

**CITY OF OLNEY  
CITY COUNCIL MEETING  
JULY 22, 2013**

**1. Call to Order** - The July 22, 2013 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.

**2. Pledge of Allegiance to the Flag - Prayer** - Council members and visitors joined in the pledge of allegiance to the flag.

**3. Roll Call** - The following Council members were present: 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 Deputy City Clerk Cindy Harlan. Councilman John McLaughlin was absent.

**4. Presentation of Consent Agenda**

**4-A Approve Minutes of Council Meeting on July 8, 2013 and Special Council Meeting on July 15, 2013**

**4-B Approve and Authorize Payment of Accounts Payable July 23, 2013**

**4-C Raffle License - Eagles #2549 (Thursday Nights)**

**4-D Raffle License - Eagles #2549 (September 30, 2013)**

**4-E Raffle License - LaGala Ltd.**

**4-F Freedom 92.9 WSEI-St. Jude Golf Classic**

**5. Removal of Items from Consent Agenda** - Mayor Vaughn announced that Item 4-C was requested to be removed from the consent agenda.

**6. Consideration of Consent Agenda** - Councilman Brown moved to approve the consent agenda with the exception of Item 4-C, seconded by Councilman Ferguson. The consent agenda was approved by a majority voice vote.

**7. Consideration of Items Removed From Consent Agenda** - City Manager Taylor explained the difference between Items 4-C and 4-D is that 4-D is a raffle conducted through September 30<sup>th</sup> with a drawing on September 30<sup>th</sup> for \$400 cash or a rifle. Item 4-C is a request from the Eagles #2549 to conduct a raffle every Thursday evening and the winner is determined each week. The raffle request complies with the City's ordinance. The third raffle license request considered at the last City Council meeting is considered a progressive jackpot.

Councilman Brown moved to approve Item 4-C, seconded by Mayor Vaughn. Councilwoman Thomas abstained, Councilmen Brown, Ferguson and Mayor Vaughn voted yes. The motion carried.

## **8. Public Comments/Presentations**

**8-A Mayor and City Council Deprive Life Liberty & Justice** - Brian O'Neill gave his opinion on why there was no prayer at the beginning of the meeting.

**9. Closed Session: Acquisition of Real Property** - Councilwoman Thomas moved to adjourn to closed session to discuss the acquisition of real property, seconded by Councilman Brown. A majority voice vote was received.

Councilwoman Thomas, Councilmen Brown, Ferguson, Mayor Vaughn, City Manager Taylor, City Treasurer Sanders and Deputy City Clerk Harlan left the Council Chambers at 7:07 p.m.

**10. Reconvene Open Session** - Upon the return of those who were in closed session to the Council Chambers, Councilman Brown moved to enter back into open session, seconded by Mayor Vaughn. A majority voice vote was received. Open session resumed at 7:19 p.m.

George Hostettler proceeded to express his opinion that recycling should not be made mandatory for the residents of Olney. Mayor Vaughn informed Mr. Hostettler that City Manager Taylor will be giving an update on the status of recycling in Item 12-D. There is nothing on the agenda about making recycling mandatory.

## **11. Presentation of Ordinances, Resolutions, Etc.**

**11-A Decision: Boone Street Drainage Project** - City Manager Taylor stated a special meeting was held on July 15<sup>th</sup> to discuss the Boone Street drainage project. This evening a decision will be made on whether or not to proceed with the project due to the upcoming deadlines. City Engineer Charleston reported that if the project is approved, Greater Wabash Regional Planning Commission suggested the following timetable: advertise for bids immediately, open bids on August 13<sup>th</sup>, issue a notice to proceed to the contractor by August 27<sup>th</sup> with construction to begin September 10<sup>th</sup>. Depending upon the weather, construction should go very quickly since the culverts are pre-cast.

Councilman Brown moved to proceed with the Boone Street drainage project, seconded by Councilwoman Thomas. Mayor Vaughn, Councilwoman Thomas, Councilmen Brown and Ferguson voted yes. There were no opposing votes. The motion carried.

**11-B Request: Tourism Grant - Olney Events** - The applicant withdrew his request for a tourism grant, therefore, this item was deleted from the agenda.

**11-C Resolution: Accept Bid for Aeration Header Replacement Project** - City Manager Taylor reported that bids were opened today for the aeration header replacement project which will eliminate some of the bubbling problems at the Wastewater Treatment Plant. The project involves the replacement of underground piping and the new piping will be above ground. Kieffer Brothers Construction Co. from Mt. Carmel bid \$105,000 and Haier Plumbing and Heating bid \$130,900. It is recommended that the City Council approve the low bid from

Kieffer Brothers. There is \$185,000 budgeted in the turbo blowers line item for this project. The remaining \$80,000 will be used for variable speed drives to control the blowers. Wastewater Treatment Supervisor Tony Steber believes that by fixing the leaking lines and turning the blowers down that the savings in electricity will pay for the project.

Councilman Ferguson moved to approve Resolution No. 2013-R-42, seconded by Mayor Vaughn. Councilwoman Thomas, Councilmen Brown, Ferguson and Mayor Vaughn voted yes. There were no opposing votes. The motion carried.

**11-D Resolution: Accept Quote for Wheelchair Swing** - City Manager Taylor presented a resolution to purchase an adult wheelchair swing with donated funds. The resolution waives the formal bidding procedures to purchase the swing from Bluegrass Playgrounds of Ashland, Nebraska in the amount of \$1,966 and amends the budget by increasing the donations line item and the playground equipment line item by \$1,966.

Councilwoman Thomas moved to approve Resolution No. 2013-R-43, seconded by Mayor Vaughn. Councilman Ferguson, Mayor Vaughn, Councilwoman Thomas and Councilman Brown voted yes. There were no opposing votes. The motion carried.

**11-E Resolution: Accept Quote for Playground Equipment** - City Manager Taylor referenced information provided by Park Supervisor Frank Bradley to accept a quote from Miracle Recreation Equipment to purchase a maypole, log roll, therapeutic swing with frame, arch swing with 4 bays, whirl (merry-go-round), trim timbers and an ADA ramp. Pictures of the items were provided. Mr. Bradley also provided pictures of the playground equipment that has already been purchased and delivered - a 3-bay arch swing, multi pondo, geodesic climber, tire swing, trim timbers, and an ADA ramp. Drawings of the existing City Park and Kiddy Land playgrounds and drawings of the proposed playgrounds with all the new equipment were also provided by Mr. Bradley. The diagram does not show the adult wheelchair swing, but the logical placement of the swing is between the merry-go-round and the therapeutic swing on the north side of the City Park playground.

Councilman Brown thought that the biggest swingset on the north end of City Park close to the old pool was going to be kept. Mr. Taylor believes there are safety concerns with this swingset, but he will check with Mr. Bradley.

Councilman Ferguson moved to approve Resolution No. 2013-R-44, seconded by Councilman Brown. A majority voice vote was received. The motion carried.

**11-F Discussion: Term of EPA Loan** - City Manager Taylor reported that at the last meeting, the Council discussed the North Street Sanitary Pumping Station replacement project and the terms of an EPA loan. It is anticipated that a bond ordinance will be available for consideration by the Council at the next meeting. One outstanding issue needs to be decided to complete the application process and that is the term of the loan. A 20 year loan term at 2.5% interest is available, but the City could also have a 10 year loan term with the same interest rate. The difference between the two terms is the amount of interest paid over a 10 year period. The loan payments with either term can be taken care of with the existing debt service. There is no

penalty for pre-payment of the loan. City Treasurer Chuck Sanders stated the interest on a 20 year loan at 2.5% would be approximately \$170,000. The interest on a 10 year loan at 2.5% would be approximately \$85,600 for a difference of \$84,400. The annual principal and interest amortization for 20 years would be approximately \$38,500 and for 10 years would be approximately \$68,600.

Councilman Ferguson and Councilwoman Thomas both preferred a 10 year loan. Mayor Vaughn stated he likes the option of borrowing money at 2.5% interest when rates are starting to go up. The City has the option to pay more if able to do so. If interest rates go up to 10%, why pre-pay when the City could earn more money by investing. If the interest rate was at 8, 10, or 20%, he would prefer the shortest term possible. He believes it would be wise to lock in the rate at 2.5% for 20 years.

Councilman Brown moved to secure a 20 year loan term, seconded by Mayor Vaughn. Councilman Ferguson, Mayor Vaughn, Councilwoman Thomas and Councilman Brown voted yes. There were no opposing votes. The motion carried.

**11-G Ordinance: Sale of Personal Property-1979 Ford F800 Fire Truck** - City Manager Taylor stated that City Clerk Henton has attempted to sell the fire truck on two different occasions through GovDeals.com. The first attempt had a reserve of \$3,500 and the highest bid came in at \$3,021. The highest bid the second time was \$2,500. When Enoch Rice came to pick up another vehicle that he had bought from the City, he inquired about the fire truck and indicated a willingness to purchase it for \$3,000. An ordinance has been prepared to authorize the sale of the fire truck to Mr. Rice for \$3,000.

Councilman Ferguson moved to approve Ordinance No. 2013-25, seconded by Councilwoman Thomas. A majority voice vote was received. The motion carried.

## **12. Reports from Elected and Appointed Officials**

**12-B City Manager - Swimming Pool Closing Date - August 11, 2013** - City Manager Taylor suggested closing the swimming pool on Sunday, August 11th, since school starts on August 14th. The pool will still be available for the school district to use for a week or so for PE classes if they so desire. The Council had no opposition to the suggested closing date.

**12-C City Manager - Recycling Update** - City Manager Taylor reported that Secure Processors is closing its business in Olney on August 31st, but will continue to operate the facility in Flora. There is a truck that comes from Flora at least two times per week to provide services to various businesses in Olney. Secure Processors has offered to use this truck to pick up the recycle bins that are used on the City's trailer and leave bins for the City's use for the next two to three days. The City can pick up the items as it always has, store them at the Public Works Center, and then Secure Processors will pick up the filled bins. This would eliminate the need for the City to pay for hauling services which would have added a lot of cost to the City.

Taking advantage of the service offered by Secure Processors will enable some of the employees working at the Olney facility to continue to work for Secure Processors.

As a result of the closure of the Olney facility, recycle items will no longer be able to be dropped off.

**12-A City Manager - Status Report** - Mr. Taylor brought to the Council's attention a fracking conference at Rend Lake on July 30th. Mr. Taylor and Mayor Vaughn are attending the conference. On July 29<sup>th</sup> there is a meeting in Charleston sponsored by Good Energy on municipal electric aggregation. The contracts that were signed were in effect for 18 months and will end June 2014. This meeting is to begin discussions concerning bidding the service again and getting a better rate for the residences and small businesses. Mr. Taylor and City Treasurer Chuck Sanders are attending the meeting. Mr. Taylor will try to get the percentage of savings recognized by the consumers as a result of municipal electric aggregation.

Mary Spillman invited Mr. Charleston to check on a situation at her residence that occurred as a result of the heavy rain in a short period of time on Saturday evening. The flow of water was strong enough it tore a step off her neighbor's deck and floated railroad ties. There is debris on the property that was not cleaned up because Mrs. Spillman wants Mr. Charleston to look at the properties and determine why the debris is flowing in the direction it is. Mr. Charleston stated he will inspect the properties. Mrs. Spillman stated the force of the water tore up the alley by her property and the Street Department worked on the alley today.

John Rohr reported that the new zipper machine was in the 700 block of North Boone last week and some of the debris from the road work was in the drains on the west side of Boone Street and needs to be cleaned out before another big rain comes.

Answering a few questions from the audience, Mr. Taylor stated that Boone Street will be oiled and chipped when the contractor comes in August. City Engineer Charleston verified that there will be some water and sewer work done in the Boone and Fair Street culvert areas as a result of the Boone Street drainage project. Mr. Taylor verified that concrete cloth has been purchased to be placed on the north side of the channel. The project was put on hold until a decision on the drainage project was made. Mayor Vaughn stated that when the road repair work is complete on Boone Street the manhole covers will be uncovered.

Mr. Charleston verified that the culverts on Boone Street and Fair Street will be replaced as a result of the drainage project the Council approved this evening, as well as an additional culvert placed on the Sunshine Village property. The City will acquire an easement to place the additional culvert on the Sunshine Village property.

**13. Closed Session: Appointment and Employment of Specific Employees** - Councilman Brown moved to adjourn to closed session to discuss the appointment and employment of specific employees, seconded by Councilman Ferguson. A majority voice vote was received.

Councilwoman Thomas, Councilmen Brown, Ferguson, Mayor Vaughn, City Manager Taylor, City Treasurer Sanders and Deputy City Clerk Harlan left the Council Chambers at 8:02 p.m.

**14. Reconvene Open Session** - Upon the return of those who were in closed session to the Council Chambers, Councilwoman Thomas moved to enter back into open session, seconded by Councilman Brown. A majority voice vote was received. Open session resumed at 8:47 p.m.

**15. Action on Closed Session** - There was no action taken as a result of closed session.

A short discussion was held about the bond counsel and the sale of the bonds for the EPA loan.

City Treasurer Sanders reported that he and Mr. Taylor will be meeting with the auditors on Wednesday at 2:30 p.m. to discuss the preliminary audit results. It is expected that Kemper will present the adjusting entries that need to be made and supply their audit letter. The final audit report will most likely be presented to the Council in September.

**16. Adjourn** - Councilman Brown moved to adjourn, seconded by Councilman Ferguson. A majority voice vote was received. The meeting of the City Council adjourned at 8:52 p.m.

Cindy L. Harlan  
Deputy City Clerk