

**AGENDA
CITY OF SALEM
REGULAR CITY COUNCIL MEETING
APRIL 3, 2017
6:00 PM REGULAR MEETING**

- I. Call to Order & Roll Call**
- II. Prayer and Pledge of Allegiance**
- III. Presentation of Petitions/Public Comments**
- IV. Mayor’s Report and Presentations**
 - 1. Mayor’s Proclamation – Motorcycle Awareness Month
- V. City Council Action**
 - 1. Consent Agenda
 - a. Approval of Minutes – March 20, 2017
 - 2. Approval of Bids for Home Demolitions
 - 3. Purchase Approval for Addit6ional Repairs to Sewer Jet Vac
 - 4. First Reading – FY18 City Budget
- VI. City Manager Report**
- VII. City Attorney Report**
- VIII. Finance Director Report**
- IX. City Council Report**
- X. Executive Session**
 - 1. 5 ILCS 120/2(c)(5) and (7) – Acquisition and Sale of Real Estate
- X. Adjournment**

Bill Gruen
City Manager

**MINUTES
CITY OF SALEM
REGULAR CITY COUNCIL MEETING
APRIL 3, 2017 – 6:00 PM**

I. CALL TO ORDER AND ROLL CALL

The Regular meeting of the April 3, 2017 City Council meeting was called to order by Mayor Rex Barbee at 5:30 pm.

Council members present:

Councilman Tim Hudspeth
Councilman Nic Farley
Councilman Craig Morton
Councilwoman Sue Morgan

Others present:

City Manager Bill Gruen	City Attorney Mike Jones
City Clerk Bev Quinn	Economic Development Dir. Jeanne Gustafson
Chief of Police Sean Reynolds	Finance Director Keli Barrow
Public Works Director John Pruden	Asst. Public Works Director Annette Brushwitz
Code Enforcement Officer Brian Hunt	Deputy Chief of Police Susan Miller
Animal Control Officer Paul Wimberly	Council Candidate Rita Boudet-Black
Members of the Media and Public	

II. PRAYER AND PLEDGE OF ALLEGIANCE

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

III. PRESENTATION OF PETITIONS/PUBLIC COMMENTS

Darrell Shaw indicated he is putting together a comic and toy expo to be held in approximately six weeks at the Salem Community Activities Center. There will be vendors and cosplay groups. Some of the vendors will be staying in our hotels and supporting our restaurants. Mr. Shaw added that the Tourism Board is providing some assistance with expenses.

IV. MAYOR’S REPORT AND PRESENTATIONS

- Proclamation declaring May as “Motorcycle Awareness Month” was postponed at the request of A.B.A.T.E.
- The Little Mermaid – Mayor Barbee offered kudos to the directors, actors, crew, and makeup artists involved in the SCHS production of The Little Mermaid. The show was well done and had great attendance.

- Mayor Barbee indicated the Salem Community Theatre Board is holding its annual fundraiser on April 29th, starring comedians Dale Jones and Jodi White, and encouraged the community to support it.
- Mayor Barbee reminded citizens to vote on April 4th.

V. CITY COUNCIL ACTION

1. **Consent Agenda**

- a. Approval of Minutes – March 20, 2017
Motion was made by Councilman Hudspeth and seconded by Councilwoman Morgan to approve the minutes of March 20, 2017 as presented. Roll call vote: AYES: Councilman Farley, Councilman Morton, Councilwoman Morgan, Councilman Hudspeth, Mayor Barbee. NAYS: None. Motion carried.

2. **Approval of Bids for Home Demolitions**

City Manager Gruen indicated Code Enforcement Officer Brian Hunt had prepared bid specifications for the demolition of three residential properties at 310 S. Marion, 507 S. Rotan and 220 W. Olive. The bids received are shown below:

	<u>Chuck’s</u>	<u>Wheat</u>	<u>City</u>
310 S. Marion	\$12,500	\$7,149	\$13,000
507 S. Rotan	\$11,000	\$5,974	NO BID
220 W. Olive	\$ 6,500	\$4,749	\$ 7,000

City Manager Gruen indicated that Wheat Excavating is the low bidder on all homes, but appears to have missed identification of asbestos at 507 S. Rotan. Wheat asked that his bids be withdrawn.
Motion was made by Councilwoman Morgan and seconded by Councilman Farley to award the bids for demolition of 310 S. Marion, 507 S. Rotan and 220 W. Olive to Chuck’s Excavating, and shown above. Roll call vote: AYES: Councilman Morton, Councilwoman Morgan, Councilman Hudspeth, Councilman Farley, Mayor Barbee. NAYS: None. Motion carried.

3. **Purchase Approval for Additional Repairs to Sewer Jet Vac**

City Manager Gruen indicated Council had approved repairs to the City’s jet vac during its March 6th meeting. Under closer review, Coe Equipment has identified an additional \$10,129.61 in work that the Water/Sewer crew would like to have done. Public Works Director Pruden indicated these repairs are necessary, and a new jet vac would cost approximately \$350,000. ***Motion was made by Councilman Farley and seconded by Councilman Hudspeth to approve the additional expenditure of \$10,129.61 for repairs to the jet vac. Roll call vote: AYES: Councilwoman Morgan, Councilman Hudspeth, Councilman Farley, Councilman Morton, Mayor Barbee. NAYS: None. Motion carried.***

4. **First Reading – FY18 City Budget**

Brief Overview of FY18 Salem Budget

- The total draft FY18 is as follows:

	FY18 BUDGET	FY17 BUDGET	% Change
General Fund	\$ 5,562,852	\$ 5,963,563	-6.72%
All Other Funds	\$ 12,011,613	\$ 12,809,268	-6.23%
TOTAL	\$ 17,574,465	\$ 18,772,831	-6.38%
- Five revenue sources (sales, income, telecomm, property, and use taxes) which make up about 72% of General Fund revenues are project to increase only 0.46%. General Fund revenues are pretty "soft."
- Controlling for the appropriaiton of certain "reserve" dollars (Union Pacific grant and Hotel/Motel tax dollars) the General Fund budget assumes the City will take in about \$4,000 more in revenues relative to expenditures.
- We no longer need to complete the annual Working Cash transfer with the General Fund. This is the reason for the \$400,000 decrease in the Gen Fund budget, and \$800,000 for the whole budget.
- The FY18 budget includes \$1,305,311 for health insurance, an increase of \$19,500 or 1.5%, over FY17.
- The City should begin strategic discussions related to reported population decrease, which is taking place according to the US Census Bureau. 2015 Census estimates indicate a population at around 7,054 - ESRI estimates 7,353 as of 2016.
- Quick FY18 budget notes:
 - The Gen Admin budget would total \$727,220. This inlcudes having a full time Finance Director, an increase for postogate of \$5,000 (total of \$25,000), a decrease of \$10,000 for demolition.
 - The Police budget includes purchase of a squad car, resurfacing of the PD parking lot, new tasers, a video/audio recording system for the booking room, and potentially new squad car cameras.

- C. \$18,830 for a plow and spreader for the new/already purchased Street Dept dump truck, and \$6,300 for a new spreader for an existing truck.
- D. Projects need for additional \$10,500 for street lighting expenses (electricity).
- E. Budgets \$411,720 for the Pool, of which \$199,655 is for debt service AFTER refinancing. We need to address recaulking joints on the pool deck (\$4,250 current estimate), netting for blue slide (\$1,000), replacement pump impeller (\$4,070), new electric power washer (\$2,900), among others.
- F. Requests an additional \$20,355 for Animal Control, of which \$17,000 is tied to additional wages (part time) to help maintain the facility and care for animals.
- G. The Tourism Board seeks an additional \$13,555 for adversting and support for events.
- H. Terry Mulvaney is working on maintenance related to the City's weather sirens. Some consideration will be given to supplementing our outdoor sirens with technology to communicate with those in Salem on weather and other emergent events.

The Garbage budgets seeks \$9,000 for rental of a tub grinder for compost.

- I. The Parks budget seeks \$4,000 for stump-grinding in the Park and tree transplanting. The Parks budget also seeks \$6,000 for the replacement of basketball goals damaged in a 2016 storm, \$7,000 for Bryan Park restroom roof replacement, replacement of left field foul fence at men's softball field, and dollars for improvement of "playground hill."
- J. The FY18 Recreation budget saves as much as \$37,000 relative to expenses projected from the last full-year the City employed a full-time Recreation Director.
- K. Budget MFT dollars to be a match for FAU dollars for replacement of Illinois Street sidewalk.
- L. For the Water/Sewer Dept.

\$ 71,296	Bulk alum tank and replacement of 7 turbidity meters
\$ 90,000	Next year for AMR water meters
\$ 10,000	Water tie-ins/looping at McNeil Acres
\$ 90,000	Replacement of mecahnics of the "White Brick" lift statn
\$ 19,000	Replace 20 services on North Broadway
\$ 154,000	New, 10-inch water line and looping in Kell St area
\$ 65,000	Replacement generator at WWTP.

M. From Fund 18

\$ 47,080	N Illinois, Boone to Hawthorn resurface
\$ 84,410	E Lake, Broadway to Marion resurface
\$ 144,143	N Indiana resurface
\$ 124,000	Baldrige Lane resurface
\$ 148,500	Kell St Culvert replacement and road widening
\$ 23,000	Bryan to Boone storm water design
\$ 15,850	Widen West Alley entrance at Broadway
\$ 247,850	West Main water line, Illinois to College

- N. The Fund 20 (video gaming) budget includes dollars for projects, including specifically: Community Center director, work at Bryan Garden related to statute cleaning and work on irrigation system, and UP grant dollars for "aesthetic improvements" on Main Street and I-57.

- 6 Contracts with the FOP and Operating Engineers will terminate at end of April. The FY18 budget plans for increases tied to payroll, but the final wage rates will be determined upon completion of negotiations.
- 7 I'm examining the impact that two, back-to-back, warm winters may be having on revenues received from gas sales. I'm also researching whether an increase in the City's monthly meter charge might make gas sales more reliable. An increase in monthly meter charges could be accompanied with a decrease other charges related to gas the City already collects.
- 8 I'm interested in seeking out new revenues to help offset expenses related to the City's Animal Control program. Maintenance and care for animals is causing an increase in the Animal Control budget, despite the fact that we have had capacity to house more animals at the City facility. New revenues would help us maintain relatively low rates of euthanasia and prevent possible future reductions in efforts to collect animals running at large. New revenues would also keep other General Fund dollars free for other purchases related to all other General Fund budgets.
- 9 The FY18 budget does not yet present any plan to increase funding for the Police Pension Fund. This should become an issue of focus for the City in the upcoming fiscal year.

V. CITY MANAGER'S REPORT

City Manager Gruen indicated the Department Heads did a good job of putting together their budgets, and he appreciated Finance Director Keli Barrow's help.

VI. CITY ATTORNEY REPORT – None.

VII. FINANCE DIRECTOR REPORT – None.

VIII. CITY COUNCIL REPORT

Mayor Barbee encouraged the community to support the Marion County Drug Court Support's fundraiser on April 21st. Mayor Barbee also indicated he had received a letter from a student,

McKenna Smith, requesting that a light be placed on the Eagle in East Lawn Cemetery.

XI. EXECUTIVE SESSION

1. 5 ILCS 120 2/(C)(5) AND (7) – Acquisition and Sale of Real Estate

Motion was made by Councilman Hudspeth and seconded by Councilwoman Morgan to enter into Executive Session for the purpose of discussing Acquisition and Sale of Real Estate at 6:53 pm.

IX. ADJOURNMENT

As there was no further business to discuss, ***motion was made by Councilman Farley and seconded by Councilwoman Morgan to adjourn the meeting at 8:00 p.m. Roll call vote: AYES: Councilman Hudspeth, Councilman Farley, Councilman Morton, Councilwoman Morgan, Mayor Barbee. NAYS: None. Motion carried.***

Bev Quinn, CMC
City Clerk

Minutes approved: