OFFICIAL MINUTES OF THE NEWTON CITY COUNCIL



108 N. Van Buren St Newton, IL 62448 March 7, 2023

Finance/Audit Committee Meeting on Tuesday, March 7, 2023 at 5:30 PM

Public Hearing to Annexation of Scanlan's Property on Buck Grove Road, Tuesday, March 7, 2023 at 5:45 PM

There were no objections, comments, or questions about the Annexation of Scanlan's Property on Buck Grove Road.

1. CALL TO ORDER: Joshua J. Kuhl, Mayor

Mayor Joshua J. Kuhl called the meeting to order.

2. PLEDGE OF ALLEGIANCE led by Alderman Gayle Glumac.

Pledge of allegiance to the flag was led by Alderman Gayle Glumac.

3. ROLL CALL: Rosetta York, City Clerk

Physically present: Gayle Glumac, Kaleb Wright, RJ Lindemann, Eric Blake and Marlene Harris

Also present: Attorney William Heap, Treasurer Melissa Brooks and Clerk Rosetta York Absent: Larry Brooks

4. ADOPT OR AMEND AGENDA: Add John Stone to #6 and delete #8G

Motion was made by Glumac, seconded by Lindemann, to adopt the amended agenda.

Ayes: Glumac, Wright, Lindemann, Blake, Harris

Nays: None

5. APPROVAL OF COUNCIL MEETING MINUTES of February 21, 2023.

Motion was made by Harris, seconded by Wright, to approve the minutes of the February 21, 2023 of the Newton City Council.

Ayes: Wright, Lindemann, Blake, Harris, Glumac,

Nays: None

6. PUBLIC COMMENTS/COMMUNICATIONS: John Stone

John Stone: I intended to come to your last meeting. You were supposed to have had a bid opening for Ochs Avenue to process that stretch from Route 130 up to the south east corner of the ballpark. We had one bidder, and after they had the utilities located and saw the location of the gas line and the fact that it was out into the surface and in some places 3 or 4ft, they were not going to till over the top of the gas line. They declined to bid. They are the only game in town. If they're not interested in it, there's some other contractors that do it, but I'm not optimistic that we would get anybody else to bid on it if we were to Re-advertise. Josh and I have had conversations about other things we can do there. I'm going to talk to Larry Harmon out of Montrose. He's got a tiller, and maybe we can scarify the top 4 or 6 inches and regrade what we can to make the thing ride a little bit better. Maybe we can add some additional rock that we till in, and get the road smoothed out, give it a little bit more base, and see how that holds up over time. That's what we're working towards now. Unless somebody else has a different direction, that's where we'd like to go.

Stone: If we were to do what we'd propose to do in the bid tab, I think you would probably never have to touch it other than shoot some oil and chips on it every 3 or 4 years to seal it up. We've done this method on other streets with mixed results. Sometimes it works really well. If we find soft spots, we will core those out and put a little more base under them. I think Josh is aware of some soft spots that we may treat before we try to do any scarifying.

Stone: We were going to use your RBI money, the Rebuild Illinois funds. The disbursements that you received of the RBI funds can be used like any other MFT dollars. You didn't get enough of those dollars that you have to specify them to a certain project. If you want to commit all that to just your general road maintenance, that is fine. You can have all that accounted for by 2025. I don't see it being a problem.

The Ochs Ave project was to increase the load capacity for heavy vehicles. John is going to contact Ameren to see if the gas main can be moved. If it can be moved, then the City will rebid the project.

7. COMMITTEE REPORTS OR COUNCIL REPRESENTATIVE REPORTS: Finance/Audit Committee on TUESDAY, March 7, 2023 AT 5:30 PM

Finance Committee Meeting Minutes March 7, 2023



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Present: RJ Lindemann, Melissa Brooks, Josh Kuhl, Marlene Harris, Kaleb Wright, Tyler Weber, Riley Britton, Elisabeth Belcher, Kenneth Belcher, Eric Blake, Matt Tarr, Brenda Phillips, Alan Hartke, Gayle Glumac, Lanette Huddleston and Rosetta York

Meeting was called to order at 5:45

- A TIF application for Joe's Italian Foods was discussed. It was recommended the council award \$3,250, 50% of the project cost.
- A TIF application for Chad Kinder was discussed. It was recommended the council award \$5,000, 50% of the project cost, capped at \$5,000.
- A server upgrade for the office was discussed. It will be budgeted for the coming fiscal year. Its total cost is \$19,223.62
- Utility dept. Liens were brought to the attention of the committee.
- Meeting adjourned at 5:50

R.J. Lindemann, Chairman

8. OLD BUSINESS:

A. Consider and act on 23-05 Resolution for Maintenance Under the Illinois Highway Code BLR14220.

Motion was made by Harris, seconded by Lindemann, to pass 23-05 Resolution for Maintenance Under the Illinois Highway Code BLR14220.

Ayes: Lindemann, Blake, Harris, Glumac, Wright

Nays: None

B. Consider and act on City Treasurer's salary agreement effective for May 1, 2023.

Motion was made by Blake, seconded by Lindemann, authorize City Treasurer's salary agreement effective for May 1, 2023.

Ayes: Blake, Harris, Glumac, Wright, Lindemann

Nays: None

C. Consider and act on authorize promoting Maggie McDonald from part-time to full-time employee effective April 1, 2023.

Motion was made by Glumac, seconded by Harris, authorize promoting Maggie McDonald from part-time to full-time employee effective April 1, 2023.

Ayes: Harris, Glumac, Wright, Lindemann, Blake

Nays: None

MAYOR: Consider and act on a 7% rate increase for electric utility within the city or any potential user of our electric. Some of you were able to attend the electric committee meeting two weeks ago (Present at the committee meeting: Mayor Kuhl, Aldermen Glumac, Wright and Harris). That was probably the longest meeting that we've had as a city council. A lot of questions were asked and answered.

I have asked a lot from Gail and Matt. Both have provided information on our current finances, how we compared to other communities in Illinois and our budget history. I'm a big person on putting the information out for everyone to base their own decision. No one can deny over the last two years that materials in every sector have gone up. We've all felt those increases as well as the extended time frame it takes to get materials. Two years ago, Gail and I pushed Matt to break down his budget to save money. Matt has done an excellent job.

The following summary was presented by Matt Tarr, the Electric Department Head, to all of the council at this meeting:

On February 20, 2023 there was an Electric Committee Meeting to discuss the issue of raising rates.

First, we discussed the rising cost of material. For example, transformers have gone up. In 2020, a 300 KVA pad mounted transformer was \$8,935. The same transformer is now \$21,385. Not only have costs risen, it has also been hard to find materials. When a project unexpectedly pops up, the City often is forced to go with more expensive materials because of availability as opposed to utilizing a cheaper vendor who has a 6 week + lead time. I try to plan ahead, but storms, high winds, contactors not notifying me about projects in a timely manner, and other variables that are out of my control result in some emergency purchases. Other things such as inspection of our rubber goods, hot sticks, and rubber gloves have also increased in price. These inspections are required by OSHA standards and occur every six months for rubber gloves and yearly for rubber goods and hot sticks. Furthermore, our yearly substation inspection and oil samples have increased in cost. When I ask our vendors why the prices are escalating at such a sharp rate, they blame it on inflation, cost of their parts, and raising cost of their employees' salaries. Everyone is passing their higher overhead costs to their customers.

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Secondly, we need to keep improving our circuits to reliably provide service our customers. Circuit C and D are next on the list for pole changes and reconductoring the wire. The wire that is in the air is the old copper from the original light plant when the city produced their own power. The dates on some of the poles are from the 70's and early 80's. So, the wire is 60 to 70 years old, and the poles are 30 to 40 years old. Circuits C and D feed the south side and the east side of the square. They also feed the Wastewater Treatment Plant and the Water Plant. Currently, these circuits are the only way to feed both plants. When the upgrade and replacement work is performed, we are going to improve the system to make it where we can back feed the circuit to another circuit in case of an emergency.

The biggest improvement is a new substation that will cost around \$6 million. Our Decatur St. substation was built in the 60's, making it just more than 60 years old. The transformer's oil samples are starting to show signs of moisture, dissolved gas, and hot oil. These are warnings that there is some arcing going on inside the transformer. Right now – today -- the substation is okay, but building a new one takes years. This is not a quick fix project. If we don't start thinking about what we are going to do, it will be costly to the city. We either need to spend money on an old substation...and still have an old substation, or invest in building a new one and build it big enough to handle the load of future growth of the city. This would allow us to rely on the old substation while the new one is being built.

The Electric Department has been cutting costs by trimming and cutting trees in-house and limiting the number of trees that get cut each year, by inspecting poles and scheduling the poles we find that need replaced, and by looking at multiple vendors when sourcing material. I have also asked to take one of the salaries for the office staff and transfer it to the Water Department or Sewer Department, so Electric is not paying for 3 office staff to the Water 1 and Sewer ½. I have also asked the Street Department to add a line item for trees that don't affect electric lines, so they can share the cost of maintaining some of the trees in the City. Following are the electric utility rate increases for the past 12 years: 2010 5%, 2011 5%, 2012 5%, 2016 5%, 2021 1.5%, 2022 2%. The electric rates have not had a substantial increase since 2016. A report from the US Department of Energy-Energy Information Administration reports that the average retail price of residential electricity sold in Illinois (in the month of December) was 16.19 cents per kWh. This price does not include taxes or franchise fees. The city rates, with the PCA, averages 12 cents per KWH. Even with a 7% increase we are still below the state average on power sold per KWH.

D. Consider and act on 7% increase on electric utility rates.

Motion was made by Glumac, seconded by Harris, authorizing a 7% increase on electric utility rates.

Ayes: Glumac, Wright, Harris, Mayor Kuhl

Nays: Lindemann, Blake

E. Consider and act on TIF application for Newton Coin Laundry LLC.

Motion was made by Lindemann, seconded by Glumac, authorizing TIF application for Newton Coin Laundry LLC for \$5,000.00 reimbursable funds.

Ayes: Wright, Lindemann, Blake, Harris, Glumac

Nays: None

F. Consider and act on TIF application for Joe's Italian Foods-Newton Inc.

Motion was made by Lindemann, seconded by Harris, authorizing TIF application for Joe's Italian Foods-Newton Inc. for \$3,250.00.

Ayes: Lindemann, Blake, Harris, Glumac, Wright

Nays: None

G. Consider and act on Intergovernmental Agreement General Maintenance Wade Township Road District and City of Newton

9. NEW BUSINESS:

A. Consider and act on 3 employees (two electric and one park) attending the Pesticide Safety Education Program March 27 and 28, 2023 at \$70.00 per person plus allowable expenses in Collinsville. IL.

Motion was made by Lindemann, seconded by Glumac, authorizing 3 employees (two electric and one park) attending the Pesticide Safety Education Program March 27 and 28, 2023 at \$70.00 per person plus allowable expenses in Collinsville, IL.

Ayes: Blake, Harris, Glumac, Wright, Lindemann

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Nays: None

B. Consider and act on Kemper Technology quote of \$19,223.62 to purchase and install a new upgraded server for City Clerk office.

Motion was made by Lindemann, seconded by Harris, authorize Kemper Technology quote of \$19,223.62 to purchase and install a new upgraded server for City Clerk office

Ayes: Harris, Glumac, Wright, Lindemann, Blake

Nays: None

C. Consider and act on hiring Brian Muska as Economic Development Coordinator.

Motion was made by Wright, seconded by Harris, authorize hiring Brian Muska as Economic Development Coordinator, salary \$40,000 and effective date March 9, 2023.

Ayes: Glumac, Wright, Harris, Mayor Kuhl

Nays: Lindemann, Blake

10. STATEMENTS:

Council Members:

Glumac:

I'd like everybody to please be aware the Strong Girls and Strong Boys are starting next week. The kids are going to be out running around.

I appreciate Matt Tarr. Thank you for your hard work on the rate analysis. It is not easy for the Electric Utility Department to raise rates. We care about the citizens, also. We have to prepare for future growth, routine maintenance, storms and infrastructure, or we will become stagnant. As far as selling the electric department, the council needs to realize what these guys do. They trim trees, put up signs for sports and veterans, hang USA flag 3 times a year, help get electric to special events and county fair. When the electricity goes down, they are on it. Do you think an outside supplier is going to respond that fast? I commend our electric team. I appreciate the City Electric Department.

Wright:

"I like what Gail said. The Electric department does a lot. We don't like raising the rates. But at that electric meeting, I started to understand a lot of what's going on. I mean, we need to. Everybody knows everything's going up in price. As a town, we can't stay behind. We can't lag behind, especially with this substation coming up that we're having to pay for."

"As for hiring an Economic Coordinator, Jasper County and the City of Newton needs somebody going to battle for us. We're a dying community. I'm sorry to say. We're an aging community. We need somebody to help us or at least lay out a plan to help our businesses that we have as well as bring in more businessx. It's year by year. If this doesn't work out, we can always come back to the table."

Lindemann: I have nothing.

Blake: "I'd like to apologize to the utility customer."

Harris: I have nothing.

City Attorney: City Attorney Heap delivered the recorded Easement for E. Washington St. lift

station generator.

City Treasurer: Thank you for authorizing my agreement.

City Clerk: Electric PO #00012-30

Motion was made by Harris, seconded by Lindemann, to authorize Electric Department purchase order # 00012-30 to McClane's Motors for 2008 Ford Super Duty

F-150 for \$12,663.00.

Ayes: Wright, Lindemann, Harris, Glumac

Nays: Blake

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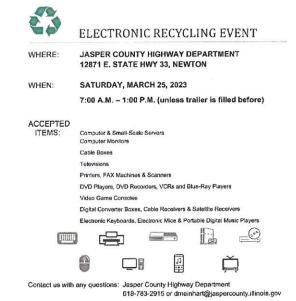
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Mayor:

- Over the next two weeks, please set meetings for budgets with Melissa and me to make sure those happen and keep in constant contact with your department heads as we move forward with their budgets. If you don't feel comfortable, ask questions.
- I hope we are on the downhill side of winter with less than 13 days to go. Keep an eye out for people. More people will be out walking, enjoying the weather. Be aware of your surroundings as we move forward into this Spring weather time.
- I thank our city employees, especially electric department for the cleanup and quick reaction to the storm that we had.
- Saturday, March 25, 2023, 7:00 AM 1:00 PM is the Electronic Recycling Event at the Jasper County.
- 11. NEXT REGULAR MEETING: Tuesday, March 21, 2023 at 6:00 PM

SCHEDULED COMMITTEE MEETINGS: None



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12. EXECUTIVE SESSION: Potential litigation and sale of real estate

Motion was made by Harris, seconded by Lindemann, to go out of open session and into closed session to discuss potential litigation and sale of real estate and pursuant to the exceptions section of the Open Meetings Act pertaining to those areas of discussion.

Ayes: Lindemann, Blake, Harris, Glumac, Wright

Nays: None

Open session suspended at 6:51 PM

Motion was made by Blake, seconded by Harris, to go out of closed session and back into open session.

Ayes: Blake, Harris, Glumac, Wright, Lindemann

Nays: None

Open session resumed at 8:33 PM.

Josh Kuhl announced that during closed session the council discussed potential litigation and sale of real estate.

13. ADJOURNMENT

Motion was made by Lindemann, seconded by Glumac, to adjourn the meeting.

Ayes: Harris, Glumac, Wright, Lindemann, Blake

Nays: None

Meeting adjourned at 8:34 PM. Submitted by Rosetta M. York