

CITY OF OLNEY  
CITY COUNCIL MEETING  
MARCH 23, 2015

AGENDA #1 “CALL TO ORDER” The March 23, 2015 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. Ron Weber led the group in prayer.

AGENDA #3 “ROLL CALL” The following Council members were present: John McLaughlin, Barb Thomas, Brad Brown, Bob Ferguson and Ray Vaughn. Also present were City Manager/City Attorney Larry Taylor, City Treasurer Chuck Sanders, City Engineer Roger Charleston and City Clerk Kelsie Sterchi.

AGENDA #4 “PRESENTATION OF CONSENT AGENDA”

- 4-A Approve Minutes of Council Meeting from March 9, 2015
- 4-B Approve and Authorize Payment of Accounts Payable March 24, 2015: Manual Pooled Cash \$4,761.16, Pooled Cash \$52,536.79, Sequestered Funds \$18.58, Tourism \$5,464.00, Utility Refunds \$1,163.92
- 4-C Raffle License-Petroleum Club of Olney (1)
- 4-D Raffle License-Petroleum Club of Olney (2)
- 4-E Raffle License-ERFAE

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 Thomas. A majority affirmative voice vote was received to approve the consent agenda.

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

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

- 8-A “Presentation: NLC Service Line Warranty Program” Ashley Shiwarski, with Utility Service Partners, Inc., was present to discuss the National League of Cities (NLC) Service Line

Warranty Program. Ms. Shiwarski handed the Council a folder of information regarding the warranty program.

Ms. Shiwarski made the Council aware that this specific service line warranty program was the only service line program endorsed by the NLC. Additionally, Utility Service Partners, Inc. is a Better Business Bureau (BBB) business with an A+ rating, who also received a Torch Award from the BBB for marketplace ethics. Utility Service Partners, Inc. have kept their customer satisfaction rating over 95% for the past 10 years. Ninety-seven percent of claims are approved. Currently, over 230 municipalities are endorsing the program. Seventeen of those municipalities are in Illinois.

The service line warranty program was created to address the issue of aging infrastructure. The typical cost to replace service lines can be between \$2,000.00 to \$3,000.00. If additional work was needed for street or sidewalk cuts, the repair costs could jump up to \$5,000.00 to \$6,000.00.

Utility Service Partners, Inc. would handle all billing, marketing, claims and customer service. There would be no cost for the City to participate. Additionally, the City could receive royalty revenue of \$.50 per paid warranty contract per month. The royalty would be paid to the City each January.

Utility Service Partners, Inc. would market by direct mail only twice per year (Spring and Fall). Residents would receive a letter making them aware that Olney and Utility Service Partners, Inc. wanted to make the NLC Service Line Warranty Program available. However, Utility Service Partners, Inc. will not market without the City's approval.

An enrolled resident could receive up to \$4,000.00 per repair incident. Additional support could be available up to \$4,000.00 for street cuts and \$500.00 for sidewalk repair. There would be no restrictions based on pre-existing conditions and no limit on claims. There is a common misconception nationwide that when a service line breaks, it is the responsibility of the City to repair. That is not the case. Additionally, service lines are not covered under homeowner's insurance policies.

Once an enrolled resident experiences a problem, the resident can then call the Utility Service Partners, Inc. call center that is available 24 hours a day, seven days per week. From there, a local contractor is dispatched to evaluate the problem.

Councilman McLaughlin asked how residents were billed. Ms. Shiwarski answered that the resident had options. Utility Service Partners, Inc. could bill monthly or annually. If the annual billing was chosen, but coverage was cancelled, Utility Service Partners, Inc. would

refund the pro-rated difference. Additionally, residents would not be locked into any contract. The cost for water line protection would be \$5.75 per month. Sewer line coverage would be \$7.75 per month.

Councilman McLaughlin asked if there was a minimum amount of interest needed to make such coverage available for this area. Ms. Shiwarski indicated that even if only one person enrolled, the program coverages would still be extended.

Mayor Vaughn moved to approve endorsing the NLC Service Line Warranty Program as offered by Utility Service Partners, Inc., seconded by Councilman McLaughlin. A majority affirmative voice vote was received. Resolution 2015-R-10 will be prepared.

8-B "Presentation: Kevin Parker, Richland County Emergency Management Agency Coordinator" Kevin Parker, Coordinator for the Richland County Emergency Management Agency, was present to give the Council an update on his activities as coordinator and to answer any questions.

Mr. Parker explained that his position was to act as liaison to keep emergency plans in order. He develops emergency management plans that are submitted to the State for approval. The State's seal of approval keeps the County accredited.

The County and City do have emergency management plans in place. The County Board Chairman would act as the head official in a crisis. Mr. Parker would also be available to assist in any way possible.

The City had budgeted \$5,000.00 in fiscal year 2014/2015 for the Emergency Management Agency. With the last City donation, Mr. Parker was able to purchase a radio system for the Fire Department that was better suited for communication in a crisis.

The Council was in agreement to disburse the \$5,000.00 donation to the Richland County Emergency Management Agency.

8-C "Request: Letter of Support for Rotary Club to Submit Application to LaGala & Southern Illinois Rotary District for Donation Funds/Grants for Rotary Park Pavilion" The Council was provided with a proposed letter of support for the local Rotary Clubs to submit for funds and/or grants from LaGala and the Southern Illinois Rotary District to construct a new pavilion at Rotary Park. Dolores McNabb, president of the Olney Rotary Club, was present to answer any questions.

Since the two Rotary Clubs had assumed some of the responsibility of Rotary Park, they had added various features to the park and committed time for “work days” to improve the park’s appearance. Mrs. McNabb further explained that the large pavilion needed to be replaced. She understood that funds were hard to come by for such a project. Therefore, Mrs. McNabb asked for the City’s support in the form of a letter that could be sent to LaGala in effort to receive funds from the upcoming benefit. If all went according to plan, the funds would be used to replace the pavilion in Spring of 2016. The current pavilion would be raised, there would be electrical upgrades, and the Rotary Clubs also hoped to add a ceiling to discourage birds from roosting and building nests in the pavilion.

Mayor Vaughn asked if the upgraded pavilion fit into the Parks & Recreation Board’s proposed comprehensive plan. Councilman McLaughlin indicated that a pavilion replacement at Rotary Park was part of the comprehensive plan.

Councilman McLaughlin moved to submit a letter of support for the replacement of the pavilion at Rotary Park, seconded by Councilwoman Thomas. A majority affirmative voice vote was received.

8-D “Resolution: Support SWAN Grant Application” The Council was provided with a proposed resolution to support SWAN’s grant application to the Illinois Department of Commerce and Economic Opportunity (DCEO) for funds through the Emergency Solutions Grant Program. Renee Brown was present to answer any questions.

Ms. Brown explained that the grant that was being applied for was the same grant that SWAN had received for the past 10 years. The funds are used to help pay operational expenses such as food, utilities and supplies.

Councilman Ferguson moved to approve 2015-R-11, seconded by Councilman Brown. A majority affirmative voice vote was received.

8-E “Resolution: Fund Appropriation Section 12-00081-00SW - Safe Routes to School” The Council was provided with a proposed resolution that would authorize the joint agreement with the State regarding the Safe Routes to School project.

City Manager Taylor explained that the proposed resolution was similar to one passed in January. The resolution from January had listed \$35,000.00 in appropriation. Because the original cost estimate for the project was about \$300,000.00, the City’s actual agreement with the State is for their grant of \$250,000.00. The Illinois Department of Transportation (IDOT) wanted the numbers to match, which led to needing \$50,000.00 appropriated in the resolution. The \$50,000.00 would most likely not be spent unless change orders came from the State.

Councilman McLaughlin moved to approve 2015-R-12, seconded by Councilwoman Thomas. A majority affirmative voice vote was received.

The new water line along Hall Street would be placed before the Safe Routes to School project would commence. Bids for the water line replacement project would be opened on April 2, 2015, at 11:00 a.m.

8-F “Resolution: Authorize Execution of Engineering Agreement with Charleston Engineering for S. Whittle Avenue Reconstruction Project” The Council was provided with a proposed resolution and a standard engineering agreement with Charleston Engineering regarding engineering work on the S. Whittle Avenue Reconstruction Project.

City Manager Taylor explained that the resolution and agreement were required by IDOT in order to proceed with the project. The engineering expenses needed to be approved by IDOT.

Councilman Ferguson moved to approve 2015-R-13 and the proposed engineering agreement, seconded by Councilman McLaughlin. A majority affirmative voice vote was received.

Councilman Brown asked for the order of events on the execution of the project. City Engineer Charleston replied that planning was taking place with environmental clearances, preservation, and acquiring of right-of-way. For the next six months, field work would be completed and paperwork processed. The goal would be to have the project out for bid by July of 2016 in hopes to begin work in September. Road work could begin in April of 2017 with total project completion in the Fall of 2017.

From the audience, Patricia Zwilling asked why the paperwork process could not be hurried along. While Mr. Charleston certainly wished that the process could be faster, there was too much red tape that needed to be crossed.

8-G “Discussion: Selection of Site to Focus New Industrial Development” The Council was provided with a listing of estimated costs for development of the Benton/N. Shipley Road property, the East Industrial Park property, the Herman/IL Route 130 property, and the Whittle Avenue Industrial Park property, as developed by City Engineer Charleston.

Mayor Vaughn asked how much room was currently available for development in the existing industrial park. Richland County Development Corporation (RCDC) Director Courtney Yockey replied that there was only one 10 acre site available off of Miller Drive. Mr. Yockey strongly encouraged having another industrial site ready for future development.

City Manager Taylor presented an aerial photo of the Benton/N. Shipley Road property. A water line could be ran from the entrance of the WalMart D.C. on to the property and, presumably, down to Twin Bridge Lane. Sewer would need to come from near the Pleasant Valley Church building, and come across the WalMart D.C. property. Additionally, a pumping station would be needed due to elevations. The sewer cost would total about \$700,000.00. Water would be between \$160,000.00 and \$220,000.00. Road construction would then range between \$536,000.00 and \$925,000.00. To develop the 80 acres, the total cost estimate would be between \$1,400,000.00 and \$2,000,000.00.

Mr. Taylor then showed the aerial photo for the East Industrial Park property. Water and sewer lines would need to come from around East Street, and would hit Holly Road heading north into the industrial park. A water tower would be needed due to distance and elevations. A water tower would cost about \$1,300,000.00. Sanitary sewer would be about \$800,000.00. Concrete streets going through the property could easily total about \$1,000,000.00, depending upon how the area was developed. The East Industrial Park property had rail running by the property. No cost estimates were included for improvement of the railroad or access to the railroad. A total cost estimate for the area would be about \$4,000,000.00.

An aerial photo of the Herman/IL Route 130 property was presented next. The area was partially developed with Herman Drive and Wease Equipment located in that area. More property was available to the west, but would entail running \$20,000.00 in water line construction. Sewer construction would total about \$95,000.00 with streets totaling at least \$300,000.00. The property held 23 acres, but much of the land fell rapidly to the north. Therefore, only about 10-15 acres would be developable at an estimated total cost of \$400,000.00.

The Whittle Avenue Industrial Park property photo was next presented. This property held about 60 acres. Water already exists in this area. Sewer could be available by using an existing pumping station to take it under the highway and railroad in to the property. Alternatively, sewer could instead be extended by running it south on East Street to the pumping station on Radio Tower Lane.

Currently, there was limited access to the property. With the Whittle Avenue Reconstruction Project, it was hoped that an entrance to the site could be more easily accessible. A general estimate for concrete construction came to \$450.00 per lineal foot.

The biggest advantage to the property was that water was already there, and sewer was close by. Councilman McLaughlin felt that this site was by far the best option. Councilman Brown agreed, noting the benefit of it being located between Whittle Avenue and East Street.

If the Council were to say that they were ready to focus on the Whittle Avenue Industrial Park, Mayor Vaughn asked how long it would take to have the area ready for a potential tenant. Mr. Charleston replied that the sewer project alone would take about six to eight months. Road work would need to wait until it was known what would be put on to the property due to the cost.

Councilman McLaughlin asked if RCDC had evaluated the property. Mr. Yockey indicated that RCDC had looked at the potential properties, and the Whittle Avenue Industrial Park was their choice.

Councilman McLaughlin moved to have City Engineer Charleston begin planning work for the development of the Whittle Avenue Industrial Park, seconded by Councilman Ferguson. A majority affirmative voice vote was received.

8-H “Request: Discounted Admission Rates for Small Blessings Christian Development Center of \$1.50 per Student and Free Admission for Each Accompanying Teacher for Specified Days in June & July” The Council was provided with a letter from Small Blessings Christian Development Center requesting discounted admission rates to the Musgrove Aquatic Center for Summer of 2015. Since more topics involving the Musgrove Aquatic Center were set to be discussed later on the agenda, Mayor Vaughn wished to discuss this topic after item 8-N.

8-I “Discussion: Water Rates Outside City Limits” The Council was provided with a sheet from City Treasurer Sanders that outlined the impact of proposed rate changes. City Manager Taylor explained that as utility rates continued to rise, it was important to look at how the City’s rates compared to rural water companies and districts. Concerns had arisen that as rates go up in May of 2015 and May of 2016, the City would become less competitive.

A few other communities in Richland County receive water from the City on their own service lines, and they are charged a higher rate. The communities use about 35,000,000 gallons per year without a discounted bulk rate. Other industries receive a price break as they hit different consumption tiers.

City Treasurer Sanders gave the Council a hand out that listed the current water rate schedule, the proposed rate schedule, and proposed rate differences. He had taken a look at the rate tables to create different pricing options for those other communities. With the current plan, the rate increase in May of 2015 would have the other municipalities pay \$4.11 per thousand gallons. Mr. Sanders proposed a flat rate of \$3.16 per thousand gallons in 2015/2016 with \$3.35 per thousand gallons in 2016/2017.

Instead of the implemented rate increases providing additional revenue of \$48,000.00, reducing the rate for the other municipalities would result in a (\$34,147.00) reduction in revenue

for 2015/2016. Mayor Vaughn felt that competition was the reality of the market outside of City limits. Councilman McLaughlin noted that by not reducing the rate, the City was at risk of losing the revenue altogether. Additionally, the Councilman felt that the City should sell water to non-City residents where it would be cost effective, and in areas that had water lines nearby.

Currently, commercial industries outside of City limits are receiving an inside-City rate. Mr. Sanders proposed raising those fees by 25% for 2015/2016 in an effort to stay consistent. Currently, residents who had City water but lived outside of City limits were paying double the inside-City rate. Mr. Sanders proposed to lower that rate to a 50% premium beginning in 2015/2016. Watergate was suggested to receive a 125% surcharge on their rates versus the current 150% surcharge. Those reductions for residents outside of the City limits would result in a revenue reduction of (\$10,000.00).

Mr. Sanders then handed out a proposed sewer rate schedule. The Treasurer proposed to increase the sewer rate for all those outside of City limits by 25%. The increase would result in an additional \$4,668.51 in revenue for 2015/2016, and an additional \$4,883.15 in revenue for 2016/2017.

The Council wished to address the water and sewer rates further at the April 13, 2015, meeting.

8-J “Ordinance: Amend Section 13.08.230 (Owner to pay costs and indemnify City) in Sewer Code” The Council was provided with a proposed ordinance that would clarify the current City code regarding the maintenance of the service lines from the City main to the building. While the City’s policy is that the lines from the main to the building are of the owner’s responsibility, it was never explicitly stated in the code. Therefore, the ordinance would further explain the obligation of the homeowner.

Mayor Vaughn asked how often homeowner water and sewer lines were of issue. Water Distribution Supervisor Tom Umfleet indicated that such issues were certainly not unusual.

Mayor Vaughn moved to approve Ordinance 2015-13, seconded by Councilman McLaughlin. A majority affirmative voice vote was received.

8-K “Resolution: Accept Quote for a Police Gun Range Building for Police Department and Waive Formal Bidding Procedures” The Council was provided with a proposal from Built-Mor Buildings, Inc., of Mt. Vernon, Illinois, for a building at the police gun range. The Council was also provided with a proposed resolution that would accept the proposal and waive formal bidding procedures.

City Manager Taylor explained that the quote for the building as submitted by Built-Mor Buildings, Inc. came in at \$8,730.00. The 2014/2015 budget had \$10,000.00 allocated for police gun range improvements.

Mayor Vaughn asked if there was also another City building located at the gun range. Police Chief Paddock replied that there were two buildings located at the gun range. One building is used for police storage, and that is also the building needing replacement. The other building is occupied by the White Squirrel Saddle Club and the Gun Club. The Police Department was unable to store their items in that building.

Mayor Vaughn then asked if the City received rent from either club for the use of the other building. Mr. Taylor indicated that rent was not paid by the clubs, but utilities were. It was also reported that the Saddle Club had fixed up the building quite a bit, but that the City had also provided funds for the remodel.

Councilman McLaughlin noticed that the proposal did not include any concrete or electrical work. Chief Paddock told the Council that the electric and concrete work was planned to be completed within the next year or so.

Councilman Ferguson wondered why no bid was given from a local contractor. Chief Paddock replied that a few local contractors had also been contacted, but no response was received.

Councilman McLaughlin moved to approve 2015-R-14, seconded by Councilman Brown. A majority affirmative voice vote was received with Mayor Vaughn voting no.

Again from the audience, Patricia Zwilling asked why the City was unable to pay for insurance for the police officers, but could spend \$10,000.00 on a new building. Though insurance payments had never been an issue, Mayor Vaughn replied that the building had been budgeted for.

8-L “Ordinance: Authorizing Sale of Municipally Owned Real Property (2 Tracts of Former Railroad Right of Way)” The Council was provided with a proposed ordinance that would authorize the sale of the two tracts of former railroad right of way by sealed bids with the bid opening occurring at the April 27, 2015, meeting.

City Manager Taylor told the Council that the sale of the property would be subject to the successful bidder not bidding less than one half of the cost of publishing the notice of sale in the Olney Daily Mail. The notice of sale needed to be advertised in the Olney Daily Mail once a week for three weeks.

Mayor Vaughn moved to approve Ordinance 2015-14, seconded by Councilman Ferguson. A majority affirmative voice vote was received.

8-M “Discussion: Free Swim Days at Musgrove Aquatic Center” City Manager Taylor reminded the Council that one of the two yearly free swim days at the Musgrove Aquatic Center was historically on July 4. The other free swim day, as requested by ERFAE, would be on June 27, 2015.

Councilman Ferguson moved to name the free swim days at Musgrove Aquatic Center for 2015 on June 27 and July 4, seconded by Councilman McLaughlin. A majority affirmative voice vote was received.

8-N “Discussion: Swimming Pool & Summer Recreation Fees” The Council was provided with a list of current pool entrance fees, punch card fees, competitive swim lesson fees and general swim lesson fees.

Councilman McLaughlin mentioned that the Parks & Recreation Board had recommended to keep all pool fees the same for 2015. The Councilman also wondered how the City set hours and dates that the pool was open. Mr. Taylor responded that the pool typically opens Memorial Day weekend and closes when school starts. The Councilman then asked why the pool did not stay open on weekends only through Labor Day. Park Department Supervisor Frank Bradley replied that it was too difficult to find lifeguards after school began.

The Council decided to keep all fees related to the swimming pool the same for 2015.

The Council then re-visited item 8-H “Request: Discounted Admission for Small Blessings Christian Development Center of \$1.50 per Student and Free Admission for Each Accompanying Teacher for Specified Days in June & July.”

City Manager Taylor reported that such requests for Small Blessings Christian Development Center had been approved in the past.

Mayor Vaughn moved to approve the discounted rate of \$1.50 per student and free admission for each accompanying teacher for Small Blessings Christian Development Center on specified dates in June and July, seconded by Councilman McLaughlin. A majority affirmative voice vote was received with Councilman Brown abstaining.

#### AGENDA #9 “REPORTS FROM ELECTED AND APPOINTED OFFICIALS.”

9-A “City Manager - Status Report” The Council was provided with a Status Report from City Manager Taylor. Mr. Taylor told the Council that Kieffer Brothers Construction had been

working on shaping and seeding as a result of construction of the E. Main water line replacement project. They should be done in the near future.

A portion of the new water line had already broken at the main near the Main Street and East Street intersection. Mr. Umfleet told the Council that the hydrant tee to the main had come apart. Councilman McLaughlin asked if the sidewalk project to Millers Grove had any updates. Mr. Taylor replied that the sidewalk should be completed this year.

City Treasurer Sanders added that the sales tax receipts were disappointing for the past month. He had not heard from any other municipalities as to whether or not they trended the same way.

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

10-A ”Why Should I Fix One Community When I Can Save My Nation...’ Faster Than a Drop of a Dime. - The Government Elected Officials and Law Enforcement Officers Just Don’t Care. Unless the Discussion is About Medical Marijuana. Now You Know Why No One Comes to the City of Olney Council Meetings Unless They Are Running for Public Office and Want Their Pockets Lined with Tax Payers Money” Brian O’Neill, 818 E. Main, told the Council that for many years, people had been extremely hateful and disrespectful. He also could not understand why people were allowed to commit criminal acts when the prevention would save the government money. Mr. O’Neill was also disappointed that people did not attend Council meetings unless marijuana was discussed, or unless they were running for public office. He commented that he was sure that Councilwoman Thomas and Councilman Brown would not be seen at Council meetings after their terms expire in April.

The meeting of the City Council broke for a recess at 8:34 p.m. The meeting began again at 8:41 p.m.

#### AGENDA #11 “2015/2016 BUDGET DISCUSSIONS”

11-A “General Corporate” The Council was provided with budget sheets for each department within General Corporate. City Treasurer Sanders began his presentation by going over a recap of General Corporate. Expenses were expected to exceed revenue by (\$269,613.00). Mr. Sanders wanted to note that included in the expenses were a few items that already had monies accounted for. The first item was the Pacific Cycle Roof Repair. There was \$150,000.00 available for the project in a separate bank account. Also, \$26,384.00 was in a bank account for a final loan payment on a fire truck. Lastly, there was \$128,490.00 that was a one-time overlap in wages and benefits for new employees to be trained by employees set to retire later in 2015.

The Legislative Department was made up of the Mayor and City Council members. Personnel expenditures totaled \$32,295.00 for the 2015/2016 year. Contractual Services were

expected to be in the amount of \$27,000.00. The projected expenditures for 2014/2015 were higher than in other years, but this was due to the \$25,000.00 contribution to the 175<sup>th</sup> anniversary.

The Industrial Commission Department expected to have expenditures reach \$99,146.00 this fiscal year due to the hiring of an Enterprise Zone consultant.

The projected expenditures for the Board of Fire and Police Commissioners came to \$5,091.00. This amount included additional testing that was needed this fiscal year. The testing will not be necessary in the 2015/2016 year, bringing the budgeted expenses to only \$395.00.

The Administrative Department held the most revenue. Mr. Sanders noted that the Sales Tax (From State) line item was based off of guidance from the State. The \$902,000.00 in Income Tax assumed no reduction in the State income tax that would be allocated to the City despite some proposals coming out of Springfield that those amounts would be reduced.

Councilman Ferguson noticed a higher than usual proposed revenue under Boat Licenses. City Clerk Sterchi indicated that was due to the new non-resident fees for boat licenses that became effective for the 2015 year.

In Contractual Services, Mr. Sanders pointed out that a donation to the Emergency Management Agency was not put into the proposed budget for 2015/2016.

Councilwoman Thomas wondered what the proposed \$50,000.00 in Contingencies would be used for. Mr. Sanders replied that in the past, \$30,000.00 had been budgeted for Contingencies. It was suggested to raise that amount to \$50,000.00 in the 2015/2016 year. City Manager Taylor added that one advantage to having that money set aside was that it could be used on a majority vote when amending the budget.

A new Vehicle line item was added in the amount of \$25,000.00 for a potential vehicle for the new City Manager.

Sanitary Hauling was maintaining its standard going into 2015/2016.

In the City Clerk budget, Mr. Sanders pointed out that nothing was listed to be budgeted under Codification Software for 2015/2016. At the time the budget was being prepared, issues were arising with the new program. It was determined that the program needed to be returned. Therefore, a new system was needed. City Clerk Sterchi had looked into other options, and it seemed that the best option would require \$4,750.00 budgeted for 2015/2016.

Mr. Sanders felt that the audit tax levy would cover the annual audit for 2015/2016 in the City Treasurer Department. The audit could be more, but part of the audit fee is shared with the Water and Sewer Departments, and also the Fire and Police Pension Boards.

The Personnel Services expenses were budgeted at higher amount of \$196,580.00 for 2015/2016. The increase was due to a one-time overlap as a new Treasurer's Assistant would be hired and trained by the current Treasurer's Assistant.

The Legal Services budget had been increased to \$54,750.00 in anticipation of hiring a new City Attorney.

The Engineering Services budget for 2015/2016 was consistent with what had been budgeted in 2014/2015 in the amount of \$25,000.00.

The Code Enforcement budget had few increases. Councilwoman Thomas asked if \$20,000.00 was enough money to be budgeted under the Demolitions line item. Code Enforcement Officer Mike Mitchell indicated that \$20,000.00 was enough for the current fiscal year. While he cannot predict what will take place next year, he believed that the \$20,000.00 would be sufficient.

The RCDC budget was again set to break even with revenues and expenditures.

The Recycling Program was budgeted to receive \$37,800.00 in revenue with \$34,800.00 in expenditures.

City Hall Maintenance had added line items in Capital Outlay for Furnace & Air Conditioning and Remodeling to total \$62,000.00. City Manager Taylor told the Council that the extreme southeast corner of the building that held the old hose drying tower had a section that was no longer structurally sound and needed repair.

Moving on to the Fire Department budget, Mr. Sanders noted that the Fire Tax levied amount was set to receive \$154,270.00 in revenue. The Rural Fire District was expected to bring in \$64,800.00 in revenue.

Councilman McLaughlin asked if the Rural Fire District tax was set at the maximum amount. He was concerned with that contribution amount for a \$547,194.00 budget. Mr. Sanders replied that the amount was the current tax levy. The percentage could be increased.

Contractual Services did list an increase to \$5,000.00 for additional training that would be needed. Capital Outlay had additional proposed budgeted funds for Building Improvements in

the amount of \$12,200.00. Fire Chief Holmes explained that the improvements would be for ice breakers on the Fire Station roof. The single largest addition was for Rescue System Equipment in the amount of \$51,000.00.

The Debt Service portion listed the final payment for a fire truck loan payment. Mr. Sanders included a note at the bottom of the sheet regarding the Engine Replacement Reserve Set Aside. He did not include the amount in expenditures because the funds would come from an unrestricted account into a designated account, if the Council chose to replace a truck.

The Police Department anticipated revenues of \$169,983.00 for 2015/2016. Included in the revenue was an Illinois Public Risk Fund grant proceed amount of \$8,398.00. The plan for the next fiscal year was to use those funds towards replacement bulletproof vests.

The largest increase in expenditures was for Joint Dispatch Expense. The 2014/2015 year was now projected less than budgeted in the amount. Police Chief Paddock used Joint Dispatch's guidance to help create the proposed budget for the upcoming year.

Capital Outlay included \$32,000.00 in the Police Vehicles line item in anticipation of replacing a police vehicle. Vests were also listed as a line item in the amount of \$10,075.00. A replacement boat for Lake Patrol was also needed at \$15,000.00.

The Parks and Cemeteries Department had listed a projected revenue amount for 2014/2015 at \$67,262.00. Budgeted revenue for 2015/2016 was listed at \$30,500.00. Overall, revenues were in line with the prior year, with the exception of the receipt of the East Fork Lake Shoreline Grant that was received in 2014/2015.

Councilman McLaughlin asked how many part-time employees worked for the Parks & Cemeteries Department in the prior year. Park Department Supervisor Frank Bradley replied that he had started with 10 employees, but ended the season with eight employees. He anticipated eight part-time employees for the upcoming season.

Capital Outlay included \$17,120.00 for new mowers, and \$6,800.00 for the playgrounds. The East Fork Lake Boat Slips & Walkway project would finish in the 2015/2016 year requiring \$43,950.00 in disbursements.

Mr. Bradley had originally included \$35,000.00 in Community Building Improvements. Mr. Bradley told the Council that number would decrease to about \$20,000.00. A few weeks ago, it was noticed that after the large snow melt and rain, water seeped up from the Community Building floor. The issue had caused the tiles to warp. Mr. Bradley would not recommend replacing tiles, but instead removing them and applying an epoxy paint to the concrete.

The Recreation Department listed a decrease in Contractual Services as not quite as many repairs would be needed in 2015/2016. No Capital Outlay items were listed, including no Capital Outlay for Musgrove Park.

Mr. Sanders proceeded to tell the Council that in the Band budget, the Band Tax had increased to \$16,597.00. The tax would cover improvements made to the Band Shell along with the Contractual Services.

The Street Department budget forecasted a lower revenue amount of \$148,123.00 for 2015/2016. This was mainly caused by the Boone Street Grant funds. Final payments from that grant would be received in this fiscal year.

Contractual Services had increased to \$142,550.00 mainly due to maintenance costs. Supplies had also increased. Equipment Rental listed \$15,000.00 for the rental of a front end loader that would be used with the zipper.

Capital Outlay had some new items. One was Resurface of South Cove Roads for \$7,783.00. Mr. Sanders informed the Council that those funds were set aside in a designated account for that purpose. The Dump Truck line item listed \$45,000.00. There were also hopes for a new leaf vacuum machine totaling \$30,000.00. The new leaf vacuum machine would be a brand new machine replacing one of the current machines. Mr. Taylor offered that another option could be contracting out the service.

The line item for Construct Salt Storage listed \$30,000.00. The Lathrop Gutter/Curbs was a necessary project that would total \$50,000.00.

The Sidewalks, Signs/Painting budget did not expect to receive any further funds from RCRC in 2015/2016.

Personnel Services was set to increase to \$45,325.00. A large portion of the increase would be coming from the Reimbursement of Interdepartmental Labor in the amount of \$25,000.00. The increase was made in anticipation of sidewalk completions and repairs. With that in mind, the Sidewalk Repair & Maintenance line item in Contractual Services had increased to \$25,000.00.

Councilman Brown wanted to know if more sidewalks could be taken care of if more money was available for part-time labor. Tony Steber confirmed that the key to getting more done would be the labor.

In Capital Outlay, \$2,000.00 was listed for Concrete Forms 4". Mr. Steber was able to find better pricing in the current fiscal year, so that line item would be removed from Capital Outlay.

The Mechanic Department showed a bit of an increase in Personnel Services to \$139,270.00. Capital Outlay listed some new items for a Floor Mount Lift at \$5,000.00 and Diesel Engine Scan Equipment at \$5,000.00.

For the Library budget, the City budgets for Utilities. As with all departments, utilities were anticipated to increase. The Capital Outlay held Books budgeted at \$5,000.00.

Mayor Vaughn noted that additional sources of revenue needed to be found.

11-B "Motor Fuel Tax" The Council was provided with a budget sheet for Motor Fuel Tax (MFT), a cost estimate for the Whittle Avenue Reconstruction Project, and an MFT projections sheet. Mr. Sanders began by telling the Council that the State was anticipating MFT allocations to decrease. Therefore, Mr. Sanders listed the MFT Allocations line item to show \$216,940.00 based upon those recommendations. The Illinois Jobs Capital Bill Bonus provided two payments this fiscal year, however Tom Kreke did not anticipate additional funds in 2015/2016.

Much street repair had been accomplished in 2014/2015 where \$314,645.00 had been used. The 2015/2016 year projected \$140,000.00 to be used. Other added items under Contractual Services were Whittle Ave. Project in the amount of \$50,000.00, Safe Routes to School Engineering in the amount of \$33,000.00, and Audible Traffic Signal in the amount of \$25,000.00. Disbursements were expected to exceed revenue by (\$20,277.00).

The MFT projections sheet showed three historical years of recognized revenue and expenditures spent on street maintenance and other bills. The center column showed the 2014/2015 projection. The City would end up with \$255,870.00 in MFT accounts.

Mr. Sanders believed the MFT revenue for 2015/2016 could be \$227,723.00 with \$248,000.00 in disbursements. Therefore, the cash balance would go down about \$20,000.00. Projecting out and including the Whittle Avenue Project over the next three years, MFT money would run out. The assumption was to draw ahead about 11 to 12 years on STU funds. Additionally, monies could be used from the General Fund.

For the City's match on the project, \$500,000.00 could be used out of MFT funds with \$1,360,000.00 used from STU funds.

City Manager Taylor asked the audience if anyone was present that wished to address the Council regarding the budget. Marie Riggs stood before the Council and stated that she was there with a few other Library Board members in hopes to see an increase in the Books line item. As there was no increase, she moved along to another request. She then told the Council how the County had purchased property to relocate Animal Control. Animal Control was preparing for their move, but the property held only a shell of a building. There was no water, sewer or electricity. Several thousand dollars were needed to make the building usable. The City provides \$20,000.00 towards Animal Control. As Animal Control affects the City, Mrs. Riggs wanted to ask the Council to consider even more of a contribution of a one-time \$5,000.00 to go towards the building fund.

AGENDA #12 “CLOSED SESSION: SALE PRICE OF REAL PROPERTY; ACQUISITION OF REAL PROPERTY, APPOINTMENT, EMPLOYMENT AND PERFORMANCE OF SPECIFIC EMPLOYEES; AND COLLECTIVE NEGOTIATING MATTERS” Councilman McLaughlin moved to adjourn to closed session to discuss the sale price of real property, acquisition of real property, appointment, employment and compensation of specific employees, and collective negotiating matters, seconded by Mayor Vaughn. A majority affirmative voice vote was received.

Councilmen McLaughlin, Ferguson, Councilwoman Thomas, Mayor Vaughn, City Manager Taylor, City Treasurer Sanders and City Clerk Sterchi left the Council Chambers at 9:40 p.m.

Councilman Brown left the City Council meeting at 9:46 p.m.

AGENDA #13 “RECONVENE OPEN SESSION” Upon the return of those who were in closed session to the Council Chambers, Mayor Vaughn moved to enter back into open session, seconded by Councilman McLaughlin. A majority affirmative voice vote was received. Open session resumed at 11:00 p.m.

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

The meeting adjourned at 11:01 p.m.

Kelsie J. Sterchi  
City Clerk