

CITY OF OLNEY
CITY COUNCIL MEETING
APRIL 11, 2016

AGENDA #1 “CALL TO ORDER” The April 11, 2016, meeting of the Olney City Council was called to order at 7:00 p.m. in the Council Chambers of the Olney City Hall located at 300 S. Whittle Avenue, Olney, Illinois, with Mayor Ray Vaughn presiding.

AGENDA #2 “PLEDGE OF ALLEGIANCE TO THE FLAG-PRAYER” Council members and visitors joined in the pledge of allegiance to the flag. Tim Loomis led the group in prayer.

AGENDA #3 “ROLL CALL” The following Council members were present: Les Harrison, Belinda Henton, John McLaughlin, Bob Ferguson, and Ray Vaughn. Also present were City Manager Allen Barker, City Attorney Bart Zuber, City Clerk Kelsie Sterchi, City Treasurer Chuck Sanders, Assistant City Treasurer Jane Guinn, and City Engineer Charleston.

AGENDA #4 “PUBLIC HEARING: 2016/2017 FISCAL BUDGET” Before addressing Agenda #4, Mayor Vaughn addressed Agenda #5, #6, #7, and #8.

The Illinois State Statute requires the Council to hold a public hearing for the tentative fiscal year 2016/2017 budget. Notice was given to the media that the tentative budget was available for viewing at City Hall. The purpose of the hearing would be to allow the public to express their opinions and to ask questions regarding the tentative budget. Mayor Vaughn then addressed the audience by asking if anyone had comments concerning the proposed budget.

From the audience, Brian O’Neill warned that the governing bodies need to watch how money is spent. Main priorities and desperate needs should be addressed, but extra spending should be held off.

No one else from the public wished to speak. The public hearing was closed.

AGENDA #5 “PRESENTATION OF CONSENT AGENDA”

5-A “Approve Minutes of Council Meeting on March 28, 2016”

5-B “Approve and Authorize Payment of Accounts Payable on April 12, 2016” Pooled Cash \$168,566.05, Manual Pooled Cash \$147,038.46, IMRF \$29,646.17, 175th Anniversary \$64.29, Petty Cash \$100.36

5-C “Raffle License: ERFAE”

5-D “Application to Sell in the City Park – Farmers Market”

5-E “Raffle License: SKS Realty Relay for Life Team”

AGENDA #6 “REMOVAL OF ITEMS FROM CONSENT AGENDA” No items were requested for removal from the consent agenda.

AGENDA #7 “CONSIDERATION OF CONSENT AGENDA” Councilman Harrison moved to approve the items on the consent agenda, seconded by Councilman McLaughlin. A majority affirmative voice vote was received to approve the consent agenda.

AGENDA #8 “CONSIDERATION OF ITEMS REMOVED FROM CONSENT AGENDA”

No consideration was necessary since no items were removed from the consent agenda. Mayor Vaughn then addressed Agenda #4

AGENDA #9 “PRESENTATION OF ORDINANCES, RESOLUTIONS, ETC.”

9-A “Request: Class S Liquor License for Fair Board Evening Concert as Applied for by Bobalou’s” The Council was provided with a Special Use Permit Application for the Sale of Alcoholic Liquors as submitted by Bobalou’s, and a copy of the Special Event Application submitted by the Fair Board for their Spring Race and Concert. Fair Board President Mark Doris and Bobalou’s representative, Christy Ritter, were present to help answer any questions.

Mr. Doris explained that the Fair Board was going to try a new event at the fairgrounds in May. During the afternoon of May 21, an ATV/UTV event would take place called “Straight Rhythm Racing.” Following that event, a concert would be held featuring the Thinga-Ma Jug Band and the Matt Poss Band. This concert would be similar to the Blues Fest that had been held in the past. This concert would be held at the old major league diamond at the City Park. The Fair Board wished to sell alcohol at the evening concert only.

Councilman Ferguson asked if any other products would be sold other than beer. Ms. Ritter replied that only beer would be offered.

Councilman McLaughlin moved to approve a Class S Liquor License for Bobalou’s for May 21, 2016, from 6:30 p.m. until 11:30 p.m., seconded by Mayor Vaughn. A majority affirmative voice vote was received.

9-B “Ordinance: Approve Special Use Permit for One Manufactured Home at 1019 & 1023 W. Butler Street” The Council was provided with a proposed ordinance that would grant a Special Use Permit to Lisa Tarpley for the placement of one manufactured home at 1023 and 1019 W. Butler Street, and a copy of the minutes from the Plan Commission meeting on April 4, 2016. The Plan Commission unanimously voted to recommend the granting of the Special Use Permit.

Mr. Barker told the Council that a home had recently been demolished at 1023 W. Butler Street, and he recommended granting the Special Use Permit as the proposed manufactured home would be an upgrade to the location.

Mayor Vaughn clarified that the reason that the request went before the Plan Commission was because the proposed residence would be a manufactured home. Councilwoman Henton confirmed. She added that she had spoken to the City Attorney because she felt that the Code

Enforcement Officer could most likely approve such permits without the request needing to go before the Plan Commission.

Councilman Ferguson thought that the concern for manufactured homes may be because of their same rating as a trailer. Councilwoman Henton added that manufactured homes are now taxed the same as regular real estate. Overall, the Council felt that Code Enforcement Mike Mitchell could regulate such requests through a building permit.

Councilman McLaughlin moved to approve Ordinance 2016-16, seconded by Councilman Harrison. A majority affirmative voice vote was received.

9-C “Resolution: Support SWAN Grant Application” The Council was provided with a proposed resolution of support for SWAN in their application to the State of Illinois Department of Human Services for funds from the Emergency Solutions Grant Program, and a faxed request for the resolution from Linda Bookwalter.

Ms. Bookwalter told the Council that SWAN had received the grant funds for approximately 20 years, but in order to be considered, it is required that the City supports the application. If approved, \$44,943.00 would be received.

Councilman Ferguson moved to approve 2016-R-23, seconded by Councilman McLaughlin. A majority affirmative voice vote was received.

9-D “Resolution: Accept Quotes for Amkus Rescue Equipment Upgrades for the Fire Department & Waive Formal Bidding Procedures” The Council was provided with a proposed resolution accepting quotes for Amkus rescue equipment upgrades for the Fire Department, and waive formal bidding procedures. The Council was also provided with a memo from Fire Chief Rusty Holmes, and quotes provided by Global Emergency Services and Municipal Energy Services. Fire Captain Mike Hill was present to help answer any questions.

Mr. Barker told the Council that the proposed equipment would upgrade the Pierce 2012 engine. The equipment being replaced is 25 years old, and the pump is 23 years old. Fire Chief Holmes recommended that the Council accept the quotes from Municipal Emergency Services in the amount of \$34,189.00 and Global Emergency Services in the amount of \$11,670.00.

Fire Captain Hill added that the Fire Department’s current tools are quite old, and some equipment could not cut the metal that is now used in cars. The truck’s upgrades would also provide numerous advantages. The Amkus equipment is recommended for compatibility purposes.

Mayor Vaughn moved to approve 2016-R-24, seconded by Councilman Harrison. A majority affirmative voice vote was received.

9-E “Discussion: W. Main Watermain Replacement Project” The Council was provided with a memo from City Engineer Charleston, and a schematic of the proposed W. Main Street waterline relocation.

Mr. Charleston requested that the Council approve a change in plans for the proposed 12 inch waterline along the north side of Main Street from Route 130 to Walnut Street. There is an old, brick storm sewer on Walnut Street that the new water line would have to cross in order to connect to the 12 inch water main at the northeast corner of Walnut and Main. As a result of a televised inspection report of the storm sewers in this area, Mr. Charleston recommends that the new waterline extend to the northeast corner of Kitchell Avenue and Main Street per plans, but then turn north and extend along the east side of Kitchell Avenue, and terminate with the connection to a 12 inch waterline on Butler Street. It is estimated that the change in plans will increase the cost of the project by \$30,000.00.

Councilwoman Henton noticed that the 2016/2017 proposed budget listed \$100,000.00 for storm sewer work at Main and Walnut Streets. She wondered if the storm sewer should be fixed first, and then the waterline could be placed. Mr. Charleston replied that the only problem is the time conflicts in the current project contract.

Mayor Vaughn asked if the project change would affect the loan that was received. Mr. Charleston indicated that even with the change, the City would be well within what was budgeted for the project.

Mayor Vaughn moved to approve Mr. Charleston’s proposal, as presented, for the change to the W. Main Watermain Replacement Project, seconded by Councilman Ferguson. A majority affirmative voice vote was received.

9-F “Resolution: Accept Quote for Dimminutor for Sewer Department, Waive Formal Bidding Procedures, and Amend 2015/2016 Budget” The Council was provided with a proposed resolution to accept a quote for a dimminutor (screening grinder) for the Sewer Department, waive formal bidding procedures, and amend the 2015/2016 budget. The Council was also provided with a copy of the quote from Franklin Miller, Inc./Municipal Equipment Company Inc., in the amount of \$42,449.00.

Mr. Barker told the Council that the proposed screening grinder would replace an existing unit that is unrepairable. Municipal Equipment Company is the area dealer for this model of equipment.

Mr. Barker added that \$70,000.00 is currently budgeted for 2015/2016 for a garage extension at the Sewer Plant. Since that project will not be completed in the current fiscal year, it is suggested that the funds budgeted for the extension be used for the purchase of the screening grinder.

Councilwoman Henton moved to approve 2016-R-25, seconded by Councilman Ferguson. Councilwoman Henton, Councilmen McLaughlin, Ferguson, Harrison, and Mayor Vaughn voted yes. There were no opposing votes. The motion carried.

9-G “Appointments and Re-Appointments to Plan Commission and Board of Appeals” The Council was provided with a listing of proposed appointments and re-appointments to the Plan Commission and Board of Appeals. Mayor Vaughn asked the Council’s support to appoint Barb Roberts to the Plan Commission, and to re-appoint Vicki Lobacz, Scott Jones, Wesley Tolliver, and Belinda Henton to the Plan Commission. He also sought the Council’s support to appoint Barb Roberts to the Board of Appeals, and re-appoint Scott Jones, Belinda Henton, and Tony Zuber to the Board of Appeals.

Councilman McLaughlin moved to approve the Mayor’s recommendations for the Plan Commission and Board of Appeals, as presented, seconded by Councilman Ferguson. A majority affirmative voice vote was received.

Mayor Vaughn added that the City was continuing to seek volunteers to serve on City Boards and Commissions. Anyone interested should contact City Hall.

9-H “Resolution: Restrict Funds for Capital Expenditures in the Water Fund” The Council was provided with a proposed resolution to restrict funds in the Water Fund for capital expenditures.

Mr. Barker explained that in previous years, the Council had approved restricting funds in the Water Fund to pay for certain capital improvement expenditures such as the painting of water towers. Mr. Barker recommended that the Council continue this practice, and restrict \$50,000.00 in the Water Fund for such purposes. At this time, he did not recommend restricting funds for specific capital improvement items. The funds to restrict would come out of the Water Fund’s budget balance for the current fiscal year.

City Treasurer Sanders detailed that when water and sewer rates were raised a few years ago, included in that rate change were debt service/capital improvement fees. The debt service/capital improvement fees collected on the water and sewer bills have been set aside as revenues for capital improvements. Currently, \$351,000.00 is in the capital improvement account for the Water Fund, and \$161,000.00 is in the capital improvement account for the Sewer Fund. The current debt service/capital improvement fee of \$1.75 generates about \$70,000.00 per year.

Councilman McLaughlin wondered why the \$70,000.00 collected per year was not always put into a reserve for capital projects. Mr. Sanders replied that it’s not put aside in the capital improvements account because capital improvements are needed yearly, and included in each budget.

Mayor Vaughn moved to approve 2016-R-26, seconded by Councilman Harrison. A majority affirmative voice vote was received.

9-I “Resolution: Restrict Funds for Capital Expenditures in the Sewer Fund” The Council was provided with a proposed resolution to restrict funds in the Sewer Fund for capital expenditures.

Mr. Barker said that the reason behind the proposed resolution was the same found in that of Item 9-H.

Mayor Vaughn moved to approve 2016-R-27, seconded by Councilman Harrison. A majority affirmative voice vote was received.

AGENDA #10 “REPORTS FROM ELECTED AND APPOINTED OFFICIALS”

10-A “Status Report-City Manager” The Council was provided with a Status Report from the City Manager.

Mr. Barker began by stating that the Sewer Plant’s garage extension estimate had increased considerably. The next plan would be to research a free standing building instead. Mr. Barker would have a meeting to firm up pricing and specifics for the project.

After Closed Session, Mr. Barker would discuss capital purchases. He did add that new blinds for the windows of the Council Chambers had been ordered.

Mayor Vaughn told the Council that letters of support for the Enterprise Zone application had been sent, and Newton/Jasper County were also in the process of sending letters of support. It was expected that Enterprise Zones would be awarded in September.

Councilman McLaughlin asked for an update on the Whittle Avenue project. City Engineer Charleston replied that he had not heard anything from IDOT in about five weeks. A redesign had been submitted, and IDOT is reviewing the redesign.

Mayor Vaughn asked the City Attorney if he had heard anything from the Fire Protection District recently. Mr. Zuber stated that the Fire Protection District’s attorney had indicated that they would be setting up an appointment with Mr. Zuber during the upcoming week.

AGENDA #11 “PUBLIC COMMENTS/PRESENTATIONS”

11-A “Brian O’Neill” Brian O’Neill, 818 E. Main Street, detailed areas where he knew water lines were located through the City. He also commented that once the City widened the drainage area at a certain location, the drainage seemed to improve. He would watch the area once a big storm came through to see how the drainage was being handled.

AGENDA #12 “CLOSED SESSION: SALE PRICE OF REAL PROPERTY; ACQUISITION OF REAL PROPERTY; AND APPOINTMENT, EMPLOYMENT, COMPENSATION, AND PERFORMANCE OF SPECIFIC EMPLOYEES” Councilwoman Henton moved to adjourn to closed session to discuss sale price of real property; acquisition of real property; and appointment, employment, compensation, and performance of specific employees, seconded by Councilman McLaughlin. A majority affirmative voice vote was received.

Councilmen Harrison, McLaughlin, Ferguson, Councilwoman Henton, Mayor Vaughn, City Manager Barker, City Treasurer Chuck Sanders, City Attorney Zuber, and City Clerk Sterchi left the Council Chambers at 7:34 p.m.

AGENDA #13 “DISCUSSION/ACTION ON AMENDMENTS TO PROPOSED ANNUAL BUDGET FOR FISCAL YEAR 2016/2017” Upon return of those who were in closed session to the Council Chambers, Councilwoman Henton moved to enter back into open session, seconded by Mayor Vaughn. A majority affirmative voice vote was received. Open session resumed at 8:26 p.m.

Mr. Sanders had provided a copy of the 2016/2017 tentative budget in the mailboxes of the City Council a few days prior to the meeting.. The Council referenced this document for the budget discussions.

Mayor Vaughn noticed that the proposed 2016/2017 budget appeared to show a deficit. He asked the City Treasurer to explain. Mr. Sanders replied that the deficit shown of \$(1,698,541.00) includes over \$1,000,000.00 in separate accounts for specific items or projects. Mr. Sanders indicated that the true deficit would be approximately \$(550,000.00). That number could be improved based on any of the Council’s proposed changes.

Mayor Vaughn commented that once the Pacific Cycle roof project was complete, that specific bank account would be depleted. He was curious if the City should consider replenishing the account for future Councils and future projects.

Mr. Sanders recalled that most of the Pacific Cycle roof money did not come from the normal operations of the City. A majority of those funds were a result of a one-time transaction of property. Mr. Sanders recommended setting aside money for the future.

Councilman Ferguson noted that many other communities borrow money for various capital projects. He felt Olney was one of very few communities that maintained such a low debt. He thought that the City should be planning on how to maintain low debt for the future.

Mr. Sanders went on to say that in addition to reserves, there is \$3,500,000.00 of unrestricted cash that has accumulated over time.

Mr. Barker added that \$90,000.00 had been budgeted for 2015/2016 towards the purchase of a dump truck. He had found one available in Mayfield, Kentucky, for \$46,000.00. If the Council supported the purchase, Tom Umfleet would like to purchase the truck as soon as possible.

Mr. Umfleet would also be testing out a specific mini track hoe model. If Mr. Umfleet was pleased with the model, Mr. Barker had found one available online for \$37,000.00. The item could be purchased in the 2015/2016 budget, or in the 2016/2017 budget.

Mr. Barker further explained that the Sewer Department was in need of a septic truck to pump out lift stations. There is \$45,000.00 proposed for the 2016/2017 budget. A good septic truck was available for purchase in Missouri.

The Council felt that a special meeting should be scheduled to approve the purchase of the dump truck and the septic truck, and to amend the 2015/2016 budget for those purchases. The Special City Council meeting would be held on Thursday, April 14, 2016, at 4:30 p.m.

In effort to help the 2016/2017 proposed budget deficit, Mr. Barker offered that the \$100,000.00 budgeted for the Walnut Street storm drain work could be removed and added to the 2017/2018 budget instead.

Mr. Barker reminded the Council that the garage extension at the Sewer Plant was expected to be about \$70,000.00. True estimates came in at \$189,000.00. The new plan is to now look into a pole barn style of storage building that should come in under or within the proposed \$70,000.00 for 2016/2017.

Councilwoman Henton wished to see the Pacific Cycle Roof line item reduced to the amount that was actually in the bank account. The change would take the 2016/2017 line item from \$1,067,219.00 to \$831,421.00.

Councilman McLaughlin noticed the \$205,000.00 proposed for the Whittle Avenue Industrial Park sewer extension. He wondered if that project would be completed in 2016/2017. Mr. Barker confirmed that the plans were set for completion during the next fiscal year.

Councilwoman Henton recalled discussion on selling a piece of City property on Union Drive and sharing the income with the Chamber of Commerce. She wondered if instead of contributing \$7,000.00 worth of Tourism Funds to the Chamber, the share of the property's sale could be used as a contribution instead.

The Councilwoman went on to tell that she had spoken to Park Department Supervisor Frank Bradley about the addition of signage for East Fork Trails. She proposed to increase the East Fork Lake line item from \$3,500.00 to \$5,000.00 in 2016/2017 to allow for the purchase of signage.

Councilman McLaughlin recalled Mr. Bradley's request for another full-time employee. He did not want to see a department head denied a request that was really needed. Understanding the financial strain of bringing on another full-time employee, he wondered what the Council could do to help. Mr. Barker thought that another option might be to add on winter part-time help.

Mayor Vaughn noticed that no monies were budgeted for a part-time employee at RCDC. Even though the expense and revenue would cancel out for the part-time RCDC employee, he still wished to see that listed in the budget.

Councilwoman Henton had heard that the Chamber of Commerce and RCDC may be merged together. She wondered if there were any updates on that possibility. Mayor Vaughn replied that the respective committees would be meeting soon to discuss the potential.

To recap the Council's desired 2016/2017 budget changes were as follows: the addition of the RCDC part-time employee line item, the reduction to \$831,421.00 in the Pacific Cycle Roof line item, the increase to \$5,000.00 in the East Fork Lake line item, the removal of the Dump Truck (1/2) line items from the General and Water Funds, the removal of the Storm Sewer Main & Walnut line item, the removal of the Screening Grinder line item, and the removal of the Tank Truck line item from next fiscal year to the current fiscal year.

Mayor Vaughn moved to approve the proposed changes to the 2016/2017 budget, seconded by Councilwoman Henton. A majority affirmative voice vote was received.

Councilwoman Henton updated the Council on the results of her online poll regarding interest in a proposed dog park. She reported that 81% of voters were in favor of the dog park and would use it, 13% of voters said they were in favor of the dog park but would not use it, and 5% of voters were against the dog park.

The Councilwoman had also found out that the dog park grant awards had changed to allow the disbursement of five \$25,000.00 grants to build new dog parks. She had made a list of pros and cons at possible locations that would be reviewed at the next Parks & Recreation Board meeting.

AGENDA #14 "ADJOURN" Councilman McLaughlin moved to adjourn, seconded by Councilwoman Henton. A majority affirmative voice vote was received.

The meeting adjourned at 9:27 p.m.

Kelsie J. Sterchi
City Clerk