

**MINUTES OF REGULAR SESSION
HIGHLAND CITY COUNCIL
TUESDAY, FEBRUARY 16, 2010**

Mayor Michaelis called the Regular Session to order at 7:00pm. Councilmembers present were Rickher, Bardill, Bellm and Zobrist. Others in attendance: City Manager Mark Latham, City Attorney Terry Bruckert, Directors Cook, Gillespie, Rosen, Rusteberg and Schoeck, Chief Bell, Supervisors Limestall, Fire Chief Rick Bloemker, Deputy City Clerk Hediger, City Clerk Bellm; Joy Howard, WM Financial; 9 citizens and 1 member of the news media.

MINUTES

Councilman Bardill made a motion to approve the minutes of the February 1, 2010 Regular Session as attached; seconded by Councilwoman Bellm. Roll Call Vote: Rickher, Bardill, Bellm and Zobrist voted aye, none nay. Motion carried.

PUBLIC FORUM

Citizens' Requests and Comments:

Swap Meet Donation Request – Dick Connor stated he and his business partner, Carl Hills, of Hills Automotive, in Bartelso, are promoting the event. While he has a Pocahontas address, Mr. Connor stated I spend a lot of time in Highland shopping and doing business. The swap meet has been held in Highland for 14 years at the Madison County Fair Grounds. The event will have indoor and outdoor participants. This year, the date is Sunday, March 7th, 7am – 2pm. This is a good economic event for the community with 75-100 vendors from Illinois, Missouri, Indiana, Tennessee, and Arkansas. We estimate 10,000 -15,000 customers. The swap meet is a flea market for hot rod and stock car enthusiasts. People coming in to Highland for the event are buying food, fuel, and overnight stays. We are already putting money into the event with \$1500 going towards local media advertising. In promoting the event, we are also promoting the City of Highland. We are asking for a \$500 grant from the hotel/motel fund. With the funds, we plan to purchase additional advertising in the local area. In addition to the money, we would like to put a call out to have local businesses promote the event. We would welcome businesses to place banners on their websites and in their advertisements to promote the event. In closing, this is a very good event for the community that brings people into the community. With the additional funding, we feel we can bring more people in. Councilwoman Bellm made a motion to award the swap meet \$500 of hotel/motel tax funds to be used towards their marketing campaign as requested; seconded by Councilman Bardill. Mayor Michaelis stated this is a wonderful event and hope that you keep coming back to Highland to host the event. Mr. Connor noted even with internet and telemarketing of products and services, we have been able to increase the size of the event. Roll Call Vote: Rickher, Bardill, Bellm and Zobrist voted aye, none nay. Motion carried.

Highland Lion's Club – Memorial Day Biathlon Request – Councilman Bardill made a motion to grant the request of the Highland Lion's Club to hold the annual Memorial Day Biathlon and use of

city streets from ~8am – 10:30am on May 31, 2010 as attached; seconded by Councilwoman Bellm. Roll Call Vote: Rickher, Bardill, Bellm and Zobrist voted aye, none nay. Motion carried.

Requests of Council:

No requests or comments were presented.

Staff Reports:

City Manager Latham informed the council that copies of the Fiscal Year 2010-2011 Budget would be delivered to them on Monday, Feb 22. We will have our first meeting on it March 8.

NEW BUSINESS

Approve Mayor's Reappointments to the Silver Lake Advisory Commission – Councilwoman Bellm made a motion to approve the mayor's reappointments of Sally Raeber, Larry Diveley, and Kent Korte to the Silver Lake Advisory Commission, for additional three-year terms; seconded by Councilman Bardill. All council members voted aye, none nay. Motion carried.

Approve Extension of City's Utility Financial Assistance Program – Councilman Bardill made a motion to approve extension of the city's utility financial assistance program through the end of the fiscal year; seconded by Councilwoman Bellm. Mayor Michaelis asked Director Rusteberg to provide some detail on this request. Director Rusteberg explained the townships came to us about two years ago to request participation with assistance. Saline and Helvetia Townships, along with HACSM and St. Vincent DePaul provide assistance to those in need. We do not want to provide assistance directly; therefore, we agreed to provide 30% of what the townships provide in City utility assistance payments. During February and March of last year we ran out of funds budgeted. We budgeted \$29,604 for fiscal year 2009-2010 and we have reached that limit already. While no one has been denied assistance, at this point, we need direction on whether to continue or end the program until the start of the next fiscal year, May 1. Mayor Michaelis noted that last year we voted not to budget any additional money. Councilwoman Bellm inquired how much are we estimating. Director Rusteberg stated ~\$2,000 per month or approximately \$6,000, based upon the average monthly assistance provided. Councilwoman Bellm asked do we have that money available. Director Rusteberg responded yes. Councilwoman Bellm stated we have a lot of people that are in need this year. Those who were able to make it through the first year of a tough economy now need help. Roll Call Vote: Rickher, Bardill, Bellm and Zobrist voted aye, none nay. Motion carried.

Bill #10-19/ORDINANCE Authorizing \$8,995,000 Senior Lien Electric System Revenue Bonds (Fiber-to-the-Premises Project) (Build America Bonds – Direct Subsidy) Taxable Series 2010 – Councilwoman Bellm made a motion to approve Bill #10-19/Ordinance #2406 authorizing \$8,995,000 Senior Lien Electric System Revenue Bonds (Fiber-to-the-Premises Project) (Build America Bonds – Direct Subsidy) Taxable Series 2010 as attached; seconded by Councilman Bardill. Mayor Michaelis asked Joy Howard to come forward and speak to the council regarding this issue. Joy Howard, principal of WM Financial Strategies and serving as the City's financial advisor, asked for a correction to the records: When the issue was priced, the interest rates came in lower than the proposal received from Edward Jones. This lowered our reserve account. Consequently, the final issue size of \$8,995,000 is actually \$8,985,000. This is reflected in the final documents before the council.

Ms. Howard explained we selected taxable Building America Bonds with more agreeable terms than tax-exempt bonds. Because they are taxable, the interest ranges from 1.5% to 6%. Because they are structured under a special stimulus bond structure, you will get a 35% subsidy from the U.S. Treasury every six months, which brings the effective rate to 3.65%. At the time the proposal was made, the rate was expected to be 0.22% higher than this. Within the last two weeks, that rate reduction saved the city \$260,000. The City of Highland had a savings of \$721,000 since we began working on this. This is

because the Building American Bonds definitely lowered the rate, along with the fact that the city got such a high rating on the bonds. This is probably the lowest rate the city is going to get in my time. Roll Call Vote: Bardill and Bellm voted aye, Rickher and Zobrist voted nay. Mayor Michaelis voted aye. Motion carried.

Bill #10-20/ORDINANCE Declaring Fire Helmets as Surplus Property and Allowing Their Sale – Councilman Bardill made a motion to approve Bill #10-20/Ordinance #2407 declaring (40) fire helmets as surplus property and allowing their sale as attached; seconded by Councilwoman Bellm. All council members voted aye, none nay. Motion carried.

Bill #10-21/RESOLUTION Requesting Road Closure for Highland Civic Woman's Club's 2010 Child Abuse Prevention Walk – Councilwoman Bellm made a motion to approve Bill #10-21/Resolution #10-02-1864 requesting road closure for Highland Civic Woman's Club's 2010 Child Abuse Prevention Walk on Sunday, April 18, 2010 with a rain date of April 25, 2010, as attached; seconded by Councilman Bardill. All council members voted aye, none nay. Motion carried.

Bill #10-22/RESOLUTION Requesting Road Closure for Schweizerfest Event – Councilman Bardill made a motion to approve Bill #10-22/Resolution #10-02-1865 requesting road closure for Schweizerfest Event, June 11, 12 & 13, 2010, as attached; seconded by Councilwoman Bellm. All council members voted aye, none nay. Motion carried.

Bill #10-23/RESOLUTION Requesting Road Closure for Schweizerfest Parades – Councilwoman Bellm made a motion to approve Bill #10-23/Resolution #10-02-1866 requesting road closure for Schweizerfest Parades on June 12 & 13, 2010 as attached; seconded by Councilman Bardill. All council members voted aye, none nay. Motion carried.

Bill #10-24/RESOLUTION Approving Final Plat of Prairie Trails - Phase 3 – Councilman Bardill made a motion to approve Bill #10-24/Resolution #10-02-1867 approving final plat of Prairie Trails – Phase 3 as attached; seconded by Councilwoman Bellm. Roll Call Vote: Rickher, Bardill, Bellm and Zobrist voted aye, none nay. Motion carried.

Approve NOML Bid #PW-11-08 for Koepfli Lane Extension & Reconstruction – Councilwoman Bellm made a motion to approve NOML Bid #PW-11-08 for Koepfli Lane Extension & Reconstruction as attached; seconded by Councilman Bardill. All council members voted aye, none nay. Motion carried.

Proposed Contractor Registration Program – Supervisor Limestall explained we are proposing a contractor registration program. We are proposing this because we have had some instances where a person or company have taken money and not performed the work, completed the work, or done substandard work. In talking to local contractors, they have stated they just want to be on the same playing field as those contractors from outside the community. We want to protect the homeowners to make sure they do not get scammed. We want to make sure that the contractors have insurance and workers' compensation insurance to cover their employees. This would also prevent some contractors that are required to be licensed from using the licenses of other contractors as their own. It is illegal to do this; however, some are doing it. For contractors outside of Illinois to work in the State of Illinois, contractors must have a Certificate of Authority. Mayor Michaelis asked how this would affect subcontractors. Supervisor Limestall gave example: Contractor "A" does everything by the book; however, they hire subcontractors for various items on a job. The subcontractors would have to be register as well. What we propose is a small ten-question exam as part of the registration process to ensure that contractors know some of the basic codes and standards. We get a lot of requests from people that need a contractor. This would provide a list of contractors that we could provide. Several contractors have stated they are for this program. Registration would be free the first year, then \$25 (by ordinance) in subsequent years if renewed on a timely basis. If they let the registration lapse, they would pay \$50 to re-register. Illinois Attorney General Lisa Madigan's website states it is a requirement that

anyone doing home repair or construction must be registered with the State of Illinois. It is estimated that 20,000 – 25,000 people are scammed each year. You want to make sure that things are done to building codes, to protect the property values and safety. After hail storms and other storm damage, we tend to see a surge in issues. May is “Home Safety Month”. We would recommend making the start date for this June 1, after using the month of May to educate homeowners on the importance of permits, proper construction and selecting contractors.

Councilwoman Zobrist questioned the category of “General, Mechanical, and Principal Demolition” and who would fit into that category. Supervisor Limestall provided example: Elmer Emig is a general contractor, Joe Dubach would be a plumber, and Langhauser would be the mechanical. Councilwoman Zobrist inquired if I hire a kid to cut grass, does the kid have to have an insurance policy and register. Supervisor Limestall responded under this program, yes. Last year, we had an issue with trees being killed off and others damaged due to chemical over spray at the park. This would protect the homeowner from these types of issues.

Councilman Bardill asked who is going to enforce this. Supervisor Limestall replied our department. Councilwoman Bellm asked what happens if they are not registered. What if I hire someone who is not registered? This is an admirable program; however, if it is not enforceable, how do we do this? Councilman Rickher inquired what happens if there is a storm and everyone that is registered is busy. Do homeowners have to wait for a contractor who is registered to do the work? Councilman Bardill asked how many instances have we had where there has been a problem. Supervisor Limestall Kevin recalled four. One was a homeowner who lived on 12th Street. The person went on Craig’s List looking for a plumber. A person came in from the St. Louis area. They cut into the trusses and other things. The people were going to be gone for the weekend or some days and the person came in to work while they were gone. When the people returned, they found that some of their own tools were missing. Councilman Rickher asked how this is going to prevent those things. Supervisor Limestall stated this would, hopefully, educate citizens and provide us with a registry that we could provide to citizens. Councilwoman Bellm stated you can not protect me from my own stupidity. If I don’t take the time to call references then you can’t protect me. Are you talking about major jobs that require permits? Supervisor Limestall replied yes. Councilwoman Bellm stated if I get someone that says I can get any size and kind of window installed for \$188, you can not tell me that I can not use them. I don’t know if the City has the right to walk up to my door and say this person can not do this work. I can see if the job requires them to put on a roof or add an addition. However, if I hire someone to lay carpet in my house, it is my job to protect myself and my property. I also have concern about the City offering a list of contractors to homeowners. While the list may say at the bottom, in big bold print, “not an endorsement”, I am not sure that we want to do that. We may want to do an education process for homeowners. I agree with Councilwoman Zobrist that I can not see someone who is cutting grass to make some extra money having to provide this licensing and a large insurance policy. In particular, if this program does not have any enforcement mechanisms. I have four pages of notes and questions on this. Councilman Rickher inquired could this be viewed as restricted trade, in that it prevents those outside of Highland from doing work in Highland, by some means. Councilwoman Zobrist asked what about having family come over to do work. Would that require them to register? Councilwoman Bellm stated I understand the need for trying to get some control on it. If the enforcement is only a “stop work order” and you are not going to penalize the contractor or the property owner then I am not sure what enforcement exists. Mayor Michaelis expressed I feel the concept is good. Other city’s have this. We do not want it to be an enforcement nightmare. If I have someone paint inside my house I feel that is my business. When a permit is required that is when it crosses the line.

Proposed Changes to Ordinances Relating to Silver Lake – Director Rosen reviewed we previously had privately owned boat docks on Silver Lake. In 1999, the council passed an ordinance to prevent private docks along the lake by contiguous landowners. When it was brought to the council’s attention that the boat docks, adjacent to the park were privately owned, those were docks were removed. Councilwoman Bellm inquired is there a reason the city would not build a marina and rent out slips for docks within the marina. Director Rosen explained we are proposing such; however, there is also a

proposal in there to allow for contiguous original landowners. My thought is to offer the slips first to those who owned the docks that were removed. Councilwoman Bellm asked where this would be located. Director Rosen stated we would utilize the area that was used for staging the rock barge during the shoreline stabilization work. We would start with three docks designed to hold six pontoon boats and add additional docks in future years.

REPORTS

Approve Warrants #796 & #797 – Councilwoman Bellm made a motion to approve Warrants #796 & #797 as attached; seconded by Councilman Bardill. Roll Call Vote: Rickher, Bardill, Bellm and Zobrist voted aye, none nay. Motion carried.

Councilwoman Bellm made a motioned to adjourn; seconded by Councilman Bardill. All council members voted aye, none nay. Motion carried. Meeting adjourned at 8:00pm.

Joseph Michaelis, Mayor

Barbara Bellm, City Clerk