

**AGENDA
CITY OF SALEM
REGULAR CITY COUNCIL MEETING
November 19, 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 – 11/05/18
 - 2. Approval of Appointment of Betty Purcell and Megan Holler to Historical Commission
 - 3. Approval of Renewal of City Risk Management Policy with ICRMT
 - 4. Discussion on Condition of Certain Sidewalks
 - 5. Discussion on Assignment of School Resource Officer at Salem Schools
 - 6. Presentation by Chief Reynolds of Gun-Mounted Cameras
 - 7. Approval of Participation in Natural Gas Discount Program & Approval of Extension of UGM Agreement
 - 8. First Reading of Enterprise Zone Documents
 - a. Intergovernmental Agreement with Marion County
 - b. Property Tax Abatement Resolution
 - 9. Approval of Resolution Officially Closing Out Salem RLF
 - 10. Approval of Bills Payable

- VI. City Manager Report**
- VII. City Attorney Report**
- VIII. Finance Director Report**

- IX. Adjournment**

Bill Gruen
City Manager

**MINUTES
CITY OF SALEM
CITY COUNCIL MEETING
NOVEMBER 19, 2018**

- I. CALL TO ORDER**

The regular November 19, 2018 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.

Others present:

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 noted that the City Hall lobby renovations have begun and the Christmas pole decorations are up. Mayor Barbee also wished everyone a safe and happy Thanksgiving.

V.

CITY COUNCIL ACTION

1. Consent Agenda

a. Approval of Minutes – November 5, 2018

It was noted that under item 5, the minutes indicated the motion was made by Councilman Farley and seconded by Councilman Farley. The motion was actually made by Councilman Farley and seconded by Councilman Koehler. ***Motion was made by Councilman Farley and seconded by Councilman Koehler to approve the minutes of November 5, 2018 as amended. Roll call vote: AYES: Councilman Farley, Councilman Morton, Councilman Koehler, Mayor Barbee. NAYS: None. Councilwoman Morgan abstained. Motion carried.***

2. Approval of Appointment of Betty Purcell and Megan Holler to Historical Commission

Mayor Barbee recommended the appointment of Betty Purcell and Megan Holler to the Historical Commission, indicating they were both willing to serve and would be assets to the Commission. ***Motion was made by Councilman Farley and seconded by Councilwoman Morgan to approve the appointment of Betty Purcell and Megan Holler to the Historical Commission, terms to expire on April 30, 2021. Roll call vote: AYES: Councilman Morton, Councilwoman Morgan, Councilman Koehler, Councilman Farley, Mayor Barbee. NAYS: None. Motion carried.***

3. Approval of Renewal of City Risk Management Policy with ICRMT

City Manager Gruen indicated the City's policy with ICRMT renews in December, and we have the renewal costs for the next year. Gruen added that we see some significant savings in our work comp premium, but the premium for property/liability increases 4.24%. Deductibles will stay the same, but ICRMT has offered some increased coverages. Gruen provided the information below:

ICRMT Coverage	2019	2018	2017	2016	2015
Property/Liability	\$ 228,306	\$ 219,022	\$ 187,792	\$ 206,754	\$ 196,478
Work Comp	\$ 206,476	\$ 240,139	\$ 338,966	\$ 328,068	\$ 267,729
TOTAL	\$ 434,782	\$ 459,161	\$ 526,758	\$ 534,822	\$ 464,207
Dept Budget	FY18 Budget	FY19 Budget	FY20 Estimate		
Gen Fund - 01	\$ 192,390	\$ 171,874	\$ 158,797		
DOEM - 02	\$ 3,585	\$ 3,203	\$ 2,959		
Garbage - 03	\$ 57,850	\$ 51,681	\$ 47,749		
Parks - 04	\$ 16,235	\$ 14,504	\$ 13,400		
Recreation - 08	\$ 4,910	\$ 4,386	\$ 4,052		
Water - 16	\$ 152,295	\$ 136,055	\$ 125,703		
Gas - 17	\$ 125,830	\$ 112,412	\$ 103,859		
TOTAL	\$ 553,095	\$ 494,115	\$ 456,521		

Possible budget allocations for FY20 risk mgmt if we take 2019 expense plus 5%.

City Manager Gruen commended Public Works Director John Pruden, Asst. Public Works Director Annette Brushwitz, Chief Sean Reynolds and Deputy Chief Miller for their proactive approach to training and safety, which has resulted in lower worker's comp experience and costs.

Bob Kane of Kane insurance reiterated that this excellent renewal is due to the City's proactive Department Heads. Kane added that renewals usually increase by 5-7% each year, and the City had a 5% decrease. Kane indicated ICRMT has tried to keep its coverage on the cutting edge , and they have made some sizeable enhancements with increased limits. New coverage includes Deadly Weapon Response, which covers the City if it is sued due to use of weapons, and also includes counseling, funeral and additional expenses up to \$500,000, with no deductibles. This added coverage is being included at NO cost to the City.

City Manager Gruen indicated the City receives good service from Kane Insurance, and they serve as good advocates for the City. Mr. Kane responded that he appreciates the City's business. ***Motion was mad by Councilman Farley and seconded by Councilwoman Morgan to approve the renewal of the City's risk management policy with ICRMT, as outlined. Roll call vote: AYES: Councilwoman Morgan, Councilman Koehler, Councilman Farley, Councilman Morton, Mayor Barbee. NAYS: None. Motion carried.*** Mayor Barbee added that the City has excellent staff and Department Heads.

4. Discussion on Condition of Select Sidewalks

City Manager Gruen indicated the City was approached by a citizen in the fall regarding the condition of sidewalks. Public Works Director Pruden prepared a report which was provided to Council in September and again with tonight's agenda. City Manager Gruen indicated three locations were identified as being of such scope that they will require contractors. They are:

- 300 Block of Ohio from Pine to Cedar - \$54,000 (*est. cost*)
- Whittaker Street from Broadway to College - \$66,000 (*est. cost*)
- NE Corner of Whittaker and Delmar - \$7,500 (*est.*)

Additionally, there are approximately 10 sidewalk panels that Public Works crews can repair at a cost of approximately \$500 per panel. Additional panels appear to be de minimis in scope and don't require repair. Additional sidewalks could be removed.

Councilman Farley indicated that some communities grind down the raised areas that are between a half inch and an inch, and asked if that is a possibility. Public Works Director Pruden responded that the grinding does not look good, and it reduces the structural integrity of the sidewalks. Councilman Farley asked if the panels can be reused. Dir. Pruden indicated they are used as rip-rap, but can't be used as sidewalk panels.

Councilman Morton indicated he was running on the sidewalks and tried to take note of the areas of sidewalk needing repair, and ended up thinking the project seems overwhelming. Councilman Koehler indicated the City hasn't made repairs for years, and it has caught up with us. Councilman Morton added that at \$25,000 per block, the cost is prohibitive. Councilman Koehler added that we need to identify the worst areas and fix what we can. Councilwoman Morgan indicated the City needs to budget so much towards sidewalk each year, make what repairs we can until the funds run out, then continue additional repairs each year thereafter.

Public Works Director indicated he has a five-year plan, and Council approves those street and sidewalk projects each year. During recent years, the City has replaced the following sidewalks:

- Broadway Ave. – Whittaker to Boone
- Main Street – from IGA to Illinois St.
- College
- Court House Square
- Block around City Hall
- Illinois St.

Numerous smaller repairs have also been made. Pruden added that the City has to take a holistic approach to sidewalk repair and replacement. If there are plans to replace water or gas lines, you don't want to repair or replace the sidewalks along those lines, then tear them back out. Sidewalk replacement becomes part of the overall project when the utilities are replaced. Mayor Barbee responded that he appreciates what Director Pruden does, and City Council just needs to empower Dir. Pruden and his employees to make the repairs as they can. Councilman Farley added that he feels the City is making progress.

5. Discussion on Assignment of School Resource Officer at Salem Schools

City Manager Gruen welcomed Dr. Detering from SCHS and Dr. Foppe from Salem Grade School district. Gruen added that the City was approached some months ago regarding the schools' interest in having the City participate in providing SROs. Mr. Gruen indicated he is not requesting Council action on this topic, but did want to give Superintendents Detering and Foppe the opportunity to discuss the subject with Council. Gruen provided the following comments:

- I would like to see the City work with the schools to maximize security and safety for students and staff. The Salem PD would serve extremely well in this capacity. Costs will always be a concern given tight budget environments. Costs may not allow the City to participate.
- School safety is extremely important, but its importance cannot overcome the inherent nature of public policing in its inability to be omnipresent or to serve as the public's security force.

- I've spoken with a handful of city manager colleagues, who each reported their communities have had an SRO in their schools for some time.

City Manager Gruen distributed a draft agreement that would entail that expenses would be split evenly between the schools and the City.

Dr. Detering indicated this topic came to the forefront when there were issues in Mattoon, Western Kentucky, and on the national stage. Both Salem High and Salem Grade Schools had recent threats, which did not pan out, but the schools can't be sure it won't happen here. Detering added that Both Salem High and Salem Grade schools have redone their front entrances to provide additional security.

Dr. Detering indicated Chief Reynolds has done an excellent job of providing "community policing", which entails the presence of officers in the schools on a daily basis. The students are used to seeing police officers in the hall. This is a benefit, as the students don't see the police as someone to be afraid of. Detering added that a SRO would not change the way discipline is handled at the schools – they would still call the Police Department, when needed. Dr. Detering indicated he would like to see a SRO become so engrained in the fabric of the school that the students would be comfortable talking to him/her about possible threats they may have become aware of. Detering added that neither school board has taken formal action, as there are still some details to work out.

Councilwoman Morgan indicated that after 30 years of teaching, she supports keeping the students safe, and commented that one officer would be spread thin over both the High School and Grade Schools. Dr. Detering responded that each district would need its own SRO. When the schools are on breaks, the PD would get the officers back to use on its schedule.

Councilman Koehler asked if there is an official job description, and if the SRO was expected to attend all school events. Dr. Detering responded that they would be working to prioritize the officers' time so that they would only be at the events with the largest crowds. Most of their hours would be as a daytime presence at the schools.

Councilman Farley asked if the schools have looked at using retired officers or former military personnel. Dr. Detering indicated the schools and the City have not always had the best working relationships, but at present, with Chief Reynolds' efforts, the City and Schools are working well together. Detering indicated they had felt it would be disrespectful to the City if they tried to go the cheapest route without inviting the City to be a part of it. Detering added that if the City chooses not to participate, they will revamp and move forward with other options.

Mayor Barbee indicated that Salem Police Officers can enforce both State laws and City ordinances, where non-officer SROs cannot. Councilman Farley responded that his concerns are the cost factors. In addition to payroll, there are pension liabilities and benefits. Farley added that he did some checking with other communities, and found that Mt. Vernon was able to obtain some grant funds to cover the cost of their SRO. Dr. Detering responded that research shows that hiring someone based on grant availability is not effective. Grants run out, but the need doesn't go away. Dr. Foppe indicated that she firmly agrees with Dr. Detering about providing for the safety of the students, and she feels that the kids are "her kids". Foppe added that this is something she feels passionate about, and she appreciates the City's consideration and hopes it works out. Councilman Koehler added that grants do run out, and when a grant runs out, the job it funded is often eliminated. City Manager Gruen indicated that if the City participates, and grant funds are obtained, those funds would be shared with the schools.

Councilman Morton indicated he would be more comfortable if the School Boards would approve the program before the City is asked to approve it. Dr. Detering indicated that that is possible, but the schools cannot hire Police Officers – the City must approve the hires and the Police Board does the hiring. Mayor Barbee added that he feels all involved are in favor of SROs, we just need to figure out how to pay for it. Mr. Gruen indicated that in looking at tax revenues, reductions in insurance costs, and flat non-payroll spending, it could be done. Chief Reynolds added that vehicles can be provided to the two officers using existing fleet.

6. Presentation by Chief Reynolds of Gun-Mounted Cameras

Chief Reynolds displayed a gun-mounted camera (*on his unloaded weapon*) and added that the technology is brilliant. The camera is off until the gun is unholstered, at which time it starts video and audio taping the action. Reynolds added that body-cams can be accidentally shut off, or you can end up with a tape of a wall. When an officer is using the gun-mounted camera, whatever the gun is pointing at is what you see on the tape. The main benefit of the gun-mounted camera is that there is far less data to store and fewer FOIA requests that require redaction. Chief Reynolds added that the department already has video cameras in its vehicles. Mayor Barbee asked where

the data is stored. Reynolds responded that it is stored in the camera on the gun until it is downloaded into a computer. The only people with rights to access the tapes are the Chief and Deputy Chief.

Chief Reynolds provided videos showing different scenarios where the gun-mounted cameras were used. Nothing obstructs the officers' views and the cost is similar to the cost of body cams. The unit was \$500 and the holster was \$100, both of which were purchased with a donation to the Police Department. Reynolds added that the new generation tasers are all coming out with this technology built in.

Councilman Farley asked how this will affect how the officers draw their guns. Chief Reynolds responded that they are basically the same size as the weapons currently in use, and they weightless than a Sure-Fire Light, which the officers use at night. Chief Reynolds indicated that if his department starts using the gun-mounted cameras, they will be the first department in Illinois to do so.

7. Approval of Participation to Natural Gas Discount Program & Approval of Extension of UGM Agreement

City Manager Gruen provided the following updates prior to discussion:

- ✓ The City would pay \$0.16 cents per dekatherm in fees to UGM and PEFA for volume associated with the discount program. We pay UGM \$0.06 cents per dekatherm now. Using some averages on dekatherms acquired via NGPL, fees paid for natural gas acquisition might jump from \$23,000 to \$51,500 (\$28,500 more). For ALL GAS managed by UGM, that represents a 3% total cost against all natural gas, supply-related costs.
- ✓ Ron Ragan of UGM has provided a letter from Smithyman & Zakoura dated November 8 and addressed to Ragan himself. The letter generally restates what appear to be important provisions of the agreement and concludes with the statement "The Gas Supply Agreement includes terms and conditions that are generally typical in the natural gas industry."
- ✓ The main rub seems to be with a potentially long term commitment requiring the City to use UGM to purchase our market, natural gas. Prior to contracting with Ragan, the City was a partner with IPEA and purchased gas through its contracted marketer. Other organizations/firms exist which could assist Salem with its gas purchasing needs, including Interstate Municipal Gas Agency, and Affordable Gas & Electric.
- ✓ I asked Ron Ragan if the City would only ever receive our supply discounts via decreased gas costs or credits. His response was:

"It is possible that the annual discount credit could be large enough that it would require a check being cut to Salem if the refunding month was a summer month where injections were low and prices were low as well."

- ✓ I asked Ragan if he thought it was likely the program could run its full 30-year term. His response was:

"The program could easily go 30 years, but I would anticipate at least one period in that time might not meet the minimum discount requirement of \$.24/dth."

City Manager Gruen indicated he double checked the figures included in his email prior to the last meeting, and they were correct. Gruen indicated the City worked with IPEA previously and AGE is trying to break into gas purchasing. Gruen added that it appears that the only Council resistance to the proposed gas program is the 30-year extension of the contract with UGM. Mr. Gruen added that he discussed this with Ron Ragan, and he does feel the program will last the full 30 years. Gruen added that he would recommend adoption of the program to insure savings for the City's gas users, and to trust the advice of Ron Ragan and UGM. At a 5-7 year window, we will be able to re-set the numbers we use in the program.

Councilman Koehler indicated he trusts Mr. Ragan and the attest provided by Public Works Director John Pruden. Councilwoman Morgan indicated her concern is the 30-year term. Councilman Farley added that he does not support a 30-year term. City Manager Gruen indicated the savings realized would be by the large users – Radiac, NAL, Salem Township Hospital and Americana, and would be very minor to residential users. Councilman Koehler responded that this could be a real asset to the large gas users. Gruen added that savings the first year would be \$85,000 less fees of \$28,500 for a net savings of \$68,000. Councilman Farley indicated he could

support a 5-10 year term. Mayor Barbee responded that the bonds could not be sold for that time period. Mr. Gruen indicated he had asked Mr. Ragan if he had a succession plan , and responded that he does. ***Motion was made by Councilman Koehler to approve the resolution to participate in the program and to extend the agreement with UGM. There was no second. Motion failed for lack of a second.***

8. First Reading of Enterprise Zone Documents

- a. Intergovernmental Agreement with Marion County**
- b. Property Tax Abatement Resolution**

City Manager Gruen indicated he is not expecting action on this agenda item, and is submitting it as a first reading. Mr. Gruen indicated the City is proposing property tax abatements as follows:

- 8-year property tax abatement for Commercial
- 10-year property tax abatement for Industrial
- No property tax abatement for residential, unless the residential development is six (6) units or more.

Part of the current and proposed zone is in Marion County, not inside the city limits, requiring Marion County's participation. Economic Development Director Gustafson indicated the zone must be able to generate \$100 million dollars during its lifetime, with \$71 million in investments. Gustafson added that the zone used three-foot strips to connect to the tank farm at Patoka, a practice of which has been used by every Enterprise Zone she has worked with.

City Manager Gruen indicated he and Dir. Gustafson will be meeting with the Airport Authority, Township and County in the next couple of weeks, and they had met with Selmaville School this afternoon. Gruen added that Salem is surrounded by communities that have Enterprise Zones, and the zone we currently have was instrumental in in the Jarco and Holiday Inn projects. Mr. Gruen added that TIF #2 ends in 2024 and the Downtown TIF ends in 2026. Neither of these TIFs will be extended unless all taxing bodies support extending them. Councilman Farley commented that he feels taking action on the Enterprise Zone and TIF Districts is the most important action Council will make. Farley added that the City is ***not*** getting away from Economic Development, and these types of incentives are very important.

9. Approval of Resolution Officially Closing out Salem RLF

City Manager Gruen indicated the only remaining matter on the RLF Close Out is adoption of the resolution authorizing the close out. ***Motion was made by Councilwoman Morgan and seconded by Councilman Farley to approve Resolution 2018-10 Authorizing the Revolving Loan Fund Close Out. Roll call vote: AYES: Councilman Koehler, Councilman Farley, Councilman Morton, Councilwoman Morgan, Mayor Barbee. NAYS: None. Motion carried.***

10. Approval of Bills Payable

Bills Payable for October 15, 2018 through November 16, 2018 were presented for approval. Following discussion, ***motion was made by Councilman Morton and seconded by Councilwoman Morgan to approve the bills for October 15, 2018 through November 16, 2018 for payment. Roll call vote: AYES: Councilman Farley, Councilman Morton, Councilwoman Morgan, Councilman Koehler, Mayor Barbee. NAYS: None. Motion carried.***

VI. CITY MANAGER'S REPORT

City Manager Gruen indicated he will be reapproaching the real estate agents in town regarding sale of City-owned properties after Thanksgiving.

VII. CITY ATTORNEY REPORT – None.

VIII. FINANCE DIRECTOR'S REPORT - None.

IX. CITY COUNCIL REPORT

Councilman Farley commended Director Pruden and his Public Works employees on leaf removal. Farley also thanked Chief Reynolds for serving on the hiring committee for hiring armed officers at KC.

Mayor Barbee added that the working relationship between the City of Salem and Kaskaskia College has blossomed. Barbee thanked City Manager Gruen, Councilman Farley, Chief Reynolds and other City Council members, past and present, for helping make this happen.

Councilman Koehler echoed Councilman Farley’s comments regarding Public Works Departments work on the leaf collection. City Manager Gruen added that the Department did a lot of good work on the Avenue of Flags.

X. 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 8:07 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: _____