

CITY OF OLNEY
CITY COUNCIL MEETING
AUGUST 8, 2016

AGENDA #1 “CALL TO ORDER” The August 8, 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. John Monroe 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, and City Treasurer Chuck Sanders.

AGENDA #4 “PRESENTATION OF CONSENT AGENDA”

4-A “Approve Minutes of Council Meeting on July 25, 2016”

4-B “Approve and Authorize Payment of Accounts Payable August 9, 2016” Pooled Cash \$179,748.52, Petty Cash \$186.29, Manual Pooled Cash \$105,356.11, MFT \$3,119.54, IMRF \$30,936.50, Tourism \$181.95, 175th Anniversary \$33,354.04

AGENDA #5 “REMOVAL OF ITEMS FROM CONSENT AGENDA” No items were requested to be removed from the consent agenda.

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

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 “Resolution: Approval of Plat of Gertrude Subdivision” The Council was provided with a proposed resolution to approve the final plat of Gertrude Subdivision, a copy of the proposed Gertrude Subdivision, and a copy of the minutes from the Plan Commission meeting on August 1, 2016.

Mr. Barker told the Council that the Plan Commission had unanimously recommended approval of the final plat of the Gertrude Subdivision. The subdivision would be located west of Cypress Road. The proposed subdivision would simply break one property into two lots.

Councilwoman Henton moved to approved 2016-R-47, seconded by Councilman McLaughlin. A majority affirmative voice vote was received.

8-B “Appointment: Luke Fairless and Mallory Fairless to the Parks & Recreation Board” Two vacancies are listed on the Parks & Recreation Board. Mayor Vaughn had recently been contacted by Mallory Fairless where she indicated her and her husband’s desire to serve on the Board. The Mayor sought the Council’s support in making the appointments.

Councilman McLaughlin moved to approve the appointment of Luke Fairless and Mallory Fairless to the Parks & Recreation Board, seconded by Councilman Harrison. A majority affirmative voice vote was received.

8-C “Discussion/Resolution: Release of Amendment to Minimum Deed Restriction for Watergate Subdivision” The Council was provided with a copy of an e-mail from EJ Water Cooperative, Inc., a proposed resolution to execute a release of amendment to minimum deed restriction for Watergate Subdivision, a copy of the proposed release, and a copy of the original amendment to minimum deed restriction for Watergate Subdivision.

Mr. Barker reminded the Council that at the July 25th meeting, there was discussion that EJ Water Cooperative, Inc., would soon be responsible for the distribution of water in Watergate Subdivision. It is the intent of EJ Water Cooperative, Inc., to continue purchasing water from the City. EJ Water Cooperative, Inc., requests that the Council release the Amendment to Minimum Deed Restriction for Watergate Subdivision as the current restrictions are out of date, expensive, and do not meet current code requirements.

Mayor Vaughn noted that the residents of the Watergate Subdivision would also need to approve the release for it to be valid. If approved, EJ Water Cooperative, Inc., would make improvements exceeding \$60,000.00.

Regarding the agreement proposed in 8-D, the Mayor told how EJ Water Cooperative, Inc., wishes to be a retailer of water, buying from the City at a wholesale price. Such an agreement would be similar to agreements that the City has with Noble and Parkersburg. The proposed agreement would allow the sale of water to EJ Water Cooperative, Inc., at \$3.35 per 1,000 gallons. They would be limited to supplying 100,000 gallons of water per day. This amount is not of concern for distribution in the Watergate Subdivision. The agreement also proposed three months advanced notice if the City planned to adjust the rate to all water districts.

Mayor Vaughn was curious if the City’s cost to treat and distribute the water is at or less than \$3.35 per 1,000 gallons. He assumed that would be the case, but he and the City Treasurer did not have solid numbers to confirm that assumption.

Councilman Harrison asked if the current water plant would be able to handle other potential customers. Mayor Vaughn replied that if over time the consumption greatly increased, Water Plant Supervisor Frank Bradley would suggest upgrading the City’s systems.

Councilman McLaughlin moved to approve 2016-R-48, seconded by Mayor Vaughn. A majority affirmative voice vote was received.

8-D “Discussion/Resolution: Water Supply Agreement Between the City of Olney and EJ Water Cooperative, Inc.” The Council was provided with a proposed resolution to authorize execution of a water supply agreement between the City and EJ Water Cooperative, Inc., and a copy of the proposed agreement.

Mayor Vaughn asked City Attorney Zuber if he had reviewed the agreement. Mr. Zuber replied that he had, and there were a few things he wanted to bring to the Council’s attention.

Mr. Zuber began by pointing out that if the City wished to change the rate of sale of water to the water districts, the rate increase or decrease would not take place until the third statement after the decision had been made.

Mr. Zuber continued by noting the requirement in Section 6 that would require the City to pay the cost of any testing or calibrating if the equipment is deemed to be accurate.

Mr. Zuber then questioned Section 9 that showed that EJ “shall be entitled to the same discount for prompt payment of water bills as is allowed to metered customers located within the corporate limits of Olney.” Further discussion revealed that this section meant they would not be assessed the additional 10% fee if their payments are made on or before the due date.

The agreement also read that EJ Cooperative, Inc., can terminate the agreement with six months written notice. The City would be locked into the agreement for 15 years.

If there is a call for arbitration, the agreement also called for that to happen in Effingham County. Mr. Zuber found that odd.

Councilman McLaughlin was curious what would happen if Watergate Subdivision decided along the way that they no longer wished to use EJ Water Cooperative, Inc., while still in the term of the City’s agreement. Mr. Sanders believed that Watergate Subdivision would be deeding everything to EJ Water Cooperative, Inc., and did not believe the residents could change their minds if an agreement was made.

Councilman Ferguson was more in favor of a 15 year agreement that could be reviewed every five years.

Mayor Vaughn expressed concern over the Section 6 requirements on the City being charged for testing and calibration. He felt that the City would want the ability to have the equipment checked at reasonable intervals without a punitive cost. Councilman Harrison felt that it should be a requirement that EJ Water Cooperative, Inc.’s equipment be tested once per year at their cost.

The Mayor continued that it was his opinion that Richland County should be the location listed for any arbitration. Mr. Zuber agreed.

Councilman Ferguson asked if a non compete clause should be added.

Mayor Vaughn was fully aware of what a great opportunity collaboration with EJ Water Cooperative, Inc., could be for the City of Olney, but he wondered if the City was considering all of the possible consequences.

Mr. Barker added that EJ Water Cooperative, Inc., had originally hoped that the agreement would be confirmed by the end of July. If the Council wished to move forward, they would need to do so in a timely manner. Mayor Vaughn wished to go ahead and approve an agreement with EJ Water Cooperative, Inc., but to have Mr. Barker and Mr. Zuber get some clarifications on the areas of concern.

Mayor Vaughn moved to approve 2016-R-49 with changes to the agreement in Section 14 to make Richland County the arbitration site, alterations based on the Water Department’s suggestion to Paragraph

6 regarding the equipment testing issues, and language to include a non compete clause, seconded by Councilman McLaughlin. A majority affirmative voice vote was received. Councilman McLaughlin pointed out that the agreement would only be valid with the Watergate Subdivision's residents' approval.

8-E "Discussion: Christmas Parade Temporary No Parking Areas Along Staging Area and Parade Route" Councilman McLaughlin told the Council that the biggest complaint he had heard over the past few years regarding the Christmas Parade was the parking on Main Street. The vehicles parked along the parade route were presenting a safety risk for children darting out from the blind spots to get candy, and was providing a navigational issue for larger trucks and semis participating in the parade. The Councilman wished to enforce some temporary no parking zones the day of the parade from approximately 3:00 p.m. to 9:00 p.m. from on the route along Main Street, and S. Whittle Avenue to Chestnut Street.

Councilman McLaughlin suggested that signs could be placed the day before noting the date and times of the temporary no parking order.

For the parade float staging areas, he wondered if the City could send a letter to residents requesting them to not park in the street, if at all possible. It would not be a requirement for these residents to park off of the street, but it would be helpful.

Mayor Vaughn commented that what would normally be a nice space for a parade does become very narrow by all of the street parking.

Councilwoman Henton felt that the biggest problem with the Councilman's suggestion would be with any handicapped or elderly viewers who like to sit in their cars to watch the parade. Councilman McLaughlin pointed out that parking would still be available in lots off of the road. Mayor Vaughn suggested that one side of roads of the parade route could be restricted; not both sides. Councilwoman Henton felt that the south side of Main Street could be available for parking so that way viewers could sit in their cars and see the parade approaching from the east.

Mayor Vaughn moved to authorize temporary no parking along the north side of Main Street and the west side of S. Whittle Avenue to Chestnut Street the day of the Christmas Parade from 3:00 p.m. to 9:00 p.m., seconded by Councilwoman Henton. A majority affirmative voice vote was received.

The City would also send letters to residents along the parade's staging area about possibly moving the cars from the street during staging.

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 began by saying that it would most likely be the spring of 2017 before the Whittle Avenue reconstruction project could be bid. This is due to State delays. City Engineer Charleston, however, was continuing his work on creating bid specifications for the sewer line work on S. Whittle Avenue.

The oil and chip program had begun with the Street Department milling down streets. Mr. Barker hoped that oil could be placed by the end of the month.

City Engineer Charleston told Mr. Barker that he felt confident that he could find another bidder for the upcoming Kitchell Avenue curb and gutter project. The project will go out for bid soon.

Mr. Barker felt that the City should hear word of the new Enterprise Zone being approved in early September.

Mayor Vaughn told the Council he had received a letter from Donnie Watson soliciting donations for the Tree Identification Park. The Mayor encouraged the Council to support this project. If anyone would need a donation sheet, copies would be available in the City Clerk's office.

Mayor Vaughn had been by the Lathrop Street area and thought the curbing looked very deep. He wondered if that was the same complaint that Mr. Hostettler was describing at the last Council meeting. Mr. Barker replied that Mr. Hostettler's driveway has a 13% grade. A normal grade for a driveway is 7%, but when his drive was put back in place, they had to put it back at its original grade. Mr. Barker added that Lathrop Street has been milled down, and oil and chip will soon be added. Mr. Charleston believes that will cure Mr. Hostettler's problem.

The Mayor then asked for an update on the underground storage tanks on Main Street. Mr. Barker told the Council that he and the contractor had been in touch, and they would begin work as soon as possible.

City Treasurer Sanders reported that compared to last year, Sales Tax income had stabilized. Use Tax had also stabilized. Mr. Sanders continued to state that Income Tax is \$50,000.00 behind this time last year. By September, Mr. Sanders expected to be \$60,000.00 behind on Income Tax.

AGENDA #10 "PUBLIC COMMENTS/PRESENTATIONS"

10-A "Brian O'Neill" Mr. O'Neill told the Council that he did not feel off street parking would be too big of an issue for the Christmas Parade. Mr. O'Neill also told the Council that wheelchair ramps needed to be installed on W. Main Street and along Fair Street.

With the new Pokemon Go craze, Mr. O'Neill had been noticing the game players using outside outlets of businesses to charge their phones. Mr. O'Neill made these players aware that they were committing theft.

AGENDA #11 "CLOSED SESSION: SALE PRICE OF REAL PROPERTY; ACQUISITION OF REAL PROPERTY; COLLECTIVE NEGOTIATING MATTERS; 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; collective negotiating matters; 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 Attorney Zuber, City Clerk Sterchi, and City Treasurer Sanders left the Council Chambers at 7:48 p.m.

AGENDA #12 "RECONVENE OPEN SESSION" Upon return of those who were in closed session to the Council Chambers, Councilman McLaughlin moved to enter back into open session, seconded by Mayor Vaughn. A majority affirmative voice vote was received. Open session resumed at 8:27 p.m.

Mayor Vaughn told the Council that he had recent conversation with Pacific Cycle representatives. It had since been announced that Pacific Cycle will be relocating its warehousing operations to the coasts. The relocation was done at the insistence of their major customers. Not being close to an airport was

hurting their delivery times. Pacific Cycle had indicated their accounting, call center, warranty department, and store would still remain operational in Olney.

With all of this being said, the Mayor felt hesitant to begin work on the building's roof without more input and insight from Pacific Cycle. Within the next few weeks, Pacific Cycle should be able to give the City a better idea of their future plans.

Councilman Ferguson wondered if the City's money would be better spent by removing some of the building instead of making repairs. Councilman McLaughlin was curious if the warehouse portion could be sublet to another business. Mayor Vaughn believed that Pacific Cycle did have the option to sublet.

Councilman McLaughlin expressed concern over the non-warehouse jobs being moved to Wisconsin in the future. Mayor Vaughn replied that in his conversations, that was not the intention of Pacific Cycle. Additionally, news on the new Enterprise Zone should be forthcoming, and Pacific Cycle would be inside of the Enterprise Zone. That inclusion could offer more incentives.

Mayor Vaughn also mentioned that he had recently played golf with Jim Schultz who had left the Illinois Department of Commerce and Economic Affairs. Mr. Schultz would now be working for a private entity performing similar work, but without the stringent State guidelines. Mayor Vaughn was excited about the possibility of new incentives to collaborate with other counties on future projects.

Councilman McLaughlin commented that he had recently met with Robinson's Director of Parks and Recreation. Robinson had spent \$1,000,000.00 on upgrading their pool with features such as a heater and splash park that were serving the community well.

Robinson was also receiving income off of the sale of concessions at their pool. The Parks and Recreation Director had indicated that the concession booth takes in anywhere from \$400.00 to \$600.00 per day. They also had a sno cone shop that averaged an income of \$100.00 per day. The Councilman had recently been to the City's pool, and noted the volume of people in attendance. He strongly felt that the City was missing out on a much needed revenue source with respect to concessions. Councilman McLaughlin continued by noting that the Robinson concession stand took in \$13,000.00 during their Memorial Day baseball tournaments. As a total, concessions took in about \$60,000.00 to \$70,000.00 per season.

Additionally, the Robinson pool was able to be rented for private parties each day from 10:00 a.m. to 12:00 p.m. and each evening from 7:00 p.m. to 9:00 p.m. at a cost of \$125.00. Concessions are also open during those private parties.

Mayor Vaughn asked who would be in charge of running the stand. He felt that the City's Park Department Supervisor was already stretched very thin. Councilman McLaughlin felt that the Pool Manager should be able to staff the stand.

Councilman McLaughlin also commented that the Robinson pool charges \$3.00 per person to enter the pool, and they did not give discounts of any kind. He felt that Olney should adopt a similar policy.

Councilman Ferguson recalled selling concessions at the old pool, and that the lifeguards were consuming more than what was being made. Additionally, he was aware that the Tigersharks utilize the vending machines as a source of revenue.

Mayor Vaughn felt that if considerable profit was being made from a concession stand, that he would have no problem in providing the Tigersharks with a donation from the sales. The rest of the money could be used for pool maintenance. Councilman McLaughlin then pointed out that often times, the vending machines at the City pool are not in working order. A concession stand could be a win-win for both the City and the Tigersharks.

Councilman McLaughlin planned on making a presentation to the Parks & Recreation Board at their next meeting.

Councilwoman Henton told the Council that she was still waiting to hear for an update on the grant application for the Dog Park.

12-A “Set Minimum Price of 19.6 Acres (+/-) in the Industrial Park” This item was removed from the agenda.

AGENDA #13 “ADJOURN” Councilman McLaughlin moved to adjourn, seconded by Councilman Harrison. A majority affirmative voice vote was received.

The meeting adjourned at 9:03 p.m.

Kelsie J. Sterchi
City Clerk