

CITY OF OLNEY
CITY COUNCIL MEETING
JANUARY 13, 2020

AGENDA #1 “CALL TO ORDER” The January 13, 2020, 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. John Monroe led the group in prayer.

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

AGENDA #4 “PRESENTATION OF CONSENT AGENDA”

4-A “Approve Minutes of Council Meeting on December 9, 2019”

4-B “Approve and Authorize Payment of Accounts Payable December 24, 2019 & January 14, 2020” Pooled Cash \$202,703.80, Manual Pooled Cash \$107,505.77, Utility Refunds \$1,190.99, Petty Cash \$132.71, Elliott Street Bridge \$1,652.00, Water Capital Improvement \$279,480.00, MFT \$1,705.21, IMRF \$43,033.34, Levied Insurance \$71,605.00, Tourism \$2,254.00, Christmas Light Display \$2,117.18, Route 130 TIF \$100.00

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

AGENDA #6 “CONSIDERATION OF CONSENT AGENDA” Councilwoman Fehrenbacher moved to approve the items on the consent agenda, seconded by Councilman McLaughlin. 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: Rezone 622 N. Fair Street from R-2 (Single-Family Residence District) to R-4 (Multiple Dwelling District)” The Council was provided with a copy of the draft minutes from the January 6, 2020, Plan Commission meeting, and a proposed ordinance that would rezone 622 N. Fair Street from R-2 (Single-Family Residence District) to R-4 (Multiple Dwelling District).

Mr. Barker told the Council that the Plan Commission had heard a request from Mark and Beverly Geier to change the zoning at 622 N. Fair Street from R-2 (Single-Family Residence

District) to R-4 (Multiple Dwelling District). The Geiers requested the rezoning in order to use the structure for residential rental units. The Commission unanimously voted to recommend approval of the rezoning request.

Councilman McLaughlin moved to approve Ordinance 2020-01, seconded by Councilman Eyer. A majority affirmative voice vote was received.

8-B “Resolution: Accept Plan Commission Recommendation for Denial of Rezoning Request for 601 W. Chestnut Street” The Council was provided with a copy of the draft minutes from the January 6, 2020, Plan Commission meeting, and a proposed resolution that would deny the rezoning request for 601 W. Chestnut Street.

Mr. Barker explained that the Plan Commission had also heard a request from Austin Zwilling to change zoning at 601 W. Chestnut Street from R-3 (Two-Family Residence District) to C-2 (Commercial District). Mr. Zwilling was requesting the zoning change so he could place storage units. The Commission unanimously voted to recommend denial of the proposed zoning change.

Councilwoman Henton moved to approve 2020-R-01, seconded by Councilwoman Fehrenbacher. A majority affirmative voice vote was received.

8-C “Discussion/Possible Action: Increase in Water/Sewer Service Deposit” The Council was provided with a listing of utility deposit amounts from a few other communities, and a notation of additional City of Olney information. Brad Williams was present to speak on this topic.

Mr. Williams was an area landlord. He was not pleased with the ordinance that provided for landlords to be held responsible for any unpaid utility bills left by tenants. Since the current deposit amount of \$125.00 was passed in 2006, Mr. Williams estimated that utility rates had increased by about 33%. Because of this, he felt the current deposit amount was no longer appropriate.

Mr. Williams then provided an example from a rental home he owned. He recently received a notice of termination from billed usage dates of November 4, 2019, through December 3, 2019, that was due on January 6, 2020. If not paid by January 21, 2020, the property would be subject to disconnect for non payment. That time frame allowed for 77 days of usage before a disconnect. He continued that his personal average monthly bill ran about \$85.00 per month. If using that amount plus late fees, he noted that he \$125.00 deposit amount did not seem sufficient.

Mr. Williams was familiar that Illinois state statute allowed for municipalities to hold landowners responsible for unpaid bills, but he was not sure if that allowed for sanitary hauling charges or penalties.

Mr. Williams then explained that he could legally only hold a tenant's deposit for 45 days after they left his property. He did not feel that he would receive notice from the City in a timely enough manner to keep his rental deposit if it needed to be applied to a delinquent utility bill.

Councilman McLaughlin agreed with Mr. Williams. The Councilman felt it was unfair for a landlord to be responsible for unpaid tenant bills when it was the tenant that had accrued the charges and set up service.

Councilwoman Henton pointed out that the state statute allowed for such a process in effort to collect unpaid bills. Councilman McLaughlin still did not believe it was moral or ethical to do so. Mr. Williams commented that at one point slavery was legal, but that did not mean it was right.

Councilwomen Henton, Fehrenbacher, and Councilman Eyer felt that Mr. Williams should call City Hall to inquire about any past due bills before returning a tenant deposit. Mr. Williams recalled that when he asked, he was told it was not his bill and not his business. Mrs. Sterchi disagreed and noted that property owners had the authority to call and inquire about any charges related to their property.

Mr. Williams also believed that statute required a municipality to send landowners of record notice of delinquency and charges before a lien can be placed. Mrs. Sterchi indicated that if a tenant account had been finalized out and a balance remained after applying the deposit, the City would then try to collect the unpaid amount from the tenant for three months. If still left unpaid, the landlord would then be sent a letter detailing the remaining account balance that needed to be paid. If left unpaid, the City does currently have the authority to place a lien on the property for the balance plus filing fees to record the lien.

Mayor Lambird recalled that a few months prior, the City had taken action to enter into an agreement with a collection agency. He wondered if sending unpaid balances into collections under the tenant name would be the best recourse. Mrs. Guinn replied that she had attempted setting up the collections with fire calls and mowing bills, and had run into major issues with both efforts. She had not yet attempted setting up for utility bills because of the complications. Councilman McLaughlin felt that collecting on utilities would be a much easier process. Mrs. Guinn would look further into utility collections.

Councilwoman Fehrenbacher was also an area landlord. She asked how often Mr. Williams was left to pay for a tenant's unpaid utility bill. She noted that it had only happened to her one time in her many years as a landlord. Mr. Williams replied that he typically had to pay five per year. Councilwoman Fehrenbacher felt that Mr. Williams needed to inquire more often on the account status of his rentals.

The Councilwoman then pointed out that if a tenant had bad debt with the City, that person would need to pay up on the bad debt before reinstating City utility service. When the

bad debt is collected, the landlord would then be repaid for any payments he or she had to make on a tenant's delinquency.

Councilwoman Henton added that once a meter reading was received after a tenant finalized their account, the Utility Billing Clerk could then calculate the amount of the final bill. She felt that once Mr. Williams was aware of a tenant leaving, he should contact City Hall to inquire about any amounts that the deposit would not cover. Councilman Eyer agreed.

Councilman McLaughlin asked Mr. Williams how other utilities such as Ameren and Illinois Gas handled remaining balances on closed accounts. Mr. Williams replied that they had collections agreements, and the landlord was not responsible for charges made by tenants.

Councilwoman Henton asked Mr. Williams what deposit amount he felt would be appropriate. Mr. Williams indicated that he was less concerned with a deposit amount and more concerned with responsibility over the collection of unpaid charges. He was also displeased with tenants being able to pay only \$40.00 to have their terminated service turned back on from non-payment. Mrs. Sterchi clarified that customers can pay down their balance under \$40.00 to be excluded from termination.

Mayor Lambird asked how much bad debt the City had each month. Mrs. Sterchi replied that it varied greatly each month. Some months would see about \$25.00 worth of bad debt. However some months, like this past November, could see a few hundred dollars worth.

Mr. Williams told the Council that if no action would be taken this evening, that he would like to again be placed on the next agenda. He would be bringing several landlords with him at that time.

Councilwoman Henton felt that a good solution would be to raise the deposit. Councilwoman Fehrenbacher disagreed. She felt that the only solution to the issue at hand would be to eliminate having the landlord be involved with tenant utility balances.

Mayor Lambird asked if bad debt totaled a few thousand dollars or less per year. Mrs. Sterchi confirmed.

Mayor Lambird requested that the topic again be placed on the January 27, 2020, City Council agenda.

8-D "Resolution: Amend the 2019-2020 Budget in Water Distribution for a Trash Pump"
The Council was provided with a proposed resolution that would amend the 2019-2020 Water Distribution budget for the purchase of a trash pump. The Council was also provided with a copy of a quote received from Xylem of Evansville, Indiana. The quote for the trash pump was \$2,477.50.

Mr. Barker told the Council that an amount of \$10,878.00 remained in the Water Distribution Department's GIS line item. The Water Distribution Supervisor would like to amend the budget to transfer \$2,500.00 from the GIS line item in order to purchase a 3" trash pump. Doing this would prevent the trash pump from being placed in next year's budget.

Councilman McLaughlin moved to approve 2020-R-02, seconded by Councilwoman Fehrenbacher. A majority affirmative voice vote was received.

8-E "Resolution: Amend the 2019-2020 Budget for the Demolition of the Musgrove House" The Council was provided with a proposed resolution that would amend the 2019-2020 budget for demolition of the Musgrove House. The Council was also provided with a memorandum detailing costs for the demolition.

Mr. Barker explained that an amount of \$10,000.00 had been included in this year's budget for the demolition of the Musgrove House. Because of the extra cost incurred to inspect and remove asbestos, the total project cost came in at \$15,258.00. A budget amendment would be necessary to pay for the project. The additional funds would be taken from the Contingencies line item.

Councilman McLaughlin moved to approve 2020-R-03, 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" Mr. Barker had nothing additional to report.

9-B "RCDC Report" Mr. Yockey was not present, so there was no report.

9-C "Chamber of Commerce Report" Councilwoman Fehrenbacher stated that Chocolate Tour tickets had gone on sale for the event taking place on February 7, 2020. Additionally, the Chamber had started planning for the Ladies Night event that would take place on March 19, 2020.

9-D "Parks & Recreation Board Report" The Parks & Recreation Board had cancelled their December and January meetings, so there was no report.

9-E "Tourism Board Report" Councilwoman Henton told the Council that the 2020 Visitors Guides were completed and would be distributed this month.

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" Councilwoman

Fehrenbacher 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 Councilman Eyer. A majority affirmative voice vote was received.

Councilmen Eyer, McLaughlin, Councilwomen Fehrenbacher, Henton, Mayor Lambird, City Manager Barker, City Attorney Zuber, City Treasurer Guinn, and City Clerk Sterchi left the Council Chambers at 7:25 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 Councilman McLaughlin. A majority affirmative voice vote was received. Open session resumed at 7:51 p.m.

12-A “Ordinance: Establish Wage Rates for Paid-On-Call Firefighters, Part-Time Employees, and Summer Recreation Employees of the City of Olney” The Council was provided with a proposed ordinance that would establish rates for paid-on-call firefighters, part-time employees, and summer recreation employees of the City of Olney.

Mr. Barker explained that the proposed ordinance reflected changes in the minimum wage laws for the 2020 year.

Councilman McLaughlin moved to approve Ordinance 2020-02, seconded by Councilwoman Fehrenbacher. A majority affirmative voice vote was received.

Mr. Barker then distributed an update from RCDC Executive Director Courtney Yockey regarding progress on the establishment of a new TIF district.

Councilman McLaughlin noticed that a parcel proposed for inclusion was a residential property. He wondered if that would be allowed inside of such a TIF. Mr. Barker replied that it was allowed, but any TIF-eligible improvements on that property would need to be for commercial or industrial use. More information on the new TIF would be received within the next couple of weeks.

Mayor Lambird advised the Council that the Board of Appeals had approved the sign variance request for Love’s Travel Stop & Country Store. Love’s was currently working with IDOT on some additional design changes. Mayor Lambird expected that about \$24,500,000.00 worth of taxable revenue would be generated from the business.

The Mayor then noted that donations received for this year’s Christmas Light Display were again impressive. They were about \$2,000.00 less than the prior year, but there were fewer days between Thanksgiving and Christmas this season.

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

The meeting adjourned at 7:56 p.m.

Kelsie J. Sterchi
City Clerk

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