

CITY OF OLNEY
CITY COUNCIL MEETING
AUGUST 25, 2014

AGENDA #1 “CALL TO ORDER” The August 25, 2014 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. Rick Hanna led the group in a 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 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 August 11, 2014

4-B Approve and Authorize Payment of Accounts Payable August 26-Pooled Cash \$135,333.23, Manual Pooled Cash \$7,556.87, Water Deposit Refunds \$2,390.52, Boone Street Grant \$38,596.32, MFT \$6,695.99

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 Thomas moved to approve the items on the consent agenda, seconded by Councilman McLaughlin. 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 “Discussion: Presentation and Acceptance of Fiscal Year 2013/2014 Audit” The Council was provided with the audit report for the 2013/2014 fiscal year as produced by Kemper CPA Group. Ryan Hawkins of Kemper CPA Group came before the Council to deliver a summary of that report. Mr. Hawkins indicated that there were no significant changes in the audit report compared to the year prior. He then detailed the Independent Auditor’s Report. The Independent Auditor’s Report described management’s responsibility and the auditor’s responsibility in respect to the audit as a whole. As of April 30, 2104, Kemper CPA Group

found that all financial statements were fairly presented for the City.

Mr. Hawkins went on to explain the layout summary on page 4 of the report. Governmental Activities included items such as the General Fund, IMRF and Relending Programs. The Business-Type Activities would include Water and Sewer. The Component Unit was for the Library.

The next statement summarized was the Cash Basis Statement which showed how the City budgeted. As far as liabilities in the governmental level, there were none. As of April 30, 2014, the General Fund had \$3,622,293 in cash with \$1,961,744 Other Governmental Funds.

On the Income Statement of Governmental Funds, Mr. Hawkins highlighted that as of April 30, 2014, the City of Olney collected about \$1.3 million in property taxes versus about \$1.2 million in the prior year. Sales tax boasted about \$1.85 million for the 2013/2014 fiscal year compared to about \$1.69 million the year prior. General Funds ended \$389,542 positive with the Other Governmental Funds \$121,149 positive.

As of April 30, 2014, in Proprietary Funds, the charges for services were covering operations of the funds. Mayor Vaughn noted that the totals were before any amounts were included to help pay for the Sewer and Water Fund's share of pensions.

In Fiduciary Funds, Mr. Hawkins wanted to be sure to note that the investments were presented at market value. The Fiduciary Funds ended in excess of \$6,098,384.

The market gain in the presented period showed an unrealized gain of \$124,127 indicating that the market did bounce back in the fiscal year for Fiduciary Funds. Revenue over expenses showed \$81,584 for Fiduciary.

Pension Plan footnotes began with IMRF, and gave cost and percentage contributed versus what was required. Mr. Hawkins mentioned that the pension numbers were in the lag. The numbers presented were for the calendar year ending December 31, 2013 as the State does not issue actuarial reports in a timely enough manner to utilize for the current fiscal year numbers.

Funding progress was presented for IMRF and also Fire and Police Pension funds. A 10 year presentation was also included showing revenues of the Fire and Police Pension funds. Mr. Hawkins noted that there were two police retirees between 2012 and 2013 which caused the spike in the numbers for that time period.

Mayor Vaughn requested a similar history be given for the City's financial statements in

Water, Sewer and General Funds. Mr. Hawkins replied that including such a history would not be a problem. He could create a schedule to be added to the back portion of the audit reports.

Mayor Vaughn then asked Mr. Hawkins for specifics on what auditors would be looking for during a municipal audit. Mr. Hawkins said that auditors would be making sure that all was materially correct in respect to modified cash basis. In respect to compliance, there are Federal funds received by the City, and the auditors verify that the City is in compliance with laws and other aspects of Federal funding. Auditors also verify cash balances and test expenses and controls over disbursements. Payroll testing is also conducted.

If there were additional checks and balances that the City would need, a management letter would be issued. The City of Olney had not been issued a management letter this year nor the year prior. Mr. Hawkins clarified that adjustments in the proprietary funds were due to the way the City budgeted. The City budgets on a cash basis, however for financial presentation purposes, it was required that balance sheets were listed as if the City were a business. The auditors needed to take certain expenses and place them on a balance sheet so they could depreciate out accordingly.

Councilman Ferguson moved to approve Fiscal Year 2013/2014 Audit as presented, seconded by Councilman McLaughlin. A majority affirmative voice vote was received. A resolution will be prepared at a later date.

8-B “Request: Permission to Use Fireworks at High School Football Games” The Council was provided with a follow up letter from Mike Lambird concerning the possibility of fireworks use at high school football games. Julie Eichhorst came before the Council to answer questions.

Mrs. Eichhorst began by making the Council aware that a correction was needed in the third paragraph. The potential lighting area would not be near a fire hydrant, but would be near a water spigot. The lighting area was suggested to be located in the outfield area of the baseball diamond.

Mayor Vaughn asked how many residents in the neighborhood were asked their opinions on the matter. While Mrs. Eichhorst did not give an exact number, she did say that most thought it would be a good thing, one resident was indifferent, and one wished for the fireworks to only be set off at the end of the game. Mrs. Eichhorst also mentioned that the Council could limit the fireworks to certain times, if they wished.

Mayor Vaughn had spoken with Burgin Manor on their opinion. Burgin Manor did not feel the fireworks would affect their operations.

Mayor Vaughn went on to explain that the lighting of fireworks within City limits was not allowed. In order for the fireworks at the football games to become a reality, an ordinance would need to be drafted.

Mayor Vaughn felt that if there were any complaints or issues regarding the fireworks, those complaints would need to go directly to the high school. The City would only be granting permission. Mrs. Eichhorst stated that an announcement would be made that the fireworks were a part of a school function, and not a City activity.

Mayor Vaughn also suggested that the fireworks begin on a trial basis. He would like the issue to be revisited next year to see if all worked as well as suggested. If accepted by Council at this meeting, the Mayor wanted to make clear that the decision was not permanent, but would be on a one year trial basis.

City Manager Taylor asked if arrangements were being made for insurance. Mrs. Eichhorst was looking into insurance. She also indicated that an organization, that she wished to remain anonymous at the time, was considering to aid with funding. That organization had insurance. If insurance was not affordable, the request for fireworks would dissolve.

Mayor Vaughn moved to approve the request to use fireworks at high school football games provided that all complaints would be directed to the school district, and provided that it was understood that the approval was set on a trial basis, seconded by Councilman McLaughlin. A majority affirmative voice vote was received. An ordinance will be created at a later date.

8-C "Tourism Grant Application - RCRC Blues Fest" The Council was provided with a Tourism Grant application submitted by the RCRC for Blues Fest, a memo from City Clerk Sterchi and a copy of the Tourism Grant General Information sheet. RCRC Board Member Eric Toliver was present to answer questions.

RCRC was requesting \$2,500 to help pay for advertising for the Blues Fest that would be taking place on September 13, 2014. The goal would be to bring more out-of-towners to the event. RCRC had not received any Tourism Grants to date.

The Blues Fest for 2014 would be the sixth year for the event. In the past, most of the attendees were local. The location was moved to the Richland County Fairgrounds in hopes the area would allow for more participation.

Mayor Vaughn asked how feedback could be received after the event. City Clerk Sterchi indicated that RCRC would need to fill out a report and submit the report back to City Hall following the event.

Mayor Vaughn explained that income for Tourism Grants was received from hotel/motel tax. The Mayor wanted to be able to account to the hotel/motel owners that the tax money was being spent wisely. Mayor Vaughn requested that if the grant was approved, that the RCRC give great detail on their report, specifically on out-of-town attendance. He suggested that the RCRC speak with hotel/motel owners after the event to see if there were overnight stays from the event.

Councilman Brown moved to approve the Tourism Grant request from RCRC for \$2,500, seconded by Councilman McLaughlin. A majority affirmative voice vote was received.

8-D “Ordinance: Amend Liquor Control Code to Decrease the Number of Class A Liquor Licenses” The Council was presented with a proposed ordinance to decrease the number of Class A liquor licenses. City Manager Taylor explained that two meetings ago, an increase in the number of Class A liquor licenses was approved based on a proposed establishment on W. North Avenue. Recent developments indicated that the establishment would not be opening on W. North Avenue. Mayor Vaughn was able to verify that information by speaking with Doug Dillard. If the number of Class A licenses was reduced, applicants would be able to come back to the Council to request an increase.

Councilman Ferguson asked about a certain Class A license-holder who had yet to open his business after two years. Councilwoman Thomas wondered if a time limit could be created for a license holder opening up a new business. If a certain amount of time went by, and the business had not opened, should their license be renewed? Mayor Vaughn stated that as Liquor Commissioner, he would give that individual a call to check on the status on the business. The Mayor would give a report at the Council meeting on September 8, 2014.

_____ Mayor Vaughn moved to approve Ordinance 2014-26, seconded by Councilwoman Thomas. A majority affirmative voice vote was received.

_____ 8-E “Update: Reservation of Tennis Courts/City Park Recommendations” Councilman McLaughlin and Councilwoman Thomas are both on the Parks and Recreation Board. Councilman McLaughlin began the discussion by saying the Board had met on Wednesday, August 20, 2014, and there were a few topics that the Board wanted to present to the Council.

At the Wednesday meeting, discussion was had regarding the tennis courts, tennis players and pickleball players. From that discussion, the Board was curious to see if there was a policy in place for reserving the tennis courts. If not, the Board would like to see one created to reserve the courts for certain matches and tournaments. It would be ideal to have the calendar of reservations available on the City website for viewing. In addition to tennis court reservations on the calendar, the Board would also like to see the swim meets scheduled for Musgrove

Aquatic Center. City Clerk Sterchi said such a calendar could be created, if the Council agreed.

Councilman Brown wondered what the current situation was with the tennis courts. Councilman McLaughlin explained that the high school coach had provided a schedule of high school tennis matches. Kyle Shipman, who maintained a tennis recreation league, held four tournaments per year. There were a few other tournaments that the Councilman could not recall. As no procedure was in place for reservations, a problem with availability had arisen.

City Manager Taylor confirmed that there was currently no procedure for proper tennis court reservations. Because of the recent interest in pickleball, the tennis courts were seeing more use.

Councilman McLaughlin recommended showcasing a recreation calendar of events on the City website that would show tennis and pickleball tournaments at the tennis courts, as well as swim meets and other activities at the Musgrove Aquatic Center. To clarify, City Clerk Sterchi asked if the reservations of the tennis courts would be for larger events only and not for general use. The Councilman confirmed. Mayor Vaughn asked if the Councilman's request was feasible. City Clerk Sterchi replied that the City's website currently had a general calendar of events and that setting up a separate recreation calendar should not be a problem.

Mayor Vaughn and Councilman McLaughlin were under the impression that the tennis courts were redone last year by donation, however the current condition of the courts left them disappointed. Councilwoman Thomas had heard that the harsh winter was a contributor to the condition. The three north courts were also experiencing flooding problems that may be washing out the base.

City Engineer Charleston indicated a wall was put up at the bank so the water would not exceed the wall. Water could possibly be coming in from the sides. Mr. Charleston thought another wall could be created, or the current wall could be extended farther back.

Councilman McLaughlin moved on to the Parks and Recreation Board's second topic. The Board had taken a tour of the Olney City Park and created a list of items they hope the City could take care of before the Fall Festival on September 27, 2014. The items on the list should be able to be taken care of at little to no extra expense. Councilman McLaughlin would be submitting the list to City Manager Taylor in the near future.

Councilman Ferguson asked if Park Department Supervisor Frank Bradley had been attending the meetings. Councilman McLaughlin replied that Mr. Bradley had not attended any of the meetings to date.

Councilman McLaughlin felt that if Mr. Bradley needed an extra part-time employee to help spruce up the parks before large events, he would be in support of such. Mayor Vaughn agreed, and asked that City Manager Taylor speak with Mr. Bradley on the topic.

Mayor Vaughn then asked for an update on the status of the Multi-Purpose Field at Musgrove Park. City Engineer Charleston updated the Council that seeding would be completed soon, probably within the next week or so.

8-F “Discussion: Crosswalks, Signs and Signals” The Council was provided with a photocopy of pedestrian crossing signs from a vendor magazine. City Manager Taylor reported that discussion had been taking place regarding different kinds of pedestrian crossings, some audible. One type of audible signal would cost about \$6,000 for one intersection that would give a chirp to indicate which direction to walk. Another type would verbally dictate which direction to walk. The City Manager’s concern was that the intersection may need to be completely re-wired. IDOT estimated that \$27,000 would be the cost for rewiring.

Mayor Vaughn had visited his son out of state and noted some pedestrian signs that were placed in the center of the road in order to be very visible. The City Manager and the Mayor had discussed different options, and felt that such a sign could be a less expensive way to warn drivers of pedestrian right-of-way. Mayor Vaughn explained that his recommendation for the pedestrian crossing signs in the roadways could be tried to see if they would be helpful to the Low Vision Support Group and other pedestrians. Referencing the sheet provided, Councilman Brown felt the crosswalk safety sign that stated, “State Law/Yield to Pedestrians Within Crosswalk,” would be his preference as it explained that pedestrian right-of-way was a State law.

City Manager Taylor also mentioned that an electrical company in Effingham, Illinois recommended a type of audible signal that would peep or cuckoo. That type of signal would not require an electrical upgrade.

Mayor Vaughn asked the Council if examples such as those discussed would be of interest to continue exploring. The Council did wish to continue looking into ways to assist pedestrians at crosswalks.

Councilman McLaughlin included that once a decision had been made, it would be his recommendation that would also be an ideal time to repaint crosswalks.

Mayor Vaughn requested that City Manager Taylor meet with Police Chief Paddock for his input.

8-G “Discussion: Alleys - Policy on Closing (Vacating) Alleys and Maintenance” The

Council was provided with a copy of Section 10.12.140 “Alleys” of the City of Olney Municipal Code. City Manager Taylor began by explaining that the City had many alleys. Some alleys are used regularly, some are used partially, and some are not used at all. To date, the City did not have a written policy concerning maintenance of alleys. In general, the City has attempted to maintain alleys to a point that they are safe. The City typically would not provide rock or gravel. If unsafe, the alley may be graded and some rock may be added.

Mayor Vaughn asked how many alleys the City was responsible for. Mr. Taylor thought there may be a couple of hundred, although he did not believe the City was in possession of a complete alley listing.

Councilman McLaughlin asked who would be responsible for mowing the grass in an alley if the homeowner was not keeping up with the maintenance. Mr. Taylor indicated that the City would more than likely end up mowing the area.

Mayor Vaughn felt that if all alleys were the same in regards to access, a comprehensive policy could be created. At this time, a comprehensive policy did not seem possible. Councilman Ferguson agreed.

Mr. Taylor also told the Council that typically when an alley is closed, property owners will pay compensation for their portion of the alley, if there is no easement. Mr. Taylor felt it could be advantageous for the City to vacate an alley without requiring compensation. The City has never vacated an alley without an initial request from a homeowner.

Mayor Vaughn told City Manager Taylor that if he would be in favor of vacating as many alleys as possible, if Mr. Taylor was able to create a plan. Easements could be reserved, if needed.

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 reported that City Engineer Charleston had advised him that the North Avenue pumping station was tested and operable. Additional work was still in progress on Elm Street as some sewer line still needed to be laid. In conjunction with that project, the City had received the first draw from the EPA loan in the amount of \$198,746.30 to reimburse from costs the City had already incurred. On a side note, Mr. Taylor wanted to make the Council aware that Kurt Froehlich had recently passed away. Mr. Froehlich had worked with the City as counsel for EPA loans and bond work for the past 25-30 years.

Mr. Taylor went on to explain that oil and chip work on the roads had been completed. Preston Township would then be oil and chipped, as well as the Borah Lake and East Fork Lake

parking lots. A few other areas of road near East Fork Lake may also be oil and chipped.

Councilman McLaughlin mentioned that he had noticed a lot of oil coming up out of the roads. City Engineer Charleston explained the cause came from the heat. Some areas were more severe than others. More rock was applied to those areas. As the heat decreases, most of those problem areas would disappear.

The Illinois Association of Water Pollution Control Operators indicated that the City's waste water treatment plant was nominated for an award as the Best Operated Waste Waterworks. The winner will be announced in April of 2015. The City's plant was one of only seven nominated. Whether the City's plant will receive the award or not, the City is extremely proud to be nominated.

Mr. Taylor also received notice that there will be a meeting with the staff of the Greater Wabash Regional Planning Commission at RCDC on Wednesday, September 17, 2014 at 10:00 a.m. to develop the comprehensive economic development strategy for Richland County and Olney. Any suggestions to be added to the project list would be needed before the meeting date.

The last installment of \$225,000 was received from the State for the E. Main Waterline project. The City had previously received \$75,000 before the project began. Any funds needed beyond this point would be at the City's expense.

The first installment of real estate property taxes had been received. A total of \$831,940.12 was received. Those amounts did not include the road and bridge money or any TIF money.

City Manager Taylor had met with the County Board to discuss the Enterprise Zone and the need for the new application. Mr. Taylor also asked for financial assistance from the Board. If any assistance is given, it will more than likely be incorporated into their budget in December. The Board was also willing to consider a contribution to the Route 50 Four-Lane Coalition. The City is working with a consultant on the Enterprise Zone application. A meeting with the advisory board would be set up in the near future to discuss the issue of boundaries and tax abatements.

Mayor Vaughn asked City Engineer Charleston how involved he had been in the oil and chip process this year. Mr. Charleston said he had been in touch with Street Department Working Foreman Tyler Kocher about every other day. The Mayor then asked if anything was being done differently this year. Mr. Charleston replied that the only change was the prime used. The prime this year was an E2 prime. The application rate had remained the same. A rubber tired roller was used this year instead of steel.

City Manager Taylor asked Mr. Charleston of his involvement with the prep work for the oil and chip. Mr. Charleston stated he had missed a good amount of the preparation.

Mr. Charleston went on to explain that three roads on Eastgate had been worked on. Rock was added to build up the road. The zipper had been used on South Cove, and was built up. The zipper was also used on Morgan and Fair Streets, along with a few others.

AGENDA #10 “PUBLIC COMMENTS/PRESENTATIONS”

10-A“Elected Officials Need to Stop Rolling Marijuana Joints and Focus on the Real Jobs, Etc.” Brian O’Neill, 818 E. Main Street, gave his opinion that bringing a marijuana plant to Olney would bring the wrong kind of jobs to the area. Mr. O’Neill felt that elected officials were running the country down hill. He also felt that tax payers’ money would be spent on all kinds of marijuana.

Mr. O’Neill also felt that elected officials, with the help of marijuana, wanted to kill off people with disabilities, much like Hitler. It was his opinion that marijuana would cause the brain to deteriorate. When that happens, more people would be put on SSI, Medicare and Medicaid. Mr. O’Neill’s health care bill would actually help people with disabilities.

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

Councilmen Brown, Ferguson, McLaughlin, Councilwoman Thomas, Mayor Vaughn, City Manager Taylor, City Treasurer Sanders and City Clerk Sterchi left the Council Chambers at 8:16 p.m.

AGENDA #12 “RECONVENE OPEN SESSION” Upon the return of those who were in closed session to the Council Chambers, Councilman McLaughlin moved to enter back into open session, seconded by Councilwoman Thomas. A majority affirmative voice vote was received. Open session resumed at 9:20 p.m.

AGENDA #13 “ORDINANCE: AUTHORIZING EXECUTION OF DEVELOPMENT AGREEMENT WITH DELTA 9 GLOBAL OR RELATED PARTY AND EXECUTION OF WARRANTY DEED FOR 17.36 ACRES ON SHIPLEY ROAD” This item was removed from the agenda. The item will reappear on the agenda of the Reconvened City Council Meeting that would take place on Wednesday, August 27, 2014.

AGENDA #14 “ADJOURN” Mayor Vaughn moved to adjourn, seconded by Councilman McLaughlin. A majority affirmative voice vote was received.

The August 25, 2014 meeting of the City Council adjourned at 9:20 p.m. The meeting will reconvene at 4:00 p.m. on Wednesday, August 27, 2014 in the Council Chambers at the Olney City Hall to discuss Agenda #13.

Kelsie J. Sterchi
City Clerk