

CITY OF OLNEY
CITY COUNCIL CLOSED SESSION
JUNE 13, 2011

The Olney City Council met in closed session for the purpose of discussing collective negotiating matters and setting the price for the sale or lease of city-owned property. The closed session began at 8:53 p.m. in the City Manager's Office at City Hall. Those present were: Councilmen Foster, Brown, Ferguson, Councilwoman Thomas, Mayor Lambird, City Manager Bukas, City Attorney Taylor and City Clerk Henton.

Councilman Foster reported the Richland County FOP contract will have to be renegotiated to allow for more hours for part-time dispatchers.

Solar Prime has expressed an interest in locating a solar facility in Richland County. A couple different places are being considered in Richland County. One location is the acreage behind Pacific Cycle. An option and lease have been submitted to Solar Prime for their consideration. The option for lease is up to 5 years. They would pay \$15 per acre per year, but the land can still be farmed. If they exercise the lease, it would be for 25 years. The original proposal for lease was \$300 per acre with an increase of 2%, but it was amended to the greater of 2% or the Consumer Price Index. They did not like the Consumer Price Index being tied to the increase. They are open to a higher rent up front or a higher increase instead of being based on the CPI. The company will have only one or two employees once the facility is constructed. They need between 100 and 200 acres. The City has approximately 60 useable acres, but the Carrie Winter Trust has 20 to 30 across the street.

The Council questioned the benefit of the project since not many jobs will be created. The Council was told the electricity generated will be sold to Ameren. If leased the City would receive rent of \$300 per acre instead of being farmed at \$140 to \$150 per acre.

Mr. Taylor asked if the Council wants to proceed and if so what they think about the rent and annexation. The Council was in favor of working with Solar Prime and annexing the property. They proposed a 2.5%-3% annual increase. Mr. Taylor commented the project is not a done deal. The Carrie Winter Trust is also interest in participating in the project, but they were not satisfied with a 2% annual increase.

The Council expressed a concern with allowing Solar Prime to utilize the acreage behind Pacific Cycle because of its availability of water and sewer services versus another property without infrastructure improvements.

Mr. Bukas reported the IBEW has a new business agent. So far no wage proposal has been presented nor feedback to the sick leave buy back. They have dropped their request to change the prescription plan, and requested that the City drop the two-tier system for health insurance for new employees. Discussion took place concerning supervisors doing bargaining work. The City could withdraw the proposal to not allow sick leave to be counted for hours worked when calculating overtime. Mr. Bukas explained this only effects a couple of employees.

The next meeting will be June 20. Mr. Bukas recommended that the City stick with the proposed sick leave buy back, a maximum wage increase of 3.25% this year, 3% next year and 2.5% the next year. Mr. Bukas did not believe the union was interested in any negotiations concerning health insurance. They rejected for new employees to pay 50% their first year, 45% for the second year, 40% for the third year and 35% for the fourth year for health care.

The City received notification from EDA regarding the City's request for reimbursement for the East Industrial Park. According to Sarah Mann from Greater Wabash the City is scheduled to receive \$49,000 out of \$124,000 expected. Mr. Bukas explained the reduction is because only \$90,000 was budgeted for basic architectural fees, but \$230,000 was spent, and other architectural \$215,000 was budgeted, but only \$200 was spent. Mr. Bukas suggested requesting an additional \$15,000 which the City paid for engineering because EDA wanted to see a high pressure system put into the industrial park. That expense was not part of the original agreement. Mr. Bukas also suggested a budget amendment between other architectural fees and basic architectural fees. EDA is willing to look at any revised information. The reimbursement is something that is negotiated in an agreement. The City is not entitled to any specific amount. All of the people the City dealt with at EDA during the East Industrial Project are no longer involved in the project. Mr. Bukas will see what can be done. A revised agreement is expected from EDA because the last one included wrong information.

The Council unanimously approved the May 9 and May 23, 2011 closed session minutes.

The closed session adjourned at 9:34 p.m.

Belinda C. Henton
City Clerk