

**AGENDA  
CITY OF SALEM  
REGULAR CITY COUNCIL MEETING  
NOVEMBER 6, 2017 – 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**
  - 1. Swearing In New Salem Officer Tyler Rose
- V. City Council Action**
  - 1. Consent Agenda
    - a. Approval of Minutes – October 16, 2017 Regular Meeting
  - 2. Approval of Authorization for Lions Club to Seek Funding for Accessible Playground in Bryan Park
  - 3. Presentation of Request to Purchase Lot at Former Armory Site for Home Construction
  - 4. Presentation of FY17 Audit by Glass & Shuffett
  - 5. Approval of Actions Related to Property Tax for 2018 Collections
    - a. Approval of Levy
    - b. Approval of Abatement of Series 2017 GO Refunding for Pool
    - c. Approval of Abatement of GO Refunding for WWTP
  - 6. Actions Pertaining to Purchase Agreement with WKS (Denny’s)
  - 7. Approval of Amendment to Electric Aggregation Agreement
  - 8. Approval of RLF Spend-Down Plan
  - 9. Approval of Liquor License for the Salem Community Center
  - 10. Approval of Purchase for Repair of Public Works Truck Body
  - 11. Aware of Bid for Sanitary Sewer Replacement
- VI. City Manager Report**
- VII. City Attorney Report**
- VIII. Finance Director Report**
- IX. City Council Report**
- X. Adjournment**

**Bill Gruen  
City Manager**

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**MINUTES  
CITY OF SALEM  
CITY COUNCIL MEETING  
NOVEMBER 6, 2017 – 6:00 PM**

- I. CALL TO ORDER**

The regular November 6, 2017 meeting of the City Council was convened at 6:00 p.m. and called to order by Mayor Rex Barbee.

**Council members present:**  
Councilman Tim Hudspeth  
Councilman Nic Farley  
Councilwoman Sue Morgan  
Councilman Craig Morton  
Mayor Rex Barbee

**Council members absent:**  
None.

**Others present:**

City Manager Bill Gruen	City Attorney Mike Jones
City Clerk Bev Quinn	Chief of Police Sean Reynolds
Public Works Director John Pruden	Deputy Chief of Police Susan Miller
Asst. Public Works Director Annette Brushwitz	Animal Control Officer Randall Paddick
Economic Development Director Jeanne Gustafson	DOEM Director Terry Mulvany
Doug Ess, Glass and Shuffett	Mark Decker, Historical Commission
Randy Vogt, Chairman, Police Board	Trish Cripps
Members of the Media and Public	Kyle Kelley
- II. PRAYER AND PLEDGE OF ALLEGIANCE**

Opening prayer was given by Councilwoman Morgan, followed by the Pledge of Allegiance to the Flag.
- III. PRESENTATION OF PETITIONS/PUBLIC COMMENTS**

Mark Decker, Historical Commission, indicated the local chapter of the DAR has requested that the Historical Commission compile a list of repairs needed at the William Jennings Bryan Home. The DAR has indicated they will apply for a matching grant for the repairs, once a plan is in place. Mr. Decker

indicated he knows the City is considering projects for the RLF money, and he asked that the Home be considered for funding.

Kyle Kelly indicated he was in town for a meeting this morning, and walked down to Gadget Guru's, and spent some time in the coffee shop. When he returned to his car, he had a five-dollar parking ticket. Mr. Kelly objected to being penalized for spending *too much* time in the downtown area.

IV. **MAYOR'S REPORT AND PRESENTATIONS**

1. Swearing in New Salem Officer Tyler Rose  
Tyler Rose was sworn in to serve the City of Salem as a patrolman.

V. **CITY COUNCIL ACTION**

1. **Consent Agenda**

- a. Approval of Minutes – October 16, 2017 Regular Meeting

***Motion was made by Councilman Hudspeth and seconded by Councilman Farley to approve the Consent Agenda be approved as presented. Roll call vote: AYES: Councilman Farley, Councilman Morton, Councilwoman Morgan, Councilman Hudspeth, Mayor Barbee. NAYS: None. Motion carried.***

2. **Approval of Authorization for Lions Club to Seek Funding for Accessible Playground in Bryan Park**

Based on a presentation made at the last meeting by Shelli McIntosh of the Lion's Club, ***motion was made by Councilman Farley and seconded by Councilwoman Morgan to approve the Lion's Club seeking approval for development of an inclusive playground in Bryan Park. Roll call vote: AYES: Councilman Morton, Councilwoman Morgan, Councilman Hudspeth, Councilman Farley, Mayor Barbee. NAYS: None. Motion carried.***

3. **Presentation of Request to Purchase a Lot at Former Armory Site for Home Construction**

City Manager Gruen indicated the City declared the former armory property surplus and requested proposals for development on it, but no proposals were received. Gruen added that he had originally been contacted by a contractor who thought might want to develop the entire site, but it did not happen. Mr. Gruen presented a proposed layout showing the potential subdivision of the property, with a small irregular piece excluded, as he would like to see it donated to the adjacent property owner. An estimate for the subdivision process has been provided by Micah Mulvany in the amount of \$4,600.00.

Councilman Farley asked which lot Ms. Cripps is interested in. Ms. Cripps responded that it depends on how the property is subdivided. Council consensus was for Mr. Gruen to proceed with subdividing this property.

4. **Presentation of FY17 Audit by Glass and Shuffett**

Presentation of the FY17 Audit was provided by Doug Ess of Glass and Shuffett. Mr. Ess's presentation focused on the "management letter", the "statement of Significant Audit Findings", and a graph. (*See attached.*) Mr. Ess concluded that Finance Director Keli Barrow is doing a fine job, and next year's audit should go very smoothly.,

5. **Approval of Actions Related to Property Tax for 2018 Collections**

a. **Approval of Levy**

City Manager Gruen indicated he and Finance Director Barrow had originally proposed a tax levy of \$1,222,570, which is 4.99% over the past levy. The City has been considering two options, either spreading the levy increase over all departments or dedicating it all to Police Pension, and Mr. Gruen is recommending the increase be spread over all departments. Mr. Gruen indicated it was brought to his attention that the Supervisor of Assessments was increasing Salem's EAV by 6%, which would be an increase of \$22,000 - \$23,000 in property tax income for the City. Mr. Gruen indicated he would like to see the City reduce its levy to \$1,195 million. On a \$100,000 house, this would save the property owner \$12.00, but if all taxing bodies did this, it could add up.

***Motion was made by Councilman Hudspeth and seconded by Councilman Farley to approve Ordinance 2017-10 levying \$1,788,354 (\$1,195,525 after abatements) to be spread throughout City Departments. Roll call vote: AYES:***

**b. Approval of Abatement of Series 2017 GO Refunding for Pool**

*Motion was made by Councilman Farley and seconded by Councilwoman Morgan to approve Resolution 2017-07 abating General Obligation Refunding Bond Series 2017 for the Pool in the amount of \$197,310. Roll call vote: Councilman Hudspeth, Councilman Farley, Councilman Morton, Councilwoman Morgan, Mayor Barbee. NAYS: None. Motion carried.*

**c. Approval of Abatement of GO Refunding for WWTP**

*Motion was made by Councilman Farley and seconded by Councilwoman Morgan to approve Resolution 2017-08 abating General Obligation Refunding Bonds for the WWTP in the amount of \$3,170,000. Roll call vote: AYES: Councilman Farley, Councilman Morton, Councilwoman Morgan, Councilman Hudspeth, Mayor Barbee. NAYS: None. Motion carried.*

**6. Actions Pertaining to Purchase Agreement with WKS (Denny's)**

City Manager Gruen provided the following amendments to the original agreement with WKS for approval:

**(a) Approval of Amendment to Purchase Agreement:** Some notes on the amendment:

- ✓ Par 1 → The property would be subdivided in the manner shown in Exhibit A. WKS obtains more real estate, but there is less area within which the City will be excepted to maintain a street. *Please see \*\*NOTE below.*
- ✓ Par 2 → The City Council previously approved in concept to provide *up to* \$140,000 for street construction from Kinney to the new, south property boundary. In my revision of their draft, I forgot to write in "*up to*," but I've informed WKS of the omission and that the City Council will ask that it be added to the draft in your packet. Our plan is to allocate payment from RLF funds prior to return back to the State of IL.
- ✓ Par 3 → On behalf of WKS, Round Table has provided building and site plans which John Pruden is currently reviewing for adequacy. The City's gas regulator station will be permitted to stay in its current location, and the City will vacate a gas easement for which we have no current or future use.
- ✓ Par 4 → The City Council has previously voiced support for using RLF dollars to replace the fence at the north end of the subject property. The agreement would provide "*up to*" \$30,000 for fence replacement (materials and installation). This might be more than enough to cover costs. A Rural King estimate for a 5-foot fence would total about \$13,200 for materials. We currently have no estimate for installation.
- ✓ Par 5 → Brian Hunt reviews applications for signage. What may have been an unofficial submission (see Exhibit B) for the Denny's sign package was reviewed by Brian. He indicated that it looked fine.
- ✓ Par 6 → The City is working with PGAV to craft the business district agreement which would be approved/executed by WKS and the City at a later date.
- ✓ Par 7 → Efforts to spend-down our RLF prior to sending money back to the State leads us to create a process by which the City would deposit cash into escrow for draw down by WKS up to a deadline.
- ✓ Par 8 → Self-explanatory.

**\*\*** The revision of the property boundaries as noted may create a need for the City to obtain an easement through the south portion of what would become WKS property if the City Council maintains the position that it wishes to have an opportunity to buy back the Phase II parcel west of the new Denny's. I get the impression through informal conversations that the Council may wish to relinquish this future opportunity. I also get the impression from WKS that they want to move on development of their own project on Phase II which would make the buy-back moot. Does the Council wish to maintain its right to buy back?

*Motion was made by Councilman Hudspeth and seconded by Councilman Farley to approve the "First Amendment to Purchase and Sale Agreement" as presented. Roll call vote: AYES: Councilman Morton, Councilwoman Morgan, Councilman Hudspeth, Councilman Farley, Mayor Barbee. NAYS: None. Motion carried.*

**b. Approval of Minor Subdivision (*Resubdivision of Lots 1 and 2 Salem West Subdivision*)**

City Manager Gruen indicated this resubdivision is at the request of WKS, and is being treated as a “minor subdivision”, which saves time. The resubdivision creates a non-conforming lot, but WKS will still be required to meet zoning setbacks for development on the lot. **Motion was made by Councilman Morton and seconded by Councilwoman Morgan to approve the resubdivision of Lots 1 and 2 of Salem West Subdivision as presented. Roll call vote: AYES: Councilwoman Morgan, Councilman Hudspeth, Councilman Farley, Councilman Morton, Mayor Barbee. NAYS: None. Motion carried.**

Councilwoman Morgan requested that the Holiday Inn sign be taken down and replaced with one saying “Denny’s Coming Soon”.

7. **Approval of Amendment to Electric Aggregation Agreement**

City Manager Gruen indicated our electric energy consultant, Good Energy, has presented an opportunity to extend the City’s municipal electric aggregation agreement from June 2019 through December 2020 with a two-step price reduction. The current rate of \$0.05850/kwh would reduce to \$0.05600 in February 2018 and then to \$0.05496 in June 2019. Good Energy reports that several of their client municipalities have extended. Both Charleston and Effingham plan to extend. Mr. Gruen added that the aggregation program is a free service the City has offered to its citizens, and they can all “opt out” if they want to. **Motion was made by Councilman Farley and seconded by Councilman Hudspeth to approve the extension with Homefield Energy as proposed by Good Energy. Roll call vote: AYES: Councilman Farley, Councilman Morton, Councilwoman Morgan, Councilman Hudspeth, Mayor Barbee. NAYS: None. Motion carried.**

8. **Approval of RLF Spend-Down Plan**

City Manager Gruen indicated he is proposing the following “spend-down” plan for the RLF funds:

Denny’s	\$170,000
Project #2	\$275,000
Salem Community Theatre	\$300,000
Community Center	\$250,000
TOTAL	\$995,000

Mr. Gruen added that the Denny’s project has received approval from DCCO and he would like to work on Project #2 with the State. The Salem Community Theatre and Community Center projects will be more difficult, due to the required job creation. Mr. Gruen recommended concentrating only on these four projects due to time constraints. Councilman Farley added that these are all great projects, and both the Theatre and Community Center projects are important. **Motion was made by Councilman Farley and seconded by Councilwoman Morgan to approve the RLF Spend-Down Plan, in the amount of \$995,000, as presented. Roll call vote: AYES: Councilman Morton, Councilwoman Morgan, Councilman Hudspeth, Councilman Farley, Mayor Barbee. NAYS: None. Motion carried.**

9. **Approval of Liquor License for Salem Community Theatre**

City Manager Gruen indicated the Salem Community Theatre would like to obtain a liquor license, rather than applying for “special event” licenses for each event as they have done in the past. In reviewing the license classifications, he feels the “G” license would be most appropriate, with some language modifications. This will also require that the total Class “G” licenses be increased by one. City Attorney Mike Jones indicated he would draft an ordinance and bring it back for Council action.

10. **Approval of Purchase for Repair of Public Works Truck Body**

Public Works Director John Pruden indicated the dump truck in question is used to haul any number of things, and the body is rusted out. Mr. Pruden obtained quotes from Higgs and Woods, both of which are good companies, and he is recommending approval of the low quote from Woody’s for a Galion dump body in the amount of \$11,300. Mr. Pruden added that this quote includes a new hoist, and the cost would be split between Gas and Water. This is not a budgeted item. **Motion was made by Councilman Hudspeth and seconded by Councilman Farley to approve the purchase of a Galion truck bed from Woody’s Municipal Supply in the amount of**

***\$11,300. Roll call vote: AYES: Councilman Hudspeth, Councilman Farley, Councilman Morton, Councilwoman Morgan, Mayor Barbee. NAYS: None. Motion carried..***

**11. Award of Bid for Sanitary Sewer Replacement**

City Manager Gruen indicated that City Council authorized execution of an engineering agreement with Curry & Associates that would lead the City towards replacement of 2,000 lineal feet of sanitary sewer near the high school. This project has been broken into three sections, and this section, from Clark Street to E. Park St., is the center section of the sewer line. Bids were solicited, with the low bid coming from Korte and Luitjohan Contractors in the amount of \$368,886.50. This item was budgeted at \$500,000 (*including engineering*) and the City Manager recommends award to the low bidder. ***Motion was made by Councilman Farley and seconded by Councilwoman Morgan to award the Town Creek East Sanitary Sewer Interceptor Replacement – Clark St. to East Park St, . to Korte and Luitjohan Contractors in the amount of \$368,885.50. Roll call vote: AYES: Councilman Farley, Councilman Morton, Councilwoman Morgan, Councilman Hudspeth, Mayor Barbee. NAYS: None. Motion carried.***

**VI. CITY MANAGER REPORT**

- **Armory Eagle** – City Manager Gruen indicated the Armory Eagle located in East Lawn Cemetery was sealed over the weekend by County Materials, and the seal made the two shades of gray show up. Gruen added that the eagle looks very nice, and he thanked John Pruden and County Materials for their efforts.
- **Lightning Strike at Police Department** – City Manager Gruen invited Chief Sean Reynolds to provide an update on the lightning strike at the Police Department. Chief Reynolds indicated they are still not sure where the lightning actually struck the building, but as a result they lost a lot of equipment and the main components of the computer control panel for 911. The components are damaged beyond repair. Replacement may happen within the next 3-5 weeks. Salem Dispatchers are being sent to Centralia to take 911 calls, so there are no dispatchers in-house at the Salem PD at all. Officers and other staff are taking all calls and handling all walk-in traffic. 911 calls ring in Centralia and all non-emergency calls are being handled here. Reynolds added that both the City-owned and 911-owned equipment is covered by insurance, and he believes the overtime incurred will be covered, as well. Mayor Barbee expressed his and the City's appreciation to Chief Reynolds and his staff for their efforts.

**VII. CITY ATTORNEY REPORT – No report.**

**VIII. FINANCE DIRECTOR REPORT – No report.**

**IX. CITY COUNCIL REPORT**

**Councilwoman Morgan** thanked the City for the flowers she received on the death of her brother. Councilwoman Morgan indicated the Alumni game played at Salem Community High School was well attended, and involved 60 SCHS alumni.

**Councilman Morton** asked when the City will receive ownership of the former Brown Shoe property. City Attorney Mike Jones indicated the Sheriff's sale is scheduled for December 4<sup>th</sup>, and the City will bid the indebtedness it has on the demolition. Towards purchase of the property.

**VI. ADJOURNMENT**

As there was no further business to discuss, ***motion was made by Councilman Hudspeth and seconded by Councilman Farley to adjourn the meeting at 7:46 p.m. Roll call vote: AYES: Councilman Hudspeth, Councilman Farley, Councilman Morton, Councilwoman Morgan, Mayor Barbee. NAYS: None. Motion carried.***

Minutes approved: