

CITY OF OLNEY
CITY COUNCIL MEETING
AUGUST 27, 2018

AGENDA #1 “CALL TO ORDER” The August 27, 2018, 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. Mayor 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 Clerk Kelsie Sterchi, City Treasurer Jane Guinn, City Attorney Bart Zuber, and City Engineer Roger Charleston.

AGENDA #4 “PRESENTATION OF CONSENT AGENDA”

4-A “Approve Minutes of Council Meeting on August 13, 2018”

4-B “Approve and Authorize Payment of Accounts Payable August 28, 2018” Pooled Cash \$91,051.59, Manual Pooled Cash \$10,159.74, Utility Refunds \$3,366.72, Fire Pension \$4,804.56, Tourism \$130.60

4-C “Resolution: Adopt a Policy for Pop-Up Music at The Stage in Bower Park”

2018-R-61

4-D “Raffle License: St. Joseph Church”

4-E “Raffle License: Richland County HEA”

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 “Discussion/Possible Action: Presentation and Acceptance of Fiscal Year 2017/2018 Financial Audie & 2017/2018 Tax Increment Financing Fund Audit” Late last week, a copy of Kemper CPA Group’s audit reports on the City’s financial statements at the Tax Increment Financing (TIF) Fund were placed in the Council’s mailboxes. Krista McLaren, representing Kemper CPA Group, was present to speak on the topic.

Mrs. McLaren explained that the audit reports represented information through April 30, 2018. Kemper CPA Group had audited financial statements and issued a clean opinion. The statements were made on the modified cash basis of accounting, except that pension investments were listed at fair market value.

The financial statements were the responsibility of City management to provide. Kemper CPA Group's responsibility was to perform the audit procedures. Mrs. McLaren indicated that during the performance of the audit, there were no difficulties and no disagreements with management. The City Treasurer had also since recorded all adjustments.

Governmental funds consisted of City funds not related to pensions, water or sewer. As of April 30, 2018, governmental funds held \$5,552,402.00 in restricted and unrestricted cash.

Business-type activities were funds related to water and sewer. As of April 30, 2018, business-type activities held \$4,567,170.00 in restricted and unrestricted cash.

Loans related to waste water treatment held a balance of about \$750,000.00, and loans related to water held a balance of about \$435,000.00. In the General Fund, an amount of approximately \$315,000.00 remained for the purchase of a fire truck.

Governmental funds showed a decrease in cash of about (\$733,000.00). Mrs. McLaren pointed out that the most significant reason for the decrease was due to the repayment of CDAP and RDP funds, and a pension contribution, which totaled near \$600,000.00 of that number.

In water and sewer, a decrease of about (\$347,000.00) was shown, and that amount included depreciation.

With the current balances and looking forward over the next few years, it was Kemper CPA Group's opinion that the City was in a good and sound financial position.

Mrs. McLaren continued that Kemper CPA Group audited the City's TIF Fund to ensure that funds were being spent in compliance with State statutes. Mrs. McLaren was happy to report that no findings of misuse were found, nor any findings of funds not being used in accordance with State statutes. She added that good plans were in place for future use of TIF money. As of April 30, 2018, the TIF Fund held approximately \$289,000.00.

Councilwoman Henton moved to accept the Fiscal Year 2017/2018 financial audit report and 2017/2018 TIF Fund audit report, seconded by Councilman Harrison. Councilmen Harrison, McLaughlin, Councilwomen Henton, Fehrenbacher, and Mayor Lambird voted yes. There were no opposing votes. The motion carried.

8-B "Resolution: Commit Tourism Funds for the Olney Walldogs Event & Waive Formal Bidding Procedures" The Council was provided with a proposed resolution to commit Tourism funds for the Olney Walldogs event and waive formal bidding procedures.

City Clerk Sterchi reminded the Council that Olney would be the site of the 2020 Walldog meet/festival. The City had previously discussed making a healthy contribution to the tourism event. Alternate sources of funding were also currently being sought such as corporate sponsorships, donations, and fundraisers.

Having the City's contribution on the books would help in the budget planning process, and was necessary to move forward on seeking some other funding sources. Mrs. Sterchi indicated that she was filling out an application to the Carrie Winter Charitable Trust, but the City's contribution to the event was needed to complete the application.

Mrs. Sterchi proposed contributions of \$25,000.00 in the 2019/2020 fiscal year, and \$25,000.00 in the 2020/2021 fiscal year. She also proposed waiving formal bidding procedures related to the event, similar to what was done for the 175th anniversary.

Mayor Lambird asked what percentage of the Tourism Fund such a contribution would consume. Mrs. Guinn stated that currently, an amount of \$89,076.86 was in the Tourism Fund. She had done a projected cash flow through the proposed fiscal years that reflected the exact same expenses for each year, and the anticipated Walldogs contributions. For revenue, she only reflected a conservative \$2,000.00 increase per year due to the coming Best Western Plus opening. Using only those numbers, the Tourism Fund would still have a balance of \$18,549.00 at the end of the 2020/2021 fiscal year.

Mrs. Sterchi felt that showing a conservative number for possible hotel/motel tax increases related to Best Western Plus would show a "worst case scenario" for the Fund. Centralia had their Best Western Plus open in January of 2018. She had spoken to the Centralia City Clerk who confirmed that their hotel/motel tax increased year-to-date from the prior year by 331%.

Councilman McLaughlin asked how many sites had been secured. Mrs. Sterchi replied that nine actual sites were secure, with an additional location to be determined for the children's mural. A possible eleventh site would be confirmed once written permissions had been secured.

Councilwoman Henton moved to approve 2018-R-62, seconded by Councilman Harrison. A majority affirmative voice vote was received.

8-C "Discussion/Possible Action: Adding One Hour to Trick or Treat Night on October 27, 2018" Councilman McLaughlin told the Council that since Trick or Treat Night was moved to a Saturday this year, he had been asked to extend Trick or Treat hours to three hours instead of two. He proposed setting a Trick or Treat time frame from 6:00 p.m. to 9:00 p.m.

Councilwoman Fehrenbacher noted that she would prefer the time be set from 5:00 p.m. to 8:00 p.m.

Mayor Lambird asked the Police Chief his opinion on the Trick or Treat time frame. Chief Paddock felt that three hours was extensive, but did state that if moving to three hours, he would prefer 5:00 p.m. to 8:00 p.m.

Councilman McLaughlin noted that a three hour time frame did not require anyone to participate for three hours, but did give the option.

Councilman McLaughlin moved to amend the hours of Trick or Treat on October 27, 2018, from 5:00 p.m. to 8:00 p.m., seconded by Councilwoman Fehrenbacher. A majority affirmative voice vote was received.

8-D “Resolution: Accept Bid for Sewage Treatment Plant Final Clarifier Sandblasting & Recoating” The Council was provided with a proposed resolution that would accept a bid for the Sewer Plant’s final clarifier sandblasting and recoating.

Mr. Barker told the Council that sealed bids were opened at 10:00 a.m. on August 23rd for this project. Two bids were received. RP Coatings, Inc., of Troy, Illinois, bid \$29,860.00, and Floyd’s Welding Services, Inc., of Olney, Illinois, had bid \$26,000.00. Mr. Barker recommended accepting the low bid from Floyd’s Welding Services, Inc.

Councilman McLaughlin moved to approve 2018-R-63, seconded by Councilman Harrison.

Mayor Lambird asked what kind of coating would be used. City Engineer Charleston replied that the coating would be epoxy based.

Mayor Lambird also recalled that the City had performed such work in the past. Mr. Barker indicated that in addition to painting, more work was necessary.

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

8-E “Resolution: Accept Bid for Demolition of 522 W. Butler Street” The Council was provided with a proposed resolution to accept a bid for the demolition of 522 W. Butler Street.

Mr. Barker told that sealed bids were opened for this demolition at 11:00 a.m. on August 24, 2018. Only one bid was received. Doll’s, Inc., bid \$4,250.00, and Mr. Barker recommended approval of that bid.

Councilwoman Henton asked how many bid specifications were distributed. Mrs. Sterchi replied that four had been given out, and that the advertisement for solicitation of bids had also been published in a newspaper.

Councilman McLaughlin moved to approve 2018-R-64, seconded by Councilwoman Henton. 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 memo from the City Manager.

At the last Council meeting, the Council had authorized moving forward with the possible purchase of a dump truck that would require a budget amendment. Upon inspection, the truck would not fit the needs of the City. Because it was no longer being purchased, no further formal action was needed.

Mr. Barker added that sealed bids for the cleaning of the Brentwood water tower would be opened on September 6, 2018. Additionally, the City Hall roof project should be completed within the week.

9-B “RCDC Report” RCDC Executive Director Courtney Yockey had nothing to report.

9-C “Chamber of Commerce Report” Councilman McLaughlin told the Council that the Chamber’s golf outing had taken place the prior week and was a success. The caddy auction was new this year and provided for a lot of fun. The next coming Chamber event was the Bicycle Classic on September 8th.

9-D “Parks & Recreation Board Report” The Parks & Recreation Board did not meet in August, so there was no report.

9-E “Tourism Board Report” Councilwoman Henton had nothing to report.

Councilman McLaughlin asked Mrs. Guinn about the Sales Tax report. The numbers showed an increase of \$57,000.00 to date, and he was curious as to why. Mrs. Guinn did not yet have a good answer. She called the State to see if they could provide additional information that could explain the increase. Some paperwork would need to be completed due to the confidentiality of some of the information.

Mayor Lambird noted that Use Tax had increased and Telecommunications Tax was leveling out.

AGENDA #10 “PUBLIC COMMENTS/PRESENTATIONS” Bryce Fehrenbacher wished to address the Council.

Mr. Fehrenbacher was a member of the Citizens’ Road Committee. After the last Council meeting, he had learned there was some confusion and concern about a poll that had been on Facebook. He wanted to make it clear that the poll was something he had conducted independently, and that he also independently created a Facebook page called “Better Roads for Olney.” He wanted to utilize Facebook as a tool to provide him with better information to bring to meetings. From the online poll, Mr. Fehrenbacher stated that approximately 60% of pollers would be in favor of some sort of action to move forward with replacement of streets made of oil and chip.

Mayor Lambird asked how the road study was coming along. Mr. Charleston replied that the study should be completed by the early part of October.

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

Councilmen Harrison, McLaughlin, Councilwomen Fehrenbacher, Henton, Mayor Lambird, City Manager Barker, City Treasurer Guinn, City Attorney Zuber and City Clerk Sterchi left the Council Chambers at 7:18 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 7:38 p.m.

Mr. Barker reminded the Council that the City had gone out for bid twice for a commercial vent hood system for the Fire Department. One bid had been received each time. The most recent bid from Schuetz Companies came in at \$21,297.66, and could fluctuate by 15% over or under that price.

The Foreign Fire Board had donated \$16,000.00 for the purchase of a commercial vent hood system. Mr. Barker asked if the Council would like to amend the budget by taking money from the Training line item to make up the difference.

Councilwoman Henton asked if such a system was even needed. Mr. Barker indicated that the system was needed for compliance as the Fire Department had a commercial stove.

Councilman McLaughlin wondered if the problem could be solved by taking out the commercial stove and replacing it with one or two standard stoves. Mr. Barker was unsure, but would ask the Code Enforcement Officer. The Council also wished to have Mr. Barker speak with the Fire Chief about other options.

Mr. Barker then mentioned that some crack sealing had been budgeted for in the current fiscal year. He proposed Doenges Estates for the work. During budget talks, a company had submitted a quote for the work in the amount of \$19,250.00. Mr. Barker explained that \$25,000.00 of crack sealing work could be completed by utilizing MFT funds. He was curious if the Council wanted to go for bids on the project, or utilize the company that had submitted the quote. Mr. Barker added that the company was extremely reputable and efficient.

Councilman McLaughlin commented that he would prefer to go out for bid, but understood the need for having a quality company complete the work. He would be in

acceptance to utilize the company that submitted the quote. The Council agreed. For the future, Mayor Lambird wanted the City to explore purchasing their own crack sealing unit.

Mr. Barker would have this topic placed on the next agenda.

Mr. Barker mentioned that if any funds were left over from the work in Doenges Estates, that Blackberry Lane could possibly be crack sealed. Councilwoman Henton did not believe that Blackberry Lane had yet been approved through the South Cove Subdivision process.

Mr. Barker felt that subdivision requirements should be amended to reflect that money should be escrowed for the City to complete crack sealing. Councilwoman Henton agreed.

Mr. Barker had been contacted by RCDC to see if the City was interested in an amusement tax on movie tickets from any potential future theater. The Council indicated that they may be interested, as long as the tax was exclusive to movie tickets.

Councilwoman Henton stated that she would like to review any minutes from the Citizen's Street Committee. She also pointed out that the committee was strictly advisory.

Councilman McLaughlin felt that some action should be taken on improving the roads instead of just continuing to spin wheels each year.

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

The meeting adjourned at 7:58 p.m.

Kelsie J. Sterchi
City Clerk