

CITY OF OLNEY
CITY COUNCIL MEETING
OCTOBER 28, 2013

AGENDA #1 “CALL TO ORDER” The October 28, 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.

AGENDA #2 “PLEDGE OF ALLEGIANCE TO THE FLAG-PRAYER” Council members and visitors joined in the pledge of allegiance to the flag. Kevin Pittman led the group in a prayer.

AGENDA #3 “ROLL CALL” The following Council members were present: Barb Thomas, John McLaughlin, 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 Belinda Henton.

AGENDA #4 “PRESENTATION OF CONSENT AGENDA”

4-A Approve Minutes of Council Meeting on October 14, 2013

4-B Approve and Authorize Payment of Accounts Payable October 29, 2013-Pooled Cash \$61,157.71, Manual Pooled Cash \$3,307.13, Water Deposit Refunds \$1,732.15, Levied Insurance \$241.25, Tourism \$4,533.88 and Christmas Light Display \$6,838.30

4-C Raffle License-RMH Foundation

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 Councilman Brown. 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 “PUBLIC COMMENTS/PRESENTATIONS”

8-A “Government Equipment, Richland County Club, Gun Range, Public & Private Properties” Brian O’Neill discussed the use of public funds for private use.

AGENDA #9 “PRESENTATION OF ORDINANCES. RESOLUTIONS. ETC.”

9-A “Resolution: Approve Bids for Sand, Crushed Stone and RipRap” Recently bids were opened for the furnishing and delivering of sand, pea gravel, crushed stone and riprap for

public works for the period of November 1, 2013 through April 30, 2014. Two bids were received. The Council was provided with a proposed resolution approving the low bid from Scaggs Trucking for sand, pea gravel, CA-6 and crushed stone and Charles Heuerman Trucking for riprap.

Councilman Ferguson moved to approve Resolution 2013-R-53, seconded by Councilman McLaughlin. A majority affirmative voice vote was received.

9-B “Discussion: Richland Country Club Water Agreement” The City has an agreement with the Richland Country Club in which the City sells raw water from Vernor Lake to water the greens and fairways on the golf course. The Council was provided with a copy of the current agreement. The agreement was effective on October 1, 1998 for a term of 20 years, however, it is subject to renegotiation at the end of each five-year term. The agreement is now at the end of the third five-year term. The Richland Country Club pays the City \$500 per year which is payable in four equal monthly installments of \$125 during June, July, August and September. There have been requests from some residents at Vernor Lake for the City to amend the agreement to change the level of the lake at which the country club would have to stop taking water out of Vernor Lake.

Mr. Taylor questioned if the Council wanted to renegotiate the agreement by increasing the water level from which the country club can take water or leave the agreement as it is for another five years.

Councilman McLaughlin questioned why the residents at Vernor Lake would be concerned with the water level. Mr. Taylor explained the water level affects their boat docks. Councilman McLaughlin pointed out no one at Vernor Lake pays city taxes, but they have access to the lake.

Curt Nealis, Richland Country Club board president, and Tom Cook, head superintendent of the Richland Country Club, were both present. Mr. Nealis believed they have a good agreement with the City, and from time to time it has been brought to their attention they need to watch the water level.

Mr. Cook reported no water was taken from the lake this summer until September at which time it was only used for 36 hours. He explained the pipe that extracts water from the lake is at a fixed level, and once that level is reached water cannot be pumped to the country club.

No action was taken to amend the agreement. The current agreement will continue for another five years.

9-C “Ordinance: Amend Chapter 12.52 Special Event Permits” At the last meeting Mr. Taylor provided the Council with proposed code changes to special events. These changes were as a result of discussions relating to insurance. Proposed changes are to the definition of a special event, insurance requirements and an additional section regarding indemnification and

hold harmless agreement. The proposed changes do not change the minimum insurance of \$1,000,000 for a lot of events, but would change the insurance requirements for other events which are considered more dangerous.

Councilman McLaughlin clarified since the Olney Gun Club has a lease agreement, these proposed changes do not affect them. Mr. Taylor commented as long as their lease agreement remains the same.

Councilman McLaughlin questioned if the City has agreements with other groups such as Little League, Olney Swimming Team, Richland County Soccer, etc. Mr. Taylor commented currently the City does not have agreements with any of the athletic organizations. Agreements were signed by several of these groups when they played at the City Park. Mr. Taylor has drafted an agreement which could apply to any recreational organization. They would each be required to have \$1,000,000 of liability insurance.

Councilman McLaughlin questioned if the agreement with the Richland County Fair Board will override the requirement of a special use permit for the circus, demolition derby and motocross. Mr. Taylor explained the Fair Board has an agreement with the \$1,000,000 insurance requirement for the property they are leasing.

Mayor Vaughn commented the intent would be if this proposed ordinance is adopted, the entities would be required to have additional insurance as their agreements roll over. Mr. Taylor believed that would be correct particularly when it comes to the more hazardous activities such as the demolition derby, but because of the current lease, these changes do not pertain to them at this time.

Councilman McLaughlin has talked to two different insurance agents. They did not see the need for additional insurance nor did he. If there is a liability problem, Councilman McLaughlin would rather deed the property to the entity and alleviate the City's liability and the need for the group to buy expensive insurance. He was concerned if groups are required to have large amounts of insurance, there will be a risk of the events not happening. He agreed with \$1,000,000 across the board, but not the \$3,000,000, \$5,000,000 and \$10,000,000. An insurance agent told Councilman McLaughlin it would cost \$1,000 for each \$1,000,000 of coverage for the gun club.

Councilman Brown questioned the definition of an organized athletic event. Mr. Taylor commented there was not a definition, but he could attempt to write one. Mr. Taylor believed an organized athletic event would be an event where athletic teams are organized or sponsored by an organization or individual.

Councilman Brown also asked about a traveling team that uses the City's facilities for practice. Councilman McLaughlin also questioned if a company event would be considered a special event. Mr. Taylor did not view a company event any different from a family event. Mr. Taylor believed an organized athletic event is an association gathering together for competition.

Mayor Vaughn commented with all the years he participated in the soccer league, the league would go to their insurance company and provide them with a list of locations they planned to practice and a list of entities that needed to be covered. His point was a league should not be sponsored unless they have insurance because if someone gets hurt, someone will be liable.

Councilman Brown questioned if Mr. Taylor has looked into the option of the City raising its liability coverage. Currently, the City has \$10,000,000 of liability insurance. Councilman Brown believed requiring organized events to have insurance was a good idea, but wondered if the City should look into raising its coverage.

Councilman Ferguson question if Mr. Taylor knew what the school district does in respect to special events at their facilities.

Mayor Vaughn commented the insurance required from the events is intended to put the City's insurance in a supportive position instead of the primary position. If the City's insurance was in the primary position, the premium will go up dramatically when the exposure is increased.

Councilman McLaughlin was in favor of requiring \$1,000,000 of liability coverage, but coverage more than \$1,000,000 would be burdensome for the special events when the events are a benefit to the community.

Councilman Ferguson would like to know what the impact would be to these events and would it prevent them from conducting the special events.

It was Mayor Vaughn's opinion if the organization cannot afford the insurance, they should not have the event.

Councilman McLaughlin did not want to live in a community that cannot have special events such as a circus because of the cost of liability insurance.

Mr. Taylor pointed out the proposed insurance limits are not mandatory, but based on the City's insurance broker's experience.

Lynn Ernst understood the reasoning for insurance, and asked if bass tournaments are required to have insurance. Mr. Taylor explained bass tournaments are not considered a special event because each boater is required to have \$100,000 of liability insurance.

Mr. Ernst would like for the City to take into consideration that the Olney Gun Club has had a lease with the City for 18 years with no accidents, they are providing a service to the community, and they are maintaining the gun range. They currently have \$1,000,000 of liability coverage and \$2,000,000 is obtainable, but anything above that is very draconian.

Councilman McLaughlin commented the biggest issues are the firing range and the activities that are held on the fairgrounds such as the demolition derby, motocross and circus. Councilman McLaughlin questioned if the properties are deeded to the fair board and the gun club, would the City be relieved of liability. Mr. Taylor commented that in all likely hood the City would be excluded from liability. Councilman McLaughlin stated before letting these events go away, he would like to see the property deeded to these groups.

Concerning the proposed ordinance, Councilman Brown asked for an explanation for fund raisers involving the sale of food and/or the use of equipment or electrical appliances which are not usually found at a home or motor vehicle. Mr. Taylor explained the sponsoring organization such as the Olney Arts Council would be required to provide the insurance not the individuals participating in the event.

Currently, special events are required to provide \$1,000,000 of liability insurance.

Councilman Ferguson was of the opinion to leave the code as it is. He believed more study is needed before a change is made. He would like to hear from organizers of the triathlon and circus on what impact increased insurance coverage would have on them. Councilman Brown would like to see options for increasing the City's liability coverage.

Councilwoman Thomas was agreeable to amend the code by adding the section dealing with indemnification and hold harmless agreements. Mayor Vaughn pointed out the hold harmless agreement only means something if the organization has assets, but most do not. If they do not have insurance, the City becomes the deep pocket. He is worried about a horrific accident where someone becomes permanently injured or suffers a fatal injury. Such an event will be debated in court for years if the City acted appropriately. Most of the risk for a horrific accident will fall upon the City which means it is falling upon the tax payers instead of the people who are creating the event. The Council's job is to protect the citizens of Olney. There is insurance available for any activity, but the price may be high based on the risk. He thought the Council needs additional information and input from the insurance providers.

Within the last few years, the City of Flora experienced an accident related to their fair. Councilman Ferguson would like to find out more details concerning this incident.

No action was taken at this time.

9-D "Resolution: Grant Agreement for New Water Main on E. Main Street" The City has received the grant agreement between the City and DCEO for a \$300,000 grant to be used for a portion of the costs associated with the installation of a new 12" water main on E. Main Street from Elliott Street to Ohio Street. The Council was provided with a proposed resolution, a number of pages from the grant agreement and a cost estimate for the project. The total estimated cost is \$626,400 of which \$300,000 will be paid for through the grant. The deadline for completing the project is October 31, 2014.

Councilman Ferguson asked where the City's share of the cost will come from. Mr. Taylor indicated there is a total of \$1,600,000 in unrestricted reserves that could be used for this project. At a later time there will need to be a resolution passed to amend the budget for this project.

Replacing this main has been discussed for several years and this project was initially approved in 2009. The project is still appropriate and important to create a large water loop. Mr. Charleston commented there is a 12" loop around the town and this project will provide a center loop through the downtown. This line will provide a greater flow of water especially for fire protection and get rid of an old water line on the east side which potentially could cause future repair problems. Work on this project will be contracted.

Approving the proposed resolution will be the first step in accepting the grant. The next step will be to bid the project. Once the bids are received, the Council will have an opportunity to approve or reject the project.

Councilman McLaughlin moved to approve Resolution 2013-R-54, seconded by Councilman Brown. Councilmen Brown, Ferguson, Mayor Vaughn, Councilman McLaughlin and Councilwoman Thomas voted yes. There were no opposing votes. The motion carried.

9-E "Discussion: Street Repair Priorities" The Council was provided with a list of street repair priorities. Oil and chip streets were prioritized for 2014, 2015 and 2016. No time frame was indicated for the concrete and asphalt streets.

Councilman McLaughlin noted that approximately \$150,000 was spent on oil and chip streets this year. He noticed only \$55,000 to \$65,000 was prioritized for each of the next three years. He questioned if additional money would be used on concrete and asphalt streets. Mr. Taylor explained the cost estimates indicated on the list are the actual oil and chip costs and does not include the cost for the zipper. Additional money could be budgeted for the concrete streets. Asphalt work would have to be contracted, but could also be included in the budget. There may also be additional funds available once the equipment is paid off.

Councilman McLaughlin noticed there are approximately ten streets slated for repair each year. He questioned if this was because of time or money restrictions. Mr. Taylor commented the limited number of streets is because the City has to schedule the oil and chip contractor. More streets would be possible if the City purchased its own equipment to spread oil and rock.

Since the zipper was not received until July, it was expected more streets could be accomplished next year by starting earlier in the season, but this would also depend on weather and other projects.

Mr. Sanders noted that the number of streets completed may not be as relative as the number of square yards completed. It was estimated that approximately 35,000 to 38,000 square yards were completed this year.

Councilman McLaughlin would like to see money being put away for the large concrete street projects like Main Street, Holly Road and Whittle Avenue.

Most of the asphalt streets would have to be contracted. Mr. Charleston commented that the zipper could do some of the milling in preparation for projects on asphalted streets.

Mayor Vaughn would like to see a cost estimate for the concrete streets projects for long term planning. Mr. Charleston commented there are a variety of options for improving the various streets.

Councilman Brown noted the list does not include the widening of N. East Street from Hall to Mack. This project has been slated for 2015 with STU funds. He also suggested that the Street Department Supervisor look at the first block of N. East Street for inclusion on the street repair list.

The City has the only zipper in the area. Mayor Vaughn asked if any other road districts have the necessary equipment for spreading oil and rock. Mr. Charleston believed the townships rent the necessary equipment and operator from Mt. Carmel Stabilization. Mr. Taylor added that the City has an oil distributor, but it needs work. The City does not have a spreader box.

With the zipper the Street Department has to prepare the roads in advance and wait for the contractor to finish the roads. If the City had a working oil distributor and rock spreader, the City would be in control of the whole process. Streets could be prepared and finished quicker.

Mayor Vaughn suggested that cost estimates be prepared for the proposed concrete and asphalt streets. After some additional discussion, the Council would be ready to approve the list at a future meeting.

9-F “Resolution: Approve Affiliation Agreement with IECC Regarding the Use of Firing Range and Building for Concealed Carry Courses” This matter was tabled.

9-G “Ordinance: Vacation of Jefferson Street South of Railroad on the East 25 Feet of Lot 33 of Harris & Eidson’s Addition” Mr. Taylor received a request from Tom Weber, on behalf of his clients Jerry and Brenda Ginder, to vacate Jefferson Street from the railroad south to E. South Avenue. The west 25 feet of Jefferson Street was platted in Harris & Eidson’s Addition and the east side of Jefferson Street was platted in Harris & Eidson’s Second Addition. Harris & Eidson’s Second Addition was vacated March 3, 1900, but the west half of Jefferson Street was never vacated. Currently, there are buildings on the Jefferson Street right of way. The utility companies have been consulted and there are no utilities in the right of way, so Mr. Taylor did not believe a utility easement needs to be reserved. In the past when the City has vacated a street or alley, the property owners have paid 10 cents per square foot when a utility easement is required and 15 cents per square foot when no easement is reserved. The property owners also pay for recording the vacating ordinance.

The Council discussed whether the property owners should pay for the property that was requested for vacation. Councilman McLaughlin questioned how this situation differs from selling Lot 6, Block 1 of VanMatre Fairlawn Addition which will be considered later in the meeting. Mr. Taylor explained Lot 6 was actually conveyed to the City and not a right of way. The method of disposal is different.

Mayor Vaughn asked if there is any need to retain access or right of way through the property for any future purpose. Mr. Taylor commented it would be difficult to see how this property could be used.

Councilman Ferguson moved to vacate the west 25 feet of Jefferson Street with the property owners paying 15 cents per square foot and recording costs, seconded by Mayor Vaughn. Councilman Ferguson, Mayor Vaughn, Councilman McLaughlin, Councilwoman Thomas and Councilman Brown voted yes. There were no opposing votes. The motion carried. Ordinance 2013-35 will be prepared.

AGENDA #10 “REPORTS FROM ELECTED AND APPOINTED OFFICIALS”

10-A “City Manager - Status Report” Mr. Taylor reported there is a recycling event planned for Saturday, November 2. Baby Huey’s will be at the city parking lot at the corner of Butler and Boone from 9:00 a.m. until 2:00 p.m. They will collect several types of items such as electronics and white goods. There will be a \$5 charge for TV’s and computer monitors. If things go well, this event will occur the first Saturday of each month.

It was questioned if tires should be accepted since a local business takes tires and the Citizens for a Greener Olney cautioned that many people will dump them after the recycling event is over. The Council was in favor of accepting tires this time and see how it goes.

Mr. Taylor reported that he has received word that the funding for the shoreline protection grant from IEPA has become an issue in this fiscal year. The City would be allowed to do the project now, but no reimbursement would be received until after July 1, 2014. Mr. Charleston suggested starting the project next spring. According to grant specifications, the project would need to be completed by December 31, 2014.

The annual meeting of the Joint Review Board is scheduled for October 29, 2013, at 4:30 p.m. at City Hall. Mr. Taylor has filed the annual reports for all three TIF districts with the state comptroller. The Joint Review Board will review the reports.

The public has been advised through the Olney Daily Mail and WSEI/WVLN that the water disinfectant will be switched from free chlorine back to combined chlorine on October 31, 2013. Combined chlorine is the normal disinfectant used in the City’s distribution system.

Mr. Taylor reported last week seven employees attended the NIMS command and general staff training session for incident management for five days in Newton.

Mayor Vaughn noted some new equipment has been installed at the City Park.

Mr. Taylor advised that Sewer Department Supervisor Tony Steber will attend the next meeting to discuss the sewer plant and projects he is considering. This will help the Council better understand that department's needs.

Mr. Sanders reported that income tax is slightly behind last year, but he expects by the end of the year it will be more favorable. Sale tax receipts and other receipts are running favorably. Payments from the State are generally running two payments behind instead of three to four like they were last year.

Councilman McLaughlin expressed concern for the excess dirt from the detention basins at Musgrove Park. At the next meeting he would like to discuss the City's plan to get the dirt moved out of the park.

AGENDA #11 "CLOSED SESSION: SALE PRICE AND ACQUISITION OF REAL PROPERTY, APPOINTMENT OR EMPLOYMENT OF SPECIFIC EMPLOYEES AND REVIEW OF CLOSED SESSION MINUTES" Councilman McLaughlin moved to adjourn to closed session to discuss the sale price and acquisition of real property, appointment or employment of specific employees and review of closed session minutes, seconded by Councilman Brown. A majority affirmative voice vote was received.

Councilmen McLaughlin, Brown, Ferguson, Councilwoman Thomas, Mayor Vaughn, City Manager Taylor, City Treasurer Sanders and City Clerk Henton left the Council Chambers at 8:34 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 Mayor Vaughn. A majority affirmative voice vote was received. Open session resumed at 9:30 p.m.

AGENDA #13 "ACTION ON CLOSED SESSION"

13-C "Resolution: Destruction of Closed Session Audio Recordings" Councilman Ferguson moved to approve Resolution 2013-R-55, seconded by Mayor Vaughn. A majority affirmative voice vote was received.

13-B "Resolution: Release Closed Session Minutes" Councilman Ferguson moved to approve Resolution 2013-R-56, seconded by Mayor Vaughn. A majority affirmative voice vote was received.

13-D "Ordinance: Sale of Lot 6, Block 1 VanMatre Fairlawn Addition" Councilman McLaughlin moved to pass Ordinance 2013-36, seconded by Mayor Vaughn. Councilman Ferguson, Mayor Vaughn, Councilman McLaughlin, Councilwoman Thomas and Councilman Brown voted yes. There were no opposing votes. The motion carried.

13-A “Resolution: Authorize Employment Agreement with Courtney Yockey”
Councilman Brown moved to approve Resolution 2013-R-57, seconded by Mayor Vaughn.
Mayor Vaughn, Councilman McLaughlin, Councilwoman Thomas, Councilmen Brown and
Ferguson voted yes. There were no opposing votes. The motion carried.

A file will be started for City Clerk applications. The Council was welcomed to stop by
City Hall to review any of the applications. Mayor Vaughn and Councilman Ferguson will
narrow the applications down before the interviewing process.

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

The meeting of the City Council adjourned at 9:33 p.m.

Belinda C. Henton
City Clerk