

**AGENDA  
CITY OF SALEM  
REGULAR CITY COUNCIL MEETING  
DECEMBER 17, 2018 – 6:00 pm**

- I.** Call to Order
- II.** Prayer and Pledge of Allegiance
- III.** **Presentation of Petitions/Public Comments**
- IV.** **Mayor’s Report and Presentations**
  
- V.** **City Council Action**
  - 1. Consent Agenda
    - a. City Council Minutes - 12/03/2018
  - 2. Approval of Demolition of 409 S Lincoln
    - 3. Approval of Real Estate Agreements with Salem-Based Agencies for Marketing City Real Estate
    - 4. Approval of Little Egypt Subdivision Plat
    - 5. Approval of Amendment to Chapter 23 Zoning Code to Allow Dwelling Units in the B3 Zone by Special Use
    - 6. Approval of Intergovernmental Agreement with Schools for Placement of School Resource Officer
    - 7. Approval of Bid for Garbage Services Contract Beginning February 1, 2019
    - 8. Approval of 2019 MFT Program
    - 9. Approval of Purchases
      - a. Track Hoe
      - b. Pavilion with NAL Grant
  - 10. Approval of FAU Project for Submission to IDOT
  - 11. Approval of Enterprise Zone Enabling Ordinance & Intergovernmental Agreement with Marion County
  - 12. Approval of Bills Payable
  
- VI.** **City Manager Report**
- VII.** **City Attorney Report**
- VIII.** **Finance Director Report**
- IX.** **City Council Report**
  
- X.** **Adjournment**

Bill Gruen

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**MINUTES  
CITY OF SALEM  
REGULAR CITY COUNCIL MEETING  
December 17, 2018**

- I.** **CALL TO ORDER**

The regular December 17, 2108 meeting of the City Council was convened at 6:00 p.m. and called to order by Mayor Rex Barbee.

**Council members present:**  
Councilman Jim Koehler  
Councilman Nicolas Farley  
Councilman Craig Morton (*Arrived shortly after roll call.*)  
Councilwoman Sue Morgan  
Mayor Rex Barbee

**Council member absent:** None.

<b>Others present:</b>	
City Attorney Mike Jones	City Clerk Bev Quinn
City Manager Bill Gruen	Finance Director Keli Barrow
Chief of Police Sean Reynolds	Public Works Director John Pruden
Deputy Chief Susan Miller	Economic Dev. Dir. Jeanne Gustafson
Asst. Public Works Dir. Annette Brushwitz	Members of the Media and Public
  
- II.** **PRAYER AND PLEDGE OF ALLEGIANCE**

Opening prayer was offered by Councilwoman Sue Morgan, followed by the Pledge of Allegiance to the Flag.
  
- III.** **PRESENTATION OF PETITIONS/PUBLIC COMMENTS** – None.
  
- IV.** **MAYOR’S REPORT AND PRESENTATIONS**

Mayor Barbee wished everyone a Happy Holiday and Joyous 2019, and added that he appreciates all of the effort put forth on behalf of the City.

**CITY COUNCIL ACTION****1. Consent Agenda****a. Approval of Minutes – December 3, 2018**

Some minor typos were pointed out for correction. ***Motion was made by Councilman Farley and seconded by Councilwoman Morgan to approve the City Council minutes of December 3, 2018 as amended. Roll call vote: AYES: Councilman Farley, Councilwoman Morgan, Councilman Koehler, Mayor Barbee. NAYS: None. Motion carried.***

*Councilman Morton arrived at 6:02 pm.*

**2. Approval of Demolition of 409 S Lincoln**

City Manager Gruen indicated authorization has been granted by the Circuit Court to demolish 409 S. Lincoln. There has been contact made by an individual with various City staff, including the City Manager, to ask that the house not be demolished so that she can renovate it. Reportedly, she has no legitimate claim to ownership of the house, and the house is in an extensive state of disrepair. Gruen added that a report was included with the agenda packet with a link to photographs. City Manager Gruen indicated he is recommending approval to demolish and seek bids for such. ***Motion was made by Councilwoman Morgan and seconded by Councilman Koehler to approve demolition of 409 S. Lincoln and to seek bids. Roll call vote: AYES: Councilman Morton, Councilwoman Morgan, Councilman Koehler, Councilman Farley, Mayor Barbee. NAYS: None. Motion carried.***

**3. Approval of Real Estate Agreements with Salem-Based Agencies for Marketing City Real Estate**

City Manager Gruen indicated Council has previously discussed the possibility of entering into agreements with Salem-based real estate agents to market City Real estate for commercial and industrial projects. City Attorney Mike Jones drafted an agreement for the agents to sign, and it was rejected by the realtors because they prefer their standard sales contract. Mr. Jones has taken their standard document and tweaked it. At this point both Jeff Dunahee and Stacy Russell have approved the draft. Marilyn Wiggins of Williams Realty declined to participate. The agreement contains a minimum commission of \$1,000.00 per sale. Attorney Jones added that City Council retains the ability to turn an offer down, if it's not the type of development the City is looking for. Councilman Farley asked about the other real estate agents in Salem, and added that there are some independent agents in Salem. Farley asked if the City needs to notify agents by public notice that we are doing this, and that they will be selected for specific parcels via lottery. Farley added that the City needs to come up with some specific guidelines. City Manager Gruen indicated something that notifies the public of the program could be put together advising agents that if they want to be included in the lottery, they need to notify the City by X-date. ***Motion was made by Councilman Farley and seconded by Councilwoman Morgan to approve the real estate agreement addendum and to enter into these agreements with the City Attorney's approval. Roll call vote: AYES: Councilwoman Morgan, Councilman Koehler, Councilwoman Farley, Councilman Morton, Mayor Barbee. NAYS: None. Motion carried.***

**4. Approval of Little Egypt Subdivision Plat**

City Manager Gruen indicated the Planning Commission is recommending Preliminary Plat Approval for Little Egypt Subdivision, with some variances. The variances from our subdivision ordinance are:

- Sec. 19-144(a)(2) – 30 ft. face to face streets, rather than 40 ft.
- Sec. 19-144(4) – 878.09 long (*measured along the north ROW line*) dead end street (*during Phase 1, rather than the 750 ft. maximum length allowed by code*) culminating in a cul-de-sac with a 60 ft. inside radius, rather than the 75 ft. requirement.

Zoning Administrator Quinn indicated the Planning Commission Chairman had discussed these variations from our requirements with Public Works Director John Pruden, and Mr. Pruden indicated he did not have any serious concerns. Rhutasel and Associates Engineer Monica French advised the Planning Commission that the adjacent street that leads into the subdivision, Hotze Road, has a 30-ft. f-f surface and she has run the calculations on the cul-de-sac and the largest semi-trailers and fire trucks can make the turn. The Planning Commission recommends approval. ***Motion was made by Councilman Morton and seconded by Councilman Farley to approve the Preliminary Plat of Little Egypt Subdivision with the variances noted. Roll call vote: AYES: Councilman Farley, Councilman Morton, Councilwoman Morgan, Mayor Barbee. NAYS: None. Councilman Koehler Abstained. Motion carried.***

**5. Approval of Amendment to Chapter 23 Zoning Code to Allow Dwelling Units in the B3 Zone by Special Use**

City Manager Gruen indicated Planning Commission is recommending an amendment to Section 23-280 – Special Uses in the B-3 Highway Business District to add “Dwelling Units, if located above the first floor”. Gruen added that there are still locations in the B-3 District that are not appropriate for dwelling units, and by adding this to the list of Special Uses that ***may*** be

permitted with a Special Use Permit, the Planning Commission will be able to make its decision based on specific factors relating to location and on input from the neighboring property owners. ***Motion was made by Councilman Koehler and seconded by Councilwoman Morgan to approve Ordinance 2018-16 amending Chapter 23, Sec. 23-280 to add “Dwelling Units, if located above the first story” to the list of uses that may be permitted by Special Use Permit. Roll call vote: AYES: Councilman Farley, Councilman Morton, Councilwoman Morgan, Councilman Koehler, Mayor Barbee. NAYS: None. Motion carried.***

**Note:**

**Additional discussion regarding Agenda Item V. 2 – Demolition of 409 S. Lincoln**

At this point of the meeting, Chief Reynolds stepped out to speak with a visibly and audibly upset person. Chief Reynolds reentered the Council Chambers with Faith Moon, who indicated she wanted to address Council regarding demolition of 409 S. Lincoln., City Council indicated that although action had been taken, they would listen to Ms. Moon.

Ms. Moon indicated she had signed a contract to purchase the home and paid \$1,200.00 down. Ms. Moon has worked the past 45 days straight, making \$10.00/hr. caring for an elderly person, and hasn't had time to get contractor's estimates. Ms. Moon has a disabled son who she would like to set up in the apartment that is part of the home. Ms. Moon indicated she paid the \$1,200 to Shannon Taylor of Ms. Vernon.

City Attorney Mike Jones indicated Ms. Moon visit his office prior to signing the contract or paying the down payment. Jones further added that Ms. Taylor did not have any legal claim to the property and could not sell it. Jones asked Ms. Moon if she recalled him specifically advising her ***NOT*** to sign the contract or pay the down payment. Ms. Moon responded that she did.

City Manager Gruen indicated the amount of damage to the home and the cost of repairs would result in a mortgage payment of \$650.00-\$800.00 per month, and there are better selections in Salem for that price. Ms. Moon indicated she just needs two weeks to get the house livable. Councilwoman Morgan responded that the house is too far gone to be habitable in that period of time. Ms. Moon asked why the City doesn't give these homes to low-income residents instead of demolishing them. Consensus of Council was that action taken approving the demolition of the home is appropriate.

**6. Approval of Intergovernmental Agreement with Schools for Placement of School Resource Officer**

Discussion ensued regarding the proposed intergovernmental agreement between the City and schools regarding the hiring of two School Resource Officers. City Manager Gruen provided a spreadsheet that showed the approximate cost to the city, at one-third of the total, would be \$50,000, which is doable. This includes Pension, unemployment, wages, insurance and uniforms. Councilman Farley responded that he does not feel the economics are there, and if the City should have a down turn in revenues, there would have to be budget cuts. Farley added that he is not sure the City can finance this. Farley added that he would like the opportunity to digest these figures and review the budget further before taking action.

Councilman Koehler asked how other communities finance SROs. Chief Reynolds indicated the City of Flora has a four-year agreement with the school. The school pays 100% the first year; 75% the second year, 75% the third year, and 50% the fourth year, with the City paying the remainder. City Manager Gruen indicated O'Fallon has a split a little more like what he is proposing, and they have one SRO at the high school, and no SRO at the grade school. Charleston pays 100%, but they are negotiating a better deal with the school.

Councilman Morton asked if the officers will have cars. Chief Reynolds indicated they will provide vehicles from existing stock.

Councilman Farley indicated he is not opposed to an SRO program, but a cost of at least \$50,000 per year is a hard pill to swallow. City Manager Gruen indicated his estimates he is using show that this can work for FY20, and either the schools or the City can back out. Gruen added that Chief Reynolds provided him with some numbers regarding future retirements, and if the program doesn't work out, the force can be reduced by attrition.

Councilwoman Morgan asked when the SROs would start, if approved. City Manager Gruen responded within two weeks to two months from now. Councilwoman Morgan asked Chief Reynolds his opinion of the City participating. Chief Reynolds responded that he understands Councilman Farley's concerns, but his personal opinion is that he would like to see SROs in place. Reynolds added that Effingham just had a threat and the SRO was instrumental in getting an arrest. This also promotes a good relationship between the schools and City. Reynolds added that if the City can afford it, he would like to see it happen. Councilwoman Morgan added that these are citizen dollars. Chief Reynolds acknowledged that, but added that the post about SROs

on WJBD's Facebook page indicated the proposed program is being well received.

City Manager Gruen added that the agreement requires that any grant dollars received be equally shared. Gruen added that if a SRO is private security, he/she cannot carry a weapon. Councilman Farley indicated that the SRO at Mt. Vernon was grant-funded. Mr. Gruen responded that the grant dollars were for training only.

Councilman Farley indicated he would really appreciate tabling this until he has a chance to review this further. Mayor Barbee added that he feels the proposal has the support of the Council, we just need to know how we can finance it. City Manager Gruen asked that if this is tabled, it not be brought back until the January 21<sup>st</sup> meeting. ***Motion was made by Councilman Farley and seconded by Councilwoman Morgan to table this item for further review until a future meeting, but not before January 21st. Roll call vote: AYES: Councilman Koehler, Councilman Farley, Councilman Morton, Councilwoman Morgan, Mayor Barbee. NAYS: None. Motion carried.***

#### **7. Approval of Bid for Garbage Services Contract Beginning February 1, 2019**

City Manager Gruen indicated proposals were received for the City's trash hauling contract with a two-year term. The low bid received was from the current hauler, DBS Disposal of Farina, with an increase per customer of \$.30/month. DBS did not bid for recycling. The only bidder who did provide a proposal for recycling was Doty Sanitation. Mr. Gruen added that the City has an established relationship with DBS, and he would like to stay with them. Additionally, with such a small increase, it may not be necessary to increase the monthly charge to our residents. Gruen added that Republic might have had a competitive bid, but they did not want to bid on a two-year term.

Kristie Blackman, owner of Sunrise Sanitation, indicated she has lived in Salem for 20 years, has owned Sunrise Sanitation for six years, and has been in the waste hauling business for 20 years. Blackman indicated her bid of \$10.16 to \$10.52 over the two years is a fair bid, based on the two-year contract. Blackman currently serves Albion, Wamac, Cisne, Hoylton, Irvington and Keysport. Blackman further suggested the City not include recycling out with waste hauling, as that is a specialty service.

Councilman Farley indicated he likes the idea of going with a local business, but her bid is approximately 7% higher than the low bid. Farley added that he really wishes the City could offer curbside recycling. Councilwoman Morgan asked if Sunrise picks up boxes. Ms. Blackman indicated she picks up trash --- boxes are trash. Councilman Farley asked if Sunrise offers a fall or spring cleanup. Ms. Blackman responded that they do, and they handle those in various ways. City Attorney Jones indicated the Council should go with the lowest responsible bidder, unless the difference is 5% or less. Public Works Director Pruden indicated the difference to the City between the DBS Disposal bid and Sunrise's bid is about \$22,000 for the first year, and a total of \$55,581 over the term of the contract. City Manager Gruen concurred, and added that if the City chooses to go with Sunrise, we will probably have to pass an increase to our customers. Gruen reiterated that he recommends entering into an agreement with the low bidder DBS Disposal. Councilwoman Morgan indicated that she would like to see the contract go to a local business, but cannot support an additional expenditure of \$50,000. ***Motion was made by Councilman Koehler and seconded by Councilwoman Morgan to enter into a two-year agreement with DBS Disposal. Roll call vote: AYES: Councilman Koehler, Councilman Morton, Councilwoman Morgan, Mayor Barbee. NAYS: Councilman Farley. Motion carried.*** Ms. Blackman thanked Council for going out for bid and considering her proposal.

#### **8. Approval of 2019 MFT Program**

City Manager Gruen indicated he is requesting approval of the City's 2019 MFT program totaling \$139,562. The program covers oil/chip maintenance (pea gravel) and services from Rhutasel & Associates to prepare IDOT documentation of our MFT spending and bidding for materials. Gruen added that he and Dir. Pruden are recommending approval. ***Motion was made by Councilman Farley and seconded by Councilman Koehler to approve the 2019 MFT Program totaling \$139,562.00. Roll call vote: AYES: Councilman Farley, Councilman Morton, Councilwoman Morgan, Councilman Koehler, Mayor Barbee. NAYS: None. Motion carried.***

#### **9. Approval of Purchases**

City Manager Gruen provided the following information regarding proposed purchases:

- a. **Track Hoe:** City Manager Gruen indicated the FY19 budget (03-5101-515-00 Garbage) includes purchase of a new track hoe with trade in of the City's current unit. The budget plans to finance this purchase, with a payment plan that looks something like the table below:

	Starting			Ending	
	Balance	Interest	Principal	Balance	Total Payment
FY 2019	\$ 123,000.00		\$ 33,333.00	\$ 89,667.00	\$ 33,333.00
FY 2020	\$ 89,667.00	\$ 2,241.68	\$ 30,000.00	\$ 59,667.00	\$ 32,241.68
FY 2021	\$ 59,667.00	\$ 1,491.68	\$ 30,000.00	\$ 29,667.00	\$ 31,491.68
FY 2022	\$ 29,667.00	\$ 741.68	\$ 29,667.00	\$ -	\$ 30,408.68

City Manager Gruen indicated bids were received, with the low bid coming from Fabick Cat in the amount of \$117,807.73. **Motion was made by Councilman Farley and seconded by Councilwoman Morgan to approve the purchase of a track hoe from Fabick Cat in the amount of \$117,807.73. Roll call vote: AYES: Councilman Morton, Councilwoman Morgan, Councilman Koehler, Councilman Farley, Mayor Barbee. NAYS: None. Motion carried.**

b. **Pavilion with NAL Grant:** City Manager Gruen indicated the City received a \$10,000 grant from NAL for purchase of a new pavilion to replace the aging #3 structure. We have a price for an Americana shelter totaling \$10,547.89 for which he is requesting approval. The new structure will be in the area of the new inclusive playground for which donations are being sought. **Motion was made by Councilman Koehler and seconded by Councilwoman Morgan to approve the purchase of a new pavilion from Americana Building Products in the amount of \$10,547.89. Roll call vote: AYES: Councilwoman Morgan, Councilman Koehler, Councilman Morton, Mayor Barbee. NAYS: None. Councilman Farley abstained. Motion carried.**

10. **Approval of FAU Project for Submission to IDOT**

City Manager Gruen had provided information with Council regarding possible FAU projects in their agenda packets. Projected project expenses are summarized below:

- Whitaker St. Improvements – \$1,033,279.50
- Resurfacing Marion St. - \$1,909,545.20
- Making S. Hotze concrete where it is currently oil and chip - \$1,203,620.40

Public Works Director Pruden indicated there is \$600,000 on the table tomorrow. If Council wants to wait until FY2021, those funds will still be available. If Council chooses to go with an FAU project in FY20, he recommends MFT funds be used for the City’s share of the project. **Motion was made by Councilman Farley and seconded by Councilman Morton to approve selection of the Whittaker St. improvement project, in the amount of \$1,033,279.50, as the FY20 FAU project. Roll call vote: AYES: Councilman Koehler, Councilman Farley, Councilman Morton, Councilwoman Morgan, Mayor Barbee. NAYS: None. Motion carried.**

11. **Approval of Enterprise Zone Enabling Ordinance & Intergovernmental Agreement with Marion County**

City Manager Gruen indicated he is requesting approval of the enabling ordinance and intergovernmental agreement with Marion County authorizing creation of the Salem Marion County Enterprise Zone for which we are seeking approval from the State. The document is different from previous versions, but the effect is largely the same. A new provision has been added which will create some responsibilities for the City to promote businesses owned by women, minorities and persons with disabilities. The Marion County Board approved the same documents on December 11<sup>th</sup>. **Motion was made by Councilwoman Morgan and seconded by Councilman Farley to approve Ordinance 2018-17 “An Ordinance Establishing an Enterprise Zone”. Roll call vote: AYES: Councilman Farley, Councilman Morton, Councilwoman Morgan, Councilman Koehler, Mayor Barbee. NAYS: None. Motion carried.**

12. **Approval of Bills Payable**

Following review, **motion was made by Councilman Koehler and seconded by Councilwoman Morgan to approve the Bills Payable of 11-19-18 through 12-14-18 as presented. Roll call vote: AYES: Councilman Morton, Councilwoman Morgan, Councilman Koehler, Councilman Farley, Mayor Barbee. NAYS: None. Motion carried.**

VI. **CITY MANAGERS REPORT**

City Manager Gruen advised those present that the next meeting will be Monday, January 7<sup>th</sup>.

VII. **CITY ATTORNEY’S REPORT** – No report, but Mr. Jones wished everyone a Merry Christmas.

VIII. **FINANCE DIRECTOR’S REPORT** – None.

IX. **CITY COUNCIL REPORT**

**Councilman Koehler** wished everyone a Merry Christmas and a Happy New Year. Koehler added that “the South is rising again” with improvements to the South side of town including McNeil’s Appliance and “The Orchard” shopping center.

**Councilwoman Morgan** thanked Mr. Pruden and Ms. Brushwitz for the Christmas decorations at the City of Salem sign, and indicated she really likes how they look and they add a lot to the sign.

**Mayor Barbee** indicated the RLF fund has now been officially closed out, and the money is available for the selected projects.

XII. **ADJOURNMENT**

*As there was no further business to discuss, motion was made by Councilwoman Morgan and seconded by Councilman Morton to adjourn the meeting at 7:30 pm. Roll call vote: AYES: Councilman Koehler, Councilman Farley, Councilman Morton, Councilwoman Morgan, Mayor Barbee. NAYS: None. Motion carried.*

Bev Quinn, CMC  
City Clerk

Minutes approved: \_\_\_\_\_