

CITY OF OLNEY  
CITY COUNCIL MEETING  
APRIL 22, 2019

AGENDA #1 “CALL TO ORDER” The April 22, 2019, 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 Mark Lambird presiding.

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

AGENDA #3 “ROLL CALL” The following Council members were present: Morgan Fehrenbacher, Les Harrison, Belinda Henton, John McLaughlin and Mark Lambird. Also present were City Manager Allen Barker, City Treasurer Jane Guinn, City Clerk Kelsie Sterchi, City Engineer Mike Bridges, and City Attorney Bart Zuber.

AGENDA #4 “PRESENTATION OF CONSENT AGENDA”

4-A “Approve Minutes of Council Meeting on April 8, 2019”

4-B “Approve and Authorize Payment of Accounts Payable April 23, 2019” Pooled Cash \$126,726.83, Manual Pooled Cash \$414,224.40, Utility Refunds \$1,666.94, Housing Rehab Grant \$22,025.00, MFT \$1,567.54, Unemployment Insurance \$9,579.07, Tourism \$10,701.00

4-C “Raffle License: ERFAE”

4-D “Raffle License: Olney FFA Alumni”

4-E “Application for Permit to Sell Merchandise in City Park – Farmers Market”

AGENDA #5 “REMOVAL OF ITEMS FROM CONSENT AGENDA” No items were requested for removal from the consent agenda.

AGENDA #6 “CONSIDERATION OF CONSENT AGENDA” Councilman McLaughlin moved to approve the items on the consent agenda, seconded by Councilwoman Fehrenbacher. A majority affirmative voice vote was received.

AGENDA #7 “CONSIDERATION OF ITEMS REMOVED FROM CONSENT AGENDA” No consideration was necessary since no items were removed from the consent agenda.

AGENDA #8 “PRESENTATION OF ORDINANCES, RESOLUTIONS, ETC.”

8-A “Ordinance: Authorize Sale of Real Property at 522 W. Butler Street” A public auction for the sale of 522 W. Butler Street took place earlier in the day at 4:00 p.m. Three bidders were present. The highest bidder was Richard Germer in the amount of \$1,000.00. Mr. Barker recommended accepting the high bid from Mr. Germer.

Councilwoman Henton asked if it was correct that the City had invested about \$5,000.00 into demolition of the property at this address. Mr. Barker confirmed.

Councilman McLaughlin moved to approve the sale of 522 W. Butler Street in the amount of \$1,000.00 to Richard Germer, seconded by Councilwoman Henton. A majority affirmative voice vote was received. Ordinance 2019-13 will be created.

8-B “Request: Class S Liquor License for the 2019 Sounds of Summer Free Concert Series” The Council was provided with a Class S Liquor License Application as submitted by Tosha Hancock, owner of The Fireside. The Fireside was granted a Class S Liquor License for the 2018 Sounds of Summer Free Concert Series dates, and was again requesting a Class S Liquor License for all dates of this year’s Sounds of Summer Free Concert Series. Mrs. Hancock was present to speak on the request.

Mrs. Hancock asked the Council to consider the allowance of alcohol consumption inside of Bower Park for this year. Last year, the parking area directly to the south of The Fireside was roped off as a separate consumption area. Mrs. Hancock was told by several patrons that they felt as if they were on display being excluded from the park where the music was being played and where their families were located.

Mrs. Hancock stated she had asked the Friends of Olney if they would support consumption inside of Bower Park during the concerts, and a majority of the group was in favor. Mrs. Hancock was not interested in stepping on anyone’s toes, but did note that without the allowance of consumption inside of Bower Park, it would most likely not be financially feasible for her to offer alcohol sales at all.

Mrs. Hancock offered that if the Council desired, any alcohol could be served in a cup, she could wristband legal consumers, or even offer additional employees for security. She also noted that the crowd that attended the Sounds of Summer Concerts was not a rowdy crowd, but a crowd that would enjoy a drink while listening to the bands.

Councilwoman Henton asked for the Police Chief’s opinion on having alcohol consumption extended into Bower Park. Chief Paddock was not especially in favor of the request, but did not think it would cause any harm either.

Councilwoman Henton and Councilman McLaughlin did not feel that extending the consumption area by that short of a distance would make too big of a difference.

Mrs. Hancock was also aware that the WalMart D.C. was not going to be offering concessions this year. She explained she could also offer popcorn and nachos.

Councilwoman Henton asked if community input should be sought. The Council did not believe so. Mayor Lambird noted that other than Musgrove Park, all other City parks had allowed alcohol consumption at one time or another for a special event.

Councilman Harrison moved to approve a Class S Liquor License for The Fireside for all dates of the 2019 Sounds of Summer Free Concert Series, and moved to allow alcohol consumption from The Fireside’s sales in Bower Park for the Sounds of Summer Free Concert Series, seconded by Councilman McLaughlin. A majority affirmative voice vote was received.

8-C “Resolution: Approve Fiscal Year 2019/2020 Budget” The Council was provided with a proposed resolution that would approve the fiscal year 2019/2020 budget, and a 2019/2020 budget summary. Action on this item was taken after Item 8-K.

8-D “Ordinance: Authorize Lease with the White Squirrel Saddle Club for East Fork Arena Area” The Council was provided with a proposed ordinance that would authorize a lease with the White Squirrel Saddle Club for the East Fork Arena area, and the Council was also provided with a copy of the proposed lease agreement.

Mr. Barker told the Council that the members of the White Squirrel Saddle Club were in agreement with the proposed lease. The term of the lease was set for five years, renewable up to twenty years. The land leased by the White Squirrel Saddle Club would be approximately four and a half acres where East Fork Arena is located, and did not include the firing range building.

Councilwoman Fehrenbacher moved to approve Ordinance 2019-14, seconded by Councilman McLaughlin. A majority affirmative voice vote was received.

8-E “Ordinance: Prohibit the Use of Groundwater as Potable Water Supply by the Installation or Use of Potable Water Supply Wells or by Another Method” The Council was provided with a copy of a letter received from Dynamic Environmental Services, and a copy of a proposed ordinance that would prohibit the use of groundwater as a potable water supply by the installation or use of potable water supply wells or by another method.

Mr. Barker told the Council that due to contamination near the old Jumpin’ Jimmy’s location at Route 130 and Butler Street, such an ordinance was necessary. The ordinance would prohibit a well being drilled in this area. Dynamic Environmental Services was working with the IEPA on remediation efforts.

City Engineer Bridges noted that the ordinance would be the last step required in remediation. Mr. Bridges and Mr. Zuber had reviewed the ordinance and believed it was in order.

Councilwoman Henton moved to approve Ordinance 2019-15, seconded by Councilwoman Fehrenbacher. A majority affirmative voice vote was received.

8-F “Resolution: Authorization to Enter Into a Land Use Agreement with C.J. Stop, Inc., for Remediation Management Related to 130 N. West Street” The Council was provided with a letter from Dynamic Environmental Services, a proposed resolution to authorize entering into a land use agreement with C.J. Stop, Inc., for remediation management related to 130 N. West Street, and a copy of the proposed land use agreement.

Mr. Bridges explained that this resolution and agreement were also related to the old Jumpin’ Jimmy’s location at Route 130 and Butler Street. The agreement would prohibit ground water use and would require special procedures for any excavation work.

Councilman McLaughlin asked why such action was necessary. Mr. Bridges replied that fuel had leaked in the area.

Councilwoman Henton moved to approve 2019-R-36, seconded by Councilman McLaughlin. A majority affirmative voice vote was received.

8-G “Resolution: Accept Package Quotes Received for Chemicals at the Olney Water Treatment Plant and Waive Formal Bidding Procedures” The Council was provided with a proposed resolution to accept package quotes for chemicals at the Olney Water Treatment Plant and waive formal bidding procedures.

Mr. Barker reported that Supervisor Frank Bradley had received quotes from Hawkins, Inc., of Centralia, Illinois, Brenntag Mid South, Inc., of Henderson Kentucky, and Univar USA, Inc., of Bedford Park, Illinois.

Mr. Bradley recommended that quotes received for liquid caustic soda 50%, hydrofluosilic acid 23-25%, aqua ammonia 15%, copper sulfate medium crystals, carus potassium permanganate, and liquid copper sulfate by Hawkins, Inc., be accepted.

Mr. Bradley recommended that the quotes received for liquid chlorine 99.95%, poly aluminum chloride, and powdered activated carbon by Brenntag Mid South, Inc., be accepted.

Councilman McLaughlin moved to approve 2019-R-37, seconded by Councilwoman Fehrenbacher. A majority affirmative voice vote was received.

8-H “Resolution: Accept Quotes Received for Chemicals at the Musgrove Aquatic Center and Waive Formal Bidding Procedures” The Council was provided with a proposed resolution to accept quotes received for chemicals at the Musgrove Aquatic Center and waive formal bidding procedures.

Mr. Barker explained that Mr. Bradley had received quotes from Hawkins, Inc., of Centralia Illinois, Brenntag Mid South, Inc., of Henderson, Kentucky, and Airgas, USA, LLC., of Vincennes, Indiana.

Mr. Bradley recommended that quotes received for sodium hypochlorite as submitted by Hawkins, Inc., be accepted. Mr. Bradley also recommended accepting the quote from Airgas, USA, LLC., for carbon dioxide. Mr. Barker reminded the Council that the City was still in their five year contract with Airgas, USA, LLC.

Councilwoman Henton asked why formal bidding procedures were being waived. Mr. Barker replied that for these chemicals, creating bid specifications was difficult as some would be bid by the gallon, cylinder, drum, bag, etc.

Councilwoman Fehrenbacher moved to approve 2019-R-38, seconded by Councilman McLaughlin. A majority affirmative voice vote was received.

8-I “Resolution: Amend 2018/2019 Budget in Administrative for Ameren Right Tree Right Place Grant” Mrs. Sterchi told the Council that the original 2018/2019 budget had reflected \$1,000.00 worth of income and expense in the Tree Maintenance Program line item. The City received a grant from Ameren in the amount of \$2,500.00, so a budget amendment was needed to reflect the additional income and expenditure.

Councilman McLaughlin moved to approve 2019-R-39, seconded by Councilman Harrison. Councilmen McLaughlin, Harrison, Mayor Lambird, Councilwomen Fehrenbacher and Henton voted yes. There were no opposing votes. The motion carried.

8-J “Discussion/Possible Ordinance: Water Rate Increases” Earlier in the week, Mrs. Guinn had given the Council a listing of water rate proposals, and a listing of upcoming capital projects.

The City was interested in applying for a grant to upgrade water service in the area of Jasper and Lincoln Streets. One of the requirements for eligibility for the grant was a minimum rate of \$30.52 for 5,000 gallons of water. The city’s current rate for 5,000 gallons of water is \$24.00, plus a debt service fee of \$2.75 and a billing fee of \$1.06. Since the last meeting, it had been discovered that the debt service fee and billing fee could not be included in the rate for water.

Referencing the list of proposals, Mrs. Guinn recommended Option 4. This option would raise the minimum charge for up to 2,000 gallons of water by \$0.1304, and the next 2,000 gallons by \$0.1304. Additionally, Option 4 would increase the debt service/capital improvement charge by \$1.00. The increases would increase monthly bills by \$7.52 per month for those that used 5,000 gallons of water, and \$3.61 per month for those that would use the minimum.

Mrs. Guinn recalled that the City had only been discussing rates inside of City limits, but she felt that users outside of City limits should also see the increase.

Mrs. Guinn continued that since the last meeting, she had put together a listing of upcoming capital projects in the departments of Sewer, Water Distribution, Water Plant, and Street. The Sewer Department expected \$3,047,000.00 worth of projects within the next five years, Water Distribution expected \$2,305,920.00 in the next five years, the Water Plant expected \$14,385,000.00 in the next five years, and the Street Department expected \$4,053,325.00 in the next five years.

Councilwoman Fehrenbacher asked when water rates were last raised. Mayor Lambird replied that rates were last raised two years ago.

Mayor Lambird asked what impact the Water Fund would receive if Option 4 was implemented. Mrs. Guinn replied that based on inside City rates alone, Option 4 would increase the Debt Service Fund by about \$50,000.00 more per year, and the Water Fund would increase anywhere from \$100,000.00 to \$210,000.00 per year.

Councilwoman Fehrenbacher asked if her understanding was correct in that the City's water rates were too low to be eligible for grants. Mrs. Guinn confirmed.

Councilman McLaughlin told the Council that he had recently ran some numbers. According to his calculations, pension costs made up 16.8% of the General Corporate Budget. Adding on salary amounts brought that number up to 50% of the General Corporate Budget. Over the past six years, miscellaneous revenues such as sales and income tax had only increased by about 3%. In that same time span, salaries had increased by about 15%. The Councilman expected that salary and pension amounts were probably similar in the Water and Sewer Budgets.

From the audience, Dr. David Eckiss believed that water and sewer rates should probably increase due to the statements given at this meeting, and because the funds would be used to make the community a better place. However, Dr. Eckiss reminded the Council that they had, in the past, voted down and fought against other options that would have made Olney better.

Councilman McLaughlin continued that he had called Washington, Indiana, for some information. Washington's General Corporate Budget was over \$9,000,000.00 compared to the City's \$6,600,000.00. This year, Washington would be putting \$524,000.00 into pensions whereas Olney would be putting in over \$1,100,000.00. This year, the City's pensions costs would make up 16.8% of the overall budget, and Washington's would make up 5.8%. Additionally, Washington's pensions were 90% to 99% funded.

Dr. Eckiss pointed out that the same people that would struggle to pay an extra \$0.99 per month for recycling would also struggle to pay any water and sewer rate increases.

Councilman McLaughlin understood, but felt that excluding the minimum users from a rate increase would only burden those with larger families who were also struggling. He felt there was no easy way to implement an increase. Regardless, expenses were continue to raise with millions of dollars worth of projects adding up.

Action on this item was taken under Item 8-K.

8-K "Discussion/Possible Ordinance: Sewer Rate Increases" Earlier in the week, Mrs. Guinn had given the Council a listing of sewer rate proposals. If raising sewer rates, Mrs. Guinn recommended Option 1. Option 1 would rise rates from \$0.3630 per 100 gallons of water to \$0.3970 per 100 gallons of water. Additionally, the debt service/capital improvement charge would raise by \$1.00. A minimum monthly bill would increase by \$1.68.

Councilman McLaughlin asked how much sewer rates raised the last time. Mayor Lambird believed the rates increased 25% over three years.

Mayor Lambird asked what effect Option 1 would have on the Sewer Fund. Mrs. Guinn replied that an additional \$47,000.00 would go into debt service/capital improvements, and an additional \$50,000.00 to the Operating Fund.

Councilwoman Fehrenbacher asked if sewer rates also needed to increase in order to apply for grants. Mrs. Guinn was unsure because currently, the City was only applying for grants related to water. Mr. Bridges stated that he was aware that sewer rates would also need to be at a certain level in order to apply for future grants.

Councilman McLaughlin reported that the proposed rate increases would still make Olney's rates lower than Flora and Newton, but would make Olney's rates higher than Lawrenceville and Fairfield.

Dr. Eckiss asked if raising the rates would bring any economic gain. Councilman McLaughlin did not believe so, but Councilwoman Fehrenbacher disagreed.

Dr. Eckiss wondered what it would cost the City if rate increases were not implemented. He also wondered what the increase amounts would look like by only increasing to the point the City would qualify for application.

Mayor Lambird explained that the point of the program was to be sustainable so grants would not be needed in the future.

Mrs. Guinn indicated that if rates did not increase and grants were not applied for, the City would need to apply for loans to make necessary repairs. She stated that some funds were available in reserves, but cautioned that reserves could not be used for every situation or project.

Councilwoman Fehrenbacher moved to approve a water rate increase to \$13.68 for up to 2,000 gallons of water, \$0.1304 per 100 gallons for the next 48,000 gallons, and increase the debt service/capital improvement charge by \$1.00, seconded by Councilman McLaughlin. Mayor Lambird, Councilwomen Fehrenbacher, Henton, and Councilman McLaughlin voted yes. Councilman Harrison voted no. The motion carried. Ordinance 2019-16 would be created.

The new rate would be effective as of July 1, 2019 for users inside and outside of City limits.

Mayor Lambird moved to increase sewer rates by \$1.68 per 100 gallons, at the minimum charge, and raise the debt service/capital improvement charge by \$1.00, seconded by Councilman McLaughlin. Councilwomen Fehrenbacher, Henton, Councilman McLaughlin, and Mayor Lambird voted yes. Councilman Harrison voted no. The motion carried. Ordinance 2019-17 would be created.

The new rate would be effective as of July 1, 2019, for users inside and outside of City limits.

The Council then wished to address Item 8-C.

Noting the Council's action on water and sewer rates, Mrs. Guinn pointed out that the proposed budget did not reflect the revenue increases.

Councilwoman Henton moved to approve 2019-R-35, the 2019/2020 budget, with Mrs. Guinn amending water and sewer rate revenues, seconded by Councilwoman Fehrenbacher.

Before voting, Councilman McLaughlin felt that options should be looked into on increasing revenues without continuously raising fees.

Councilmen Harrison, McLaughlin, Councilwomen Henton, Fehrenbacher, and Mayor Lambird voted yes. There were no opposing votes. The motion carried.

8-L “Resolution: Amend the 2018/2019 Budget for Capital Expenditures” The Council was provided with a proposed resolution to amend the 2018/2019 budget for capital expenditures.

Mrs. Guinn explained that a few capital improvement line items had come in slightly over budget. There were enough funds in the Contingency line item to amend the budget for those purchases.

Councilwoman Henton moved to approve 2019-R-40, seconded by Councilwoman Fehrenbacher. Councilwomen Henton, Fehrenbacher, Councilmen McLaughlin, Harrison, and Mayor Lambird voted yes. There were no opposing votes. The motion carried.

8-M “Adoption of a Resolution for Maintenance of Streets and Highways by Municipality Under the Illinois Highway Code” The Council was provided with an IDOT resolution for maintenance of streets and highways by municipality under the Illinois Highway Code.

Mr. Barker told the Council that Mr. Bridges and Mr. Kocher had prepared the required IDOT resolution that would appropriate money necessary for the summer road maintenance program. Included with the resolution was a map and a listing of roads to be tilled, shaped and sealed, and some roads that would only be oiled and chipped.

Councilwoman Henton asked if the resolution reflected the same amount of funds that were included in the proposed budget. Mr. Barker confirmed.

Councilwoman Henton moved to approve the adoption of a resolution for maintenance of streets and highways by municipality under the Illinois Highway Code, as presented, seconded by Councilman McLaughlin. A majority affirmative voice vote was received.

8-N “Discussion/Possible Action: Summer Recreation Fees” The Council was provided with a listing of current swimming pool and summer recreation fees.

Mr. Barker told the Council that no fee increases were proposed for the upcoming pool season. However, Mr. Barker indicated that a water aerobics class would be introduced. Water aerobics would take place on Monday and Thursday evenings.

Councilman McLaughlin moved to make no changes to summer recreation fees, seconded by Councilwoman Fehrenbacher. A majority affirmative voice vote was received.

AGENDA #9 “REPORTS FROM ELECTED AND APPOINTED OFFICIALS”

9-A “Status Report-City Manager” The Council was provided with a Status Report from the City Manager. Mr. Barker had nothing further to report.

9-B “RCDC Report” RCDC Executive Director Courtney Yockey told the Council that the Richland County CEO Program’s trade show would be held on April 24<sup>th</sup> at The Holiday. The trade show would be open to the public from 6:00 p.m. to 8:00 p.m. A private showing for mentors and investors would take place from 5:00 p.m. to 6:00 p.m. Because the City was an investor, Mr. Yockey wanted to invite anyone from the City to attend.

9-C “Chamber of Commerce Report” Councilwoman Fehrenbacher reported that the Chamber’s Golf Outing and Bicycle Classic were being planned.

9-D “Parks & Recreation Board Report” The Parks & Recreation Board did not meet for the month, so there was nothing to report.

9-E “Tourism Board Report” Councilwoman Henton stated she would be attending a Tourism Board meeting on April 24<sup>th</sup>.

Mayor Lambird then rose and presented Councilman Harrison with a plaque honoring his four years of service on the Olney City Council.

AGENDA #10 “PUBLIC COMMENTS/PRESENTATIONS” No one from the public wished to speak.

AGENDA #11 “CLOSED SESSION: SALE OR LEASE PRICE OF REAL PROPERTY; ACQUISITION OF REAL PROPERTY; APPOINTMENT, EMPLOYMENT, COMPENSATION, AND PERFORMANCE OF SPECIFIC EMPLOYEES; AND COLLECTIVE NEGOTIATING MATTERS” Councilman McLaughlin moved to adjourn to closed session to discuss sale or lease price of real property; acquisition of real property; appointment, employment, compensation, and performance of specific employees; and collective negotiating matters, seconded by Councilman Harrison. A majority affirmative voice vote was received.

Councilmen Harrison, McLaughlin, Councilwomen Fehrenbacher, Henton, Mayor Lambird, City Treasurer Guinn, City Attorney Zuber, and City Clerk Sterchi left the Council Chambers at 7:44 p.m.

AGENDA #12 “RECONVENE OPEN SESSION” Upon return of those who were in closed session to the Council Chambers, Councilwoman Henton moved to enter back into open session, seconded by Councilwoman Fehrenbacher. A majority affirmative voice vote was received. Open session resumed at 8:02 p.m.

12-A “Ordinance: Establish Wages for Full-Time Non-Bargaining Employees of the City of Olney” The Council was provided with a proposed ordinance that would establish wages for full-time, non-bargaining employees.

Councilwoman Henton moved to approve Ordinance 2019-18, seconded by Councilman McLaughlin. A majority affirmative voice vote was received.

12-B “Resolution: Health Insurance Premium Allocations for Non-Bargaining Employees” The Council was provided with a proposed resolution that would set health insurance premium allocations for non-bargaining employees.

Councilman Harrison moved to approve 2019-R-41, seconded by Councilwoman Fehrenbacher. A majority affirmative voice vote was received.

Before adjourning, Mrs. Sterchi told the Council that an Arbor Day event was being hosted by the Tree Board and would be held on Friday, April 26<sup>th</sup> from 4:00 p.m. to 6:00 p.m. The event would take place near the Tree Identification Park in Musgrove Park. Mrs. Sterchi still needed a few volunteers to help. If anyone was interested, she asked that they get in touch with her as soon as possible.

AGENDA #13 “ADJOURN” With no further business to discuss, Councilman Harrison moved to adjourn, seconded by Councilwoman Fehrenbacher. A majority affirmative voice vote was received.

The meeting adjourned at 8:04 p.m.

Kelsie J. Sterchi  
City Clerk