that is a great suggestion. While the council put off looking at the cost for a new pool that would be an attraction to bring people into the community. The \$15 per hour minimum wage increase will significantly impact these departments. Councilman Schwarz agreed Parks & Rec will be hit very hard with the wage changes. I think we should look at earmarking some of those funds for that use. Mayor Michaelis added the All Abilities Playground has become a destination. Director Rosen told me when the playground is completed, that parking lot will be full. Director Rosen added with the warm days so far this season, and the number of people, it has been an indication of this. Councilman Schwarz concurred when we have had nice days, it has been packed already. Mayor Michaelis noted the council was very vocal about why we are using this much funds to give to the Chamber. We need to take a hard look at how these funds are appropriated with regards to the state statute and the city's ordinance, which is based off state statute. Councilman Schwarz expressed the Chamber does support tourism; however, it is not appropriate how they have been requesting of these funds. Councilman Frey agreed Parks & Rec does have a huge budget crunch. Advertising funds could be used to promote their events. Councilman Schwarz noted a lot of the Chamber's functions are more focused on internal projects, related to businesses. Mayor Michaelis stated it is about creating a transparency of the use of tax dollars. We are not trying to go against the Chamber of Commerce, it is about allocating funds, as they should be and treating everyone the same. Councilman Nicolaides stated I agree with Councilman Schwarz when he said that. The question is what does the Chamber do to promote tourism like they are supposed to.

Mayor Michaelis expressed the PB&J Festivals are a wonderful event. City Manager Latham pointed out the PB&J Festivals are funded by Parks & Rec. Councilwoman Bellm expressed the funds

from hotel/motel taxes should not be funding wages. They figure this is the time staff spends on working on tourism related projects. I have no problem with them separating it out for Street Art Fest, PB&J and the Lighted Christmas Parade, and then come ask for those projects. Mayor Michaelis pointed out PB&J brings people up to the Square, not overnight stays. You already made a decision with the ordinance for hotel/motel tax to be used for events that promote overnight stays. Now, we have a new event coming up in the October - Huhnerflugel Fest, which is German for "Chicken Wings". It will be an event on the Square with a chicken wing competition, bands, and bags tournament. The idea was brought to us by a private citizen. I took the idea to Mark and that is how things get done.

Councilman Schwarz asked do we earmark some funds for the Chamber. City Manager Latham stated we have already agreed to Art in The Park. The gun show that was just held last month will be the last one. Mayor Michaelis expressed some of the money in hotel/motel needs to be considered for Parks & Rec with the KRC, swimming pool, and All Abilities Playground, because those are destination things.

### Public Safety Department

Director Chris Conrad reported that under Public Safety, EMS is the only one that we are submitting a deficit budget. Common budget goals is completion of the design phase of the new Public Safety Facility and Fire Station #1 renovations. The idea is to complete Fire Station #1 renovations at the same time as the Public Safety Building.

All departments continue to face the need for additional training. We are contracting with a nationally recognized company for development of Standard Operating Procedures/Guidelines (SOP/SOG) for Police, Fire and EMS. Once this is in place and adopted, it will reduce the staff time of researching SOP and ensuring compliance with State and Federal mandates. Each department continues to investment in technology and software.

Specific capital expenditures for EMS include \$72,450 for replacement purchase of two cardio monitors/defibrillators; \$33,200, replacement of automatic CPR machines; and, \$51,000 set aside for replacement lease of 2001 International Ambulance. Fire Department is budgeting \$33,000 for purchase of Chevy Tahoe from Police Department; \$60,000 for truck replacement of Engine 1514; and, \$24,000 for replacement of 5-6 bunker gears and dual channel radios for communication between police and fire. For the police department, with the exception of the SOP/SOG project, we are budgeting \$30,000 for replacing Tahoe with a different unit plus the use of surplus of two drug seizure vehicles, to offset the cost.

Other budgetary items include increasing part-time EMS Paramedic pay and increase part-time EMS staff by 6% to reduce payroll by 10%. In the fire department, through recruitment and retention we hope to maintain thirty positions. With SOP/SOG draft and New World software, we feel the workload will be eased up. Fire volunteers will be trained with basics to assist EMS staff. In the police department, we have left the lieutenant's unfilled. With the SOP/SOG and reassignment of duties within the staff we can make it work. We are working with the other departments to minimize inefficiencies. In this budget year, we will be sending Sergeant Steinbeck to the FBI Academy for law enforcement command training. We will keep the line item to seek more advance technical training. Not all training is offered locally. Director Conrad reported one of the specific questions we get all the time is, "Are crime numbers are down?" Crime numbers are down. The number of calls our department receives is not down. There are more and more calls for wellness checks and other issues that revolve around addiction and mental issues. They utilize police staff for a longer period of time than a crime call. Our threats for the budget year, in public safety, are the low Medicare payments levels and increasing number of people on Medicare. This is the main driver to evaluate EMS rates continually. We want to increase part-time staff to reduce the risk of burn out for full-time staff and overtime. Additionally, we are training a second staff member on medical billing. With an increase in fire rates, we are looking at several staffing options. There is very

little discretionary spending in budget for the fire department. The recent suggestion from the fire staff and the trucks are going to improve our response and reduce costs, allowing us to set cost aside for future.

Director Conrad explained, with regards to training costs and the amount of training being offered online, we continue to look at technology to improve that ability. Benefits and wages have outpaced our revenue streams. Sales tax has been stagnant, so our revenue stream is down, and the telecom tax continues to decline also. For this reason, we will leave the lieutenant position open. This is a trend that is playing out all over the country. Mayor Michaelis expressed these are the money issues the directors are all facing. Not having a lieutenant in position, because they are not going to have funds for it, is a problem. When the Chief is gone, someone needs to be in charge. Not having a second in command is a serious issue for that department. Years ago, before Chief Conrad was in that position, Chief Bell was gone and I asked who was in charge, when I called the department. At that particular time, it was a probationary officer. Not good.

### Building & Zoning Department

Breann Speraneo, Building & Zoning Administrator, stated we continue to look at city's strategic planning goals. We continue to work with the newly implemented rental program. As we have been enforcing this program and doing the inspections of the Village of Grantfork, as well. \$60,000 has been budgeted for the upcoming year to replace the current permit software program. This software has not been updated in thirteen years. We do not have the option to research properties through the software. The new software program would allow inspectors to issue a permit on site. It would increase office productivity, online portal to schedule inspections and apply for permits. The revenues have remained steady or increased in some areas. Councilman Frey noted staff and council has gone over fees a number of times in the last few years. We wanted to be competitive with other communities. Does this budget show the need for increasing any fees? Administrator Speraneo replied no changes in fees are needed at this time. Councilman Nicolaides inquired is staff doing a lot of rental inspections. Breann reported each time there is a new tenant we are doing inspections. Mayor Michaelis asked how do you feel compliance is with the program. Administrator Speraneo reported maybe one out of ten require a long-term schedule. Others have maybe 1-2 things that are minor things, because the landlord did not know about a requirement. Brian Wilson added there is 1-2 properties that I know that have not passed inspection. Councilman Nicolaides asked if you are told by someone of a landlord that is not doing inspection, would you be pretty responsive at getting that addressed. Chief Wilson reported there have been a few that stated they were unaware of it, and I give them the benefit of the doubt, as long as they do the right thing at the end of the day. Councilwoman Bellm expressed I have not heard anything negative. Administrator Speraneo reported we provide the checklist online, so they have a chance to check what needs to be done before we arrive.

### Electric Department

Director Dan Cook reported we are divided into three areas: Administrative, Production, and Distribution. We control all technology under Administrative. In this next year, we will begin hosting our own server. We will cross-train all the employees to use GIS, SCADA and access of Tantalus technology and information. We have not visited three-phase metering systems for 10-15 major companies, in a number of years, so our intent is to do a check on these systems in the next budget year. This will validate revenue stream through the testing and repair of these commercial/industrial metering systems. In production, we want to develop a structured and documented system maintenance program encompassing all aspects of the power plant operations and reallocated appropriate tasks to the power plant operators to balance workload. We are not planning any major changes to that facility. He noted the city received \$588,000 in credits, this past year, to operate the generators. That is a \$300,000 profit. In distribution, we plan to add 100 Smart Grid meters (\$240,000). We have ~60% system on this now. After this year, we should be ~75%. We are selling a section of 138kv Line back to Ameren. We are going to expend that money to purchase and install a new Northtown Substation transformer (\$1.3

million) and work towards installation of Bellm Road Cross Tie to add flexibility and improve reliability. Other capital expenditures include \$145,000 for replacement of our oldest bucket truck, which was deferred from last year; \$130,000, purchase and deploy 150 more LED streetlights; and, \$75,000, replacement of ~20% of our poles under the continued pole inspection and replacement program. A lot more people are doing more energy efficient projects. We hope new developments will move that up. Other budgetary items include the addition of a foreman and supervisor.

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

Director Angela Imming stated we are very exciting to talk about the budget this year. This year marks the end of our build out. We now have over 2,200 customers. We have had over 10% growth in last three years. We are at 48% saturation of total build out (4700 customers). Voice is very stable, because we are getting more business customers to move over to our platform. Data has increased 42%. This budget includes final construction growth. By the end of this fiscal year, we will be at Prairie Trails, and we will have Evergreen and Prestige Subdivision and Silver Lake. Revenue in the budget for the upcoming year is based upon 4% growth. We expect 2% growth in voice services and 2% growth for video customers, with 48% saturation rate of data customers, based upon \$39/month for data. Data has the highest level of profit. We average \$35/month profit for data presently. This next year we will look at offering the sale of home automation products that offer customers energy efficiency, open and close doors remotely, making sure filters are working on your pool, etc. The higher expenditures (\$150,000) in capital is not only for completion of the build out, but also to start to purchase equipment for home automation. This expansion of these products, along with a device to make your TV a Smart TV versus having a set top box. One drawback of adding this product is having to keep two platforms available. Any excitement in video is how to get to things they want with that. We will deploy these devices in three phases, with a six-month deployment. If we start in May, the first customer turns on in October. Phase II will be if a set top box dies, then you move to this application. Councilman Nicolaides inquired if do not have a Smart TV; you can use this key to make it work. Director Imming replied it does.

Councilman Schwarz inquired what the cost outlay for the home automation products is. Director Imming acknowledged they have a higher price point. Estimated return on invest of approximately seven months. Councilman Schwarz asked are other communication companies offer it. Director Imming replied no. We are working with some businesses to deploy and support security cameras, currently. They want us to host that data. As we go out and speak to people, we find they have twelve different icons on their phones to monitor or control various functions. This would put all those controls into one application. Councilman Schwarz asked will you buy software or write software. Director Imming responded we will be integrating different software into one space. There are very few vendors in this area. We have one person who came to us from Chesterfield, he did home integrations in the urban areas. We are going to bring that into this area. Councilman Schwarz asked did HCS or IT set up the city's camera network. If HCS, does HCS eat the cost of that. Is there anything in the budget that other departments are providing revenue back to HCS for these costs? Director Imming reported IT is pulling all those cameras into one server and that it is one connection/customer for HCS. \$350,000 is the cost of the camera and connectivity for the city's system.

Director Imming pointed out that with the new devices HCS will still have to continue to replace set top boxes, for some time, and we will have the same contract fees and licenses as we do with the set top boxes.

#### Public Works Department – this budget is balanced *Street & Alley Division*

Public Works Director Joe Gillespie reported the budget for Street & Alley Division includes \$85,000 for replacement replace of one 1-Ton Dump Truck with salt spreader and plow; \$25,000, continue with ADA sidewalks; and, \$17,500 to oil and chip alleys. We have noticed a significant erosion

problem in Laurel Branch under Poplar Street, so \$95,000 has been budget to work on mitigating that. There is \$200,000 included for the parking lot at 700 block of Main Street. NHR Sales Tax Funds will be expended on construction of the roundabout at Iberg/Broadway/Veterans' Memorial Parkway, \$190,000; \$150,000, resurfacing of Broadway from Helvetia to the roundabout; \$105,000 pavement rehabilitation of older section and general street maintenance; and, \$20,000, sidewalk replacement. Councilwoman Bellm noted we have a lot of potholes. Director Gillespie acknowledged we do. Winter has been difficult on the streets. City Manager Latham pointed out that one of the Non Home Ruled Bonds will be paid off. In FY 2020-2021 we will use \$645,000 resurfacing of streets within the older section of town by cutting out at curbing, grinding down and resurfacing. Director Gillespie reported an original one-block section of town, Zschokke from Broadway to Main Street, for example, will cost approximately \$100,000. The last time it was resurfaced was in the late 1990s. City Manager Latham noted part of the sales of NHR sales tax was that it would provide funds to rehabilitate the streets in older section of town. Director Gillespie continued other capital projects included in the budget is \$460,000 for signalization project of Hemlock intersection at the train tracks. ICC requires reprogramming of signals so no cars are on the tracks as a train approaches with approach to the intersection.

#### *Water Department*

Director Gillespie reported we had an engineer inspection study of spillway through IDNR (Illinois Department of Natural Resources). We do have a defective retaining wall at the very last wall on the east side of south spillway structure. A photo of the wall was passed around for council to see. \$275,000 is budgeted for these repairs. We are starting to set aside funds for continuation of maintenance on the water tanks.

Under distribution, \$290,000 has been committed for the water line replacement projects and we have some funding for extension of water lines to the new Hunsche Development, as well as \$70,000 for auto meter replacements. We have replaced all water meters on residential customers set with Smart meters. We are going to cycle back to the older ones and begin their replacement. Staff has been checking the two-inch meters and we plan to add one staff member to the water division in the upcoming fiscal year.

#### *Sewer*

Director Gillespie reported for sewer collection, \$3,660,000 has been budgeted to start the trunk rehabilitation project and continue with cure-in-place pipe (CIPP). One of last things on list of items to take care of is repair of trunk mains. We have three main trunks in town. \$5 million has been budgeted for Water Reclamation Facility plant improvements and upgrades. This is a 1.5-2-year project with \$3 million dollars budgeted into the 2020-2021 fiscal year.

#### Parks & Recreation Department

Director Rosen reported Parks & Rec plays a large part in attracting people to Highland. The Korte Rec Center hosted 435 parties. (40% were out of Highland customers.) Highlights of the budget for the upcoming year is to bid out the Route 160 trail that connects to the hospital, complete Phase II of the All Abilities Playground, and perform an audit on the existing pool and its costs. For the outdoor swimming pool, we will be looking at increasing costs for first time in nine years. We have reached out to the school about offering water safety courses and to different sports teams to extend use after school starts. We know that we will need to replace a damper that controls the temperature and an ADA lift chair, and improve communication with our guests. Included in the cemetery budget is expenses for replacement of headstones. Our department is planning to work out a deal with electric department for purchase of used truck.

One savings should be from the upgrade on the HVAC system at the Weinheimer, which will also make it more customer-friendly, but allowing those in different rooms and areas of the facilities to control

their own area temperature. Mayor Michaelis asked Director Rosen to talk about this fall festival. Director Rosen noted the City's Square is a city park. One discussion has been to take the proceeds, or portion of them to put towards the fountain. We purchase a whole pallet of glass blocks for the fountain, since they are more difficult to get. We are looking at expanding the hanging baskets around the Square also. Mayor Michaelis expressed it is important to make sure the Square is a focal point of the community. Director Rosen reported the event will be October 19. This is the weekend after Art in Park and the day before Moose Lodges' Chili Cook-off. The Jaycees are going to use their dram shop license. Other organizations will participate. At least one group of competitors for the wing competition will be from service organizations and then others that want to compete.

Councilman Schwarz made a motion to adjourn; seconded by Councilman Frey. All council members voted aye, none nay. Motion carried and meeting adjourned at 9:20pm.

Joseph R. Michaelis, Mayor

Barbara Bellm, City Clerk