

**AGENDA
CITY OF SALEM
REGULAR CITY COUNCIL MEETING
MARCH 6, 2017**

5:30 PM EXECUTIVE SESSION; 6:00 PM REGULAR MEETING

- I. Call to Order & Roll Call**
- II. Executive Session**
 - 1. 5 ILCS 120 /2(c)(6) – Sale of Real Estate
- III. Return to Open Session (at 6:00PM)**
- IV. Prayer and Pledge of Allegiance**
- V. Presentation of Petitions/Public Comments**
- VI. Mayor’s Report and Presentations**
 - 1. Mayor’s Proclamation for Girl Scout Week
- VII. City Council Action**
 - 1. Consent Agenda
 - a. Approval of Minutes – Regular Meeting February 21, 2017; Special Meeting February 15, 2017
 - 2. Adoption of an Ordinance Authorizing the Issuance of General Obligation Refunding Bond(Alternate Revenue Source), Series 2017, of the City of Salem, Marion County, Illinois, Providing the Details of such Bonds and for Alternate Revenue Sources and the Levy of Direct Annual Taxes Sufficient to Pay the Principal of and Interest on such Bonds, and Related Matters
 - 3. Approval of Refinance of Loan on “SBIC” Property
 - 4. Purchase Approval – New Leaf Vac
 - 5. Purchase Approval – SCADA Upgrade at Wastewater Treatment Plant
 - 6. Purchase Approval – Repairs to Jet Vac
 - 7. Approval of Sale of Real Estate
- VIII. City Manager Report**
- IX. City Attorney Report**
- X. Finance Director Report**
- XI. City Council Report**
- XII. Adjournment**

**Bill Gruen
City Manager**

**MINUTES
CITY OF SALEM
REGULAR CITY COUNCIL MEETING
MARCH 6, 2017 – 5:30 PM**

- I. EXECUTIVE SESSION**
 - 1. 5 ILCS 12/2(c)(6) – Sale of Real Estate

The Executive Session of March 6, 2017 meeting of the City Council was convened at 5:30 p.m., and called to order by Mayor Rex Barbee.

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

Council members absent: None.

Others present:
City Manager Bill Gruen
Deputy City Clerk Jill Combs
City Attorney Mike Jones
Finance Director Keli Barrow
Economic Development Director Jeanne Gustafson

Returned to open session at 5:50 p.m. with a break taken until 6:00 p.m.

- II. CALL TO ORDER**

The regular March 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
Councilman Craig Morton

Councilwoman Sue Morgan
Mayor Rex Barbee

Others present:

City Manager Bill Gruen	City Attorney Mike Jones
Deputy City Clerk Jill Combs	Finance Director Keli Borrow
Public Works Director John Pruden	Assistant Public Works Director Annette Brushwitz
Chief of Police Sean Reynolds	Deputy Chief of Police Susan Miller
Library Director Kim Keller	DOEM Director Terry Mulvany
Fire Chief Roger Mann	Members of the Media and Public
Marion County Bank President Larry Clark	Speer Financial Vice President Mark Jeretina
Local Daisies, Brownies, Jr Girl Scouts, Sponsors and families	

III. **PRAYER AND PLEDGE OF ALLEGIANCE**

Opening prayer was given by Councilwoman Sue Morgan, followed by the Pledge of Allegiance to the Flag lead by the Girl Scouts.

IV. **PRESENTATION OF PETITIONS/PUBLIC COMMENTS** – None.

V. **MAYOR’S REPORT AND PRESENTATIONS**

1. Mayor’s Proclamation for Girl Scout Week

Mayor Barbee asked the Girl Scout representatives to step forward. Mayor read the Proclamation and signed it marking March 5th through March 11th as “Girl Scout Week”.

2. Mayor Barbee also commented it was nice to see the cleanup at Brown Shoe and other areas.

VI. **CITY COUNCIL ACTION**

1. **Consent Agenda**

- a. Approval of Minutes – Regular Meeting February 21st, 2017; Special Meeting February 15th, 2017

Motion was made by Councilwoman Morgan and seconded by Councilman Hudspeth that the Consent Agenda be approved, including the Approval of the Regular minutes of February 21st and Special Meeting 15th, 2017. Roll call vote: AYES: Councilman Hudspeth, Councilwoman Morgan, Councilman Morton, and Mayor Barbee. Councilman Farley abstained. NAYS: None. Motion carried.

2. **Adoption of an Ordinance Authorizing Issuance of General Obligation Refunding Bond**

City Manager Gruen presented the written recommendation from Speer Financial, Inc. to Mayor and Council. Mr. Gruen also introduced Mark Jeretina, Vice President of Speer. Mr. Jeretina indicated they had received from First Bank, First Financial Bank, N.A., and Marion County Savings Bank for the purchase of the \$2,545,000 General Obligation Refunding Bonds (Alternate Revenue Source), Series 2017. Mr. Jeretina stated that it was their opinion that the 2.69% bid of First Financial Bank, N.A. Terre Haute, Indiana was the best bid received. Mr. Jeretina added that it was further their opinion that the bid would save the City \$311,188.71 over the life of the issue. After discussion the Council agreed to do with the recommendation. ***Motion was made by Councilman Farley and seconded by Councilwoman Morgan to approve the adoption of Ordinance 2017-01 authorizing the issuance of General Obligation Refunding Bonds (alternate revenue source), Series 2017, of the City of Salem, Marion County, Illinois, providing the details of such Bonds and for alternate revenue sources and the levy of principal of and interest on such Bonds, and related matters and to also to accept the proposal from First Financial Bank at 2.69%. Roll call vote: AYES: Councilman Morton, Councilwoman Morgan, Councilman Hudspeth, Councilman Farley, Mayor Barbee. Motion carried.***

3. **Approval of Refinance of loan on “SBIC” Property**

City Manager Gruen indicated that the 23 areas just north of The Back Room and Five Brothers that SBIC owns, which at the time of purchase the City agreed to back-up the loan with TIF Funds. There was a Post Office project they planned for the property that didn’t materialize. Mr. Gruen indicated that the balance was down to about \$228,000, and that the City and SBIC were actively marketing the property. The loan is currently with the Marion, Jefferson, Washington CDC at an interest rate of 3.25%. After Finance Director Keli Barrow asked them if they were willing to refinance that balance and they were not, bids were sought out locally. Mr. Gruen reported that one bid from Marion County Bank was received, which he presented, adding that the bid show five annual payment, but six will be made. City Manager Gruen asked the Council to approve

refinancing of the “SBIC Loan” with Marion County Savings Bank for the remainder of that debit at 2.44%.

Councilman Morton asked when the loan was taken out. Ms. Barrow responded that it was October of 2000. Mr. Gruen put a map of the property up on the screen. Councilman Farley asked who receives the proceeds from the farmland. Mr. Gruen indicated SBIC receives the proceeds, but it is not much. Councilman Hudspeth indicated that it would be around \$2000 per year.

Motion was made by Councilman Hudspeth and seconded by Councilman Farley to approve refinancing the loan on the “SBIC” property with the Marion County Savings Bank on the terms in their letter, 2.44% with six annual payments. Roll call vote: AYES: Councilwoman Morgan, Councilman Hudspeth, Councilman Morton, Councilman Farley, Mayor Barbee. NAYS: None. Motion carried.

4. Purchase Approval – New Leaf Vac

Mr. Gruen indicated that John Pruden put a request in for the FY2018 Budget for a New Leaf Vac, but it would fit better in the current Budget, adding that the current Budget had surplus in the Garbage Fund. John Pruden stated that the current Leaf Vac was a 2001 and needed to be replaced. Mr. Pruden further explained he purchase the equipment from Woody’s Municipal Supply Company in the past and they performed due diligence and provided great service. Councilman Farley asked what would be done with the old Leaf Vac. Mr. Pruden responded that as soon as the new equipment was in he would request a Declaration of Salvage and try to market the old one. Mr. Pruden stated the last one was sold to a Landscaper for \$4000. ***Motion was made by Councilman Farley and seconded by Councilwoman Morgan to approve the purchase of a new Leaf Vac for \$47,263 from Woody’s Municipal Supply. Roll call vote: AYES: Councilwoman Morgan, Councilman Morton, Councilman Farley, Councilman Hudspeth, Mayor Barbee. NAYS: None. Motion carried.***

5. Purchase Approval – SCADA Upgrade at Wastewater Treatment Plant

City Manager Gruen indicated that the SCADA Upgrade is budgeted for in the current fiscal year. Mr. Gruen stated the low bid was from Durkin Equipment Company totaling \$18,408. Mr. Pruden explained that SCADA, Supervisory Control and Data Acquisition, this system monitors the whole plant and send signals in through this system and does reporting. The system also calls employees if something goes wrong during off hours. Mr. Pruden indicated that the current system, put in by Durkin in 2006, is in need of an upgrade. Councilwoman inquired why the original quote from Durkin was first \$11,908, but then added \$4500 to be revised to \$16,408 and then added \$2000 more to be charged time and material for any contingency. Mr. Pruden explained that Durkin’s salesman didn’t think the sending units needed replace, but some of the other sales thought they did. Mr. Pruden asked him to revisit to make sure we’re comparing apples to apples, the additional cost was added to cover the sending units in case they do need replaced. Mr. Gruen mentioned the other two bids which were higher. ***Motion was made by Councilman Hudspeth and seconded by Councilman Farley to approve the purchase of the upgrade of the SCADA program from Durkin for the total amount not to exceed \$18,408. Roll call vote: AYES: Councilman Hudspeth, Councilman Farley, Councilman Morton, Councilwoman Morgan, Mayor Barbee. NAYS: None. Motion carried.***

6. Purchase Approval – Repairs to Jet Vac

City Manager Gruen indicated that the Jet Vac was currently in need of repair. The Jet Vac is used to breakup sewer clogs and other uses as well. Mr. Gruen indicated that Coe Equipment out of Rochester would do the repairs for \$20,007. Mr. Gruen noted that this is a budgeted repair included in a blended line of \$18,000. ***Motion was made by Councilman Farley and seconded by Councilwoman Morgan to approve the repairs to the Jet Vac by Coe Equipment for \$20,007. Roll call vote: AYES: Councilman Farley, Councilman Morton, Councilwoman Morgan, Councilman Hudspeth, Mayor Barbee. NAYS: None. Motion carried.***

7. Approval of Sale of Real Estate

City Manager Gruen indicated that there was a discussion during Executive Session regarding the sale of about 2.25 areas of property on the north end of Kinney Blvd. Mr. Gruen stated that there was substantial agreement for the sale, but there are a couple details important enough to get

worked out before the Council votes. Mr. Gruen indicated this would be a top priority to get ironed out then potentially come back for a Special Meeting.

VII. **CITY MANAGER’S REPORT**

City Manager Gruen provided the following:

- **Salem’s Fire Rating of Class 3:** City Manager Gruen pointed out the balloons at the side of the Council Chamber and explained that they were to bring attention to the work Public Works and the Fire Department have been doing to improve Salem’s fire safety. Mr. Gruen thanked John Pruden and Roger Mann for the work they have done on bringing the City of Salem up from Rate Class 4 to a Rate Class of 3 on the ISO Mitigation Graft, which put Salem in the top 11% countrywide for fire rating. Roger Mann, Fire Chief, stated that this is quite an accomplishment with help from the Council, the Fire Departments Board, the 911 Board, and Public Works. Mann indicated that the commercial and industrial locations are looked at, as well as the water supply, education, inspections, training, waterlines, so on all go toward calculating the rating. The Mayor thanked Roger Mann and John Pruden for all their work. John Pruden indicated they have worked on points that needed improvement and continue to, which wouldn’t be possible without the Council helping to support their efforts.
- **FY18 Budget Making Process:** City Manager Gruen indicated they are making good process on the FY2018 Budget and that he appreciated the submissions from all the Department Heads. Mr. Gruen indicated it was going smoothly and expects the Budget to be ready for the first meeting in April.

VIII. **CITY ATTORNEY REPORT** – None.

IX. **FINANCE DIRECTOR REPORT** – None.

X. **CITY COUNCIL REPORT**

Councilman Farley indicated he had a request from Birch Graphics for 15 minute parking at his business on East Main. Farley commented that the business had a lot short-time parking of customers picking up large orders. Farley stated he spoke with the Police Chief and the City Manager and was informed that each of the current timed parking spots downtown were by action of the City Council. Mr. Gruen indicated that Momma Antonio’s had the same request a couple years ago and instead of putting in front of their business it was put on the end parking spot on the block for anyone’s use. Farley indicated he would let Birch Graphics know they could request the 15 minute parking spot that would be put on the end of the block.

Mayor Barbee and Councilman Farley indicated they have both been asked about moving the large concrete planter in front of the Theater, due to it blocking Theater patrons from getting in and out of their cars. Mayor Barbee indicated he would get more information.

XI. **ADJOURNMENT**

As there was no further business to discuss, ***motion was made by Councilwoman Hudspeth and seconded by Councilman Farley to adjourn the meeting at 6:50 p.m. Roll call vote: AYES: Councilwoman Morgan, Councilman Morton, Councilman Farley, Councilman Morton, Mayor Barbee. NAYS: None. Motion carried.***

Jill Combs
Deputy City Clerk

Minutes approved: