

CITY OF OLNEY  
CITY COUNCIL MEETING  
JULY 24, 2017

AGENDA #1 “CALL TO ORDER” The July 24, 2017, 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. Chris Jenette 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 Chuck Sanders, Assistant City Treasurer Jane Guinn, and City Engineer Charleston.

AGENDA #4 “PRESENTATION OF CONSENT AGENDA”

4-A “Approve Minutes of Council Meeting on July 10, 2017”

4-B “Approve and Authorize Payment of Accounts Payable July 25, 2017” Pooled Cash \$127,550.92, Manual Pooled Cash \$2,985.78, MFT \$92,641.50, Tourism \$2,000.00, Route 130 TIF \$214.50

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 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: Selection of City Hall Mural” The Council was provided with a listing of the mural online poll results. City Clerk Sterchi reminded the Council that at their last meeting, the Council requested that an online survey be created to assess the public’s preferences for the City Hall mural. The results were as follows: 5,224 votes for Design #4 (Rudy Kistler), 3,558 votes for Design #1 (Robert Treece), 63 votes for Design #2 (Carl Scott Lindley), and 52 votes for Design #3 (Michael Clark).

Councilwoman Henton moved to approve Design #1 (Robert Treece) for the City Hall mural. The motion died due to lack of a second.

Councilman McLaughlin moved to approve Design #4 (Rudy Kistler) for the City Hall mural, seconded by Councilwoman Fehrenbacher.

Councilwoman Henton was not sure that Rudy Kistler's design truly depicted any part of tourism.

Councilman McLaughlin asked where the funds were coming from to pay for the mural. Mrs. Sterchi replied that the mural would be paid for out of the Tourism Fund. Councilman McLaughlin was then uncertain if Tourism Funds should be used for the mural instead of Contingency Funds.

Councilwoman Henton replied that the greater picture was to place more murals throughout town over time. Mrs. Sterchi added that when the 2017/2018 Tourism budget was being developed, she had consulted the Tourism Board about the proposal of a mural. It was agreed that over time, more murals would be sought throughout town for visitors to view and to be advertised in tourism publications.

Councilmen McLaughlin, Harrison, Mayor Lambird, and Councilwoman Fehrenbacher voted to approve Design #4 (Rudy Kistler) for the City Hall mural. Councilwoman Henton voted no. The motion carried. Resolution 2017-R-53 would be created.

8-B "IDOT Resolution: Fund Appropriation Section 14-00082-00-WR – Whittle Avenue" The Council was provided with a proposed supplemental IDOT resolution that would appropriate \$605,000.00 in Motor Fuel Tax (MFT) funds for construction and engineering costs related to the Whittle Avenue project.

Councilman McLaughlin moved to approve the IDOT Resolution that would appropriate \$605,000.00 of MFT funds to Section 14-00082-00-WR (Whittle Avenue Project), seconded by Councilman Harrison. A majority affirmative voice vote was received.

8-C "Discussion/Possible Action: Funding Water and Sewer Installation to the New Hotel Site on Route 130" The Council was provided with a listing of proposed Parkside Plaza development costs.

Mr. Barker reminded the Council that at the last meeting, Eric and Karen Seals/Parkside Plaza had requested that the City provide water and sewer mains to their proposed development off of Route 130. According to the estimate provided by Mr. Seals, the cost would be approximately \$251,000.00.

Also at the last meeting, the Council authorized the City Engineer to design plans to run water and sewer at and into Parkside Plaza to then be submitted for permits from IDOT and the IEPA. At this meeting, the Council would need to decide to what length they wanted to run water and sewer lines, and how the project should be reimbursed.

Councilman McLaughlin recalled that at the last meeting, it had been proposed that the City run the water and sewer lines to the property line of Parkside Plaza. From there, the Seales would have their contractor take mains and laterals into the property, and the TIF could be used to reimburse the Seales for that portion of the project. RCDC Executive Director Courtney Yockey indicated that what Councilman McLaughlin had recalled was still the desire of the Seales, and that they would not look to be reimbursed until the hotel was 50% completed.

Councilman McLaughlin asked which portions of the project would be subject to prevailing wage. Mr. Yockey replied that the City's work would be subject to prevailing wage, but any work done by the Seales' contractor would not.

Councilwoman Henton wondered why the reimbursements were being asked for up front instead of over the life of the TIF. Mr. Yockey replied that in addition to extending a little courtesy, the up front reimbursements would eliminate the need for the Seales to go back to the bank to ask for additional financing. The reimbursement would replenish available funds to allow for continued hotel construction.

Councilman McLaughlin stated his favor with the proposal. He felt that projects such as Parkside Plaza were the exact purpose of having a TIF district. He noted that not many large, economic projects present themselves, and probably would not increase due to the current struggles Illinois had been facing.

Councilwoman Henton asked when the hotel construction was expected to reach the half way point. Mr. Seals felt that if the project broke ground in August, the hotel could be half way finished by the end of the year, dependent upon the weather.

Councilman McLaughlin moved to approve having the City run water and sewer mains to the property line of Parkside Plaza with the Seales running the mains and laterals into the property, and moved to have the City reimburse the Seales for their water and sewer line expenses out of the Route 130 TIF fund once 50% of the hotel construction was completed, seconded by Councilman Harrison. Mayor Lambird and Councilmen Harrison and McLaughlin voted yes. Councilwomen Fehrenbacher and Henton voted no. The motion carried.

8-D "Discussion: TIF Redevelopment Agreement – State Route 130 Corridor" City Attorney Zuber advised the Council that they would need to decide what percentage of Parkside Plaza's tax increment they would be willing to reimburse for TIF eligible expenses. Once that was decided, TIF attorney Terry Bruckert would create the redevelopment agreement.

Mr. Yockey told the Council that the proposed agreement would be pay-as-you-go, and that the Seales would not receive any money back until the property was finished. The percentage not given back to Parkside Plaza would go back into the Route 130 TIF fund for future projects.

Mr. Yockey continued that the Seales had requested an 85% rebate for the first five years and then 75% rebate for the rest of the TIF life.

Councilwoman Henton and Councilwoman Fehrenbacher pointed out that the 85%/75% proposal was different from the flat 75% proposal that had been discussed in all prior conversations. They wondered why there had been a last minute change. Mr. Yockey replied that the increased proposal was due to the firming up of preliminary numbers. The increase would make the project more financially feasible for the Seales. Even with the increase, Mr. Yockey explained that once Parkside Plaza reached the 75% rebate, they would be the second highest contributor into the Route 130 TIF fund. Then, once all out-lots were developed, the Plaza would be the highest TIF contributor for quite some time.

Councilman McLaughlin moved to approve a TIF redevelopment agreement with Parkside Plaza for an 85% reimbursement for the first five years and a 75% reimbursement for the remaining

life of the TIF or until all TIF eligible expenses were reimbursed, seconded by Councilman Harrison. Councilmen Harrison, McLaughlin, and Mayor Lambird voted yes. Councilwomen Henton and Fehrenbacher voted no. The motion carried.

#### 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. In addition to what was listed in the report, Mr. Barker told the Council that the repairs to the East Fork Lake parking lot had been completed. He showed the Council some photos that had been taken of the area upon completion. Mr. Barker and Councilwoman Henton were very pleased with the results.

9-B “RCDC Report” RCDC Executive Director Courtney Yockey informed the Council that a business plan writing workshop would be coming up soon, the C.E.O. program was working well, and that a meeting with the Route 50 Coalition would take place soon. Mr. Yockey added that Mayor Lambird was the new co-president for the Eastern Corridor.

Councilwoman Fehrenbacher asked for an update on the status of Route 50 becoming a four lane highway. Mr. Yockey replied that Phase 1 of the project had not yet been completed due to the issues with the State of Illinois’ budget. The Coalition was now trying to be more strategic and looking more into economic analysis and other factors that could help influence politicians.

Mayor Lambird added that the Route 50 Coalition would not only help Olney, but neighboring communities. For example, the Coalition influenced an economic development project coming to Lawrence County.

9-C “Chamber of Commerce Report” Councilman McLaughlin stated that the Chamber of Commerce was keeping busy in plans for the golf outing and Bicycle Classic.

9-D “Parks & Recreation Board Report” The Parks & Recreation Board had not yet met for this month.

9-E “Tourism Board Report” The Tourism Board had not yet met for this quarter.

The City Treasurer then addressed the Council to state that he had received the latest issue of the IML Review. The Review had updated their forecast of estimated tax allocations. Mr. Sanders continued that the newly passed State budget included a 10% temporary reduction in State income tax, so the City’s receipts would be going down. The Review also indicated that the State would be expediting allocation payments by 60 days.

Mr. Sanders then told that the State was taking more Corporate Replacement Tax and leaving less for municipalities.

#### AGENDA #10 “PUBLIC COMMENTS/PRESENTATIONS”

10-A “Brian O’Neill” Mr. O’Neill told the Council of the videos he had placed on YouTube that showed what he believed to be violations. He added that he had been encouraged by people for “taking down government.” Mr. O’Neill also felt that the City should place more wheelchair ramps on sidewalks and threatened to take action to the Department of Justice.

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

Councilmen Harrison, McLaughlin, Councilwomen Henton, Fehrenbacher, Mayor Lambird, City Treasurer Chuck Sanders, City Attorney Zuber, and City Clerk Sterchi left the Council Chambers at 7:36 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 8:49 p.m.

12-A “Ordinance: Establish Salary for Director of Human Resources/Administrative Assistant in the City Manager’s Office” The Council was provided with a proposed ordinance that would establish the salary of Cindy Harlan as the Director of Human Resources/Administrative Assistant in the City Manager’s Office.

Mr. Barker explained that the City needed to have a designated Director of Human Resources. Currently, Cindy Harlan handled the Human Resources duties in addition to her role as the Administrative Assistant to the City Manager. The ordinance would change Mrs. Harlan’s job title to Director of Human Resources/Administrative Assistant in the City Manager’s Office, and would change Mrs. Harlan from an hourly employee to a salaried employee. There would be no change in pay.

Councilwoman Henton moved to approve Ordinance 2017-42, seconded by Councilwoman Fehrenbacher. A majority affirmative voice vote was received.

Referring to the Status Report, Councilman McLaughlin asked Mr. Barker for more detail on the Sidewalks on Route 130 section. Mr. Barker replied that two sidewalk grants had become available. One was made known by the Greater Wabash Regional Planning Commission that would be an enhancement grant with an 80%/20% share in cost. The other was a grant available through IDOT with a \$1,000,000.00 maximum where the City’s share would be 10%.

If awarded a grant, Mr. Barker would like to run sidewalks from North Avenue to WalMart. The City Engineer’s cost estimate for that length of sidewalks was at \$1,175,000.00. The City’s portion of any sidewalk work along Route 130 could be TIF eligible.

Mr. Barker had submitted a grant application to IDOT for the sidewalks. He had also received information that if the City did not receive the grant this year, chances were good that the City would receive the grant next year. He was also advised that if applying for the IDOT grant, the City should not apply for the other enhancement grant through the Greater Wabash Regional Planning

Commission at the same time. If the IDOT grant was received, then the City could also apply for the Greater Wabash Regional Planning Commission enhancement grant.

A letter had been received by the City Clerk earlier in the afternoon that was addressed to the Mayor and City Council from Chad Yonaka. The letter was provided to the Council. Mr. Yonaka expressed concerns with the painting of street lines along N. East Street. Mr. Yonaka resides at the corner of N. East Street and Douglas Drive. Mr. Yonaka had also taken it upon himself to spray paint lines on the portion of N. East Street in front of his property earlier in the year. Councilwoman Henton did not appreciate that action, and commented on the amount of complaints she had received about that alone. The City Attorney added that the defacement of public property could be a felony offense.

Mayor Lambird felt that since there was parking on the west side of East Street, the parking should probably be better marked. Mr. Barker replied that he and the City Engineer had many discussions on the topic. Many streets throughout the City were not lined, and were not required to be lined.

Councilwoman Fehrenbacher said the options for this particular topic included moving the striped lines and re-striping, eliminate parking on East Street, or getting rid of the striping altogether. The Council decided to let the City Manager handle this issue at his discretion.

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

The meeting adjourned at 9:07 p.m.

Kelsie J. Sterchi  
City Clerk