

**AGENDA
CITY OF SALEM
REGULAR CITY COUNCIL MEETING
SEPTEMBER 17, 2019**

- 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. Approval of Minutes
 - a. 9/04/2018
 - 2. Approval of YMCA Recreational Services Agreement Extension
 - 3. Discussion on Real Estate Agreement Terms
 - 4. Approval of SCIRPDC Agreement
 - 5. Approval to Surplus Two Public Works Vehicles
 - 6. Bills Payable

- VI. City Manager Report**
 - 1. Updated proposal for process of review of RLF spend-down projects

- VII. City Attorney Report**
- VIII. Finance Director Report**
- IX. City Council Report**

- X. Adjournment**

Bill Gruen
City Manager

**MINUTES
CITY OF SALEM
CITY COUNCIL MEETING
SEPTEMBER 17, 2018**

- I. CALL TO ORDER**

The regular September 17, 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 call to order)*
Councilwoman Sue Morgan
Mayor Rex Barbee

Council member absent: None.

Others present:

City Attorney Mike Jones	City Clerk Bev Quinn
City Manager Bill Gruen	Chief of Police Sean Reynolds
Public Works Director John Pruden	Deputy Chief Susan Miller
Code Enforcement Officer Dave Lusch	Economic Development Dir. Jeanne Gustafson
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.

- III. PRESENTATION OF PETITIONS/PUBLIC COMMENTS**

Reverend Paul Albert and Jeff Edwards were present to address City Council regarding the sidewalk pictures Rev. Albert passed on to Council members. Albert indicated he feels the disabled are being done a disservice, as not all of the City’s sidewalks are passable or accessible. Albert added that all of the oil and chipping that was done this summer did not need to be done, and more sidewalks could have been repaired or replaced with those funds. Councilwoman Morgan thanked Rev. Albert for bringing these sidewalks to Council’s attention, and assured him the City will do something if it can.. Mayor Barbee thanked Rev. Albert for the photos and information and indicated Council would be looking into this further and would try to have some solutions within the next few meetings.

Councilman Morton arrived at 6:04 pm.

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

Mayor Barbee thanked the organizers of the Antique Power Days, Applefest and Salem Car Cruise for the events offered this past weekend, and added that their guests brought revenue to the community through our restaurants, gas stations, and retail stores.

V. **CITY COUNCIL ACTION**

1. **Consent Agenda**

a. **Approval of Minutes – September 4, 2018**

Motion was made by Councilwoman Morgan and seconded by Councilman Koehler to approve the minutes of September 4, 2018 as presented. Roll call vote: AYES: Councilman Koehler, Councilman Morton, Councilwoman Morgan, Mayor Barbee. NAYS: None. Councilman Farley abstained. Motion carried.

2. **Approval of YMCA Recreational Services Agreement Extension**

City Manager Gruen indicated he is requesting approval of an extension of the Agreement the City has with the YMCA for the implementation of City-sponsored recreational programming. Gruen added that the City benefits from the expertise that comes from the YMCA for recreational programming, but at a cost that is more budget-friendly to the City. Gruen added that Jed Casburn is a pleasure to work with and is a very fine representative for both the YMCA and, indirectly, the City.

City Manager Gruen indicated the City currently pays \$48,000 to the YMCA, and he is proposing a form of “revenue sharing”, in that as a program grows, the increase is split between the City and the YMCA, and the total becomes the new benchmark for the following year. Councilman Morton asked if the YMCA is planning to take over management of the Aquatic Center. City Manager Gruen indicated not at this time, but he is looking for a way to minimize Asst. Public Works Director Brushwitz’s involvement at the pool. Greg Galen, YMCA Representative, said he would be interested in sitting down with the City Manager and having that conversation. Mayor Barbee added that the YMCA does a great job, and has a great reputation. Councilwoman Morgan passed on kudos to Jed Casburn, and added that he does a great job. Councilman Farley added that this arrangement has helped the City financially, and there has been growth in the programs. Councilman Koehler added that he thinks this is the best decision the City has made regarding recreation programs. ***Motion was made by Councilman Koehler and seconded by Councilman Farley to approve the extension of the YMCA agreement, including the revenue sharing proposal. Roll call vote: AYES: Councilman Farley, Councilman Morton, Councilwoman Morgan, Councilman Koehler, Mayor Barbee. NAYS: None. Motion carried.***

(At the request of City Manager Gruen, agenda item V. 4 was discussed before Item V.3.)

4. **Approval of SCIRPDC Agreement**

City Manager Gruen provided an agreement proposal from SCIRPDC to provide various administrative services in support of closeout of the City’s revolving loan fund. Services provided pursuant to the agreement can be found on pages 1 and 2, but generally relate to preparation of all grant documentation for submission to Illinois DCEO, performance and submission of all grant auditing and closeout to DCEO, and review of project submissions. The agreement may last through 2020, because projects will have two years to reach completion. The SCIRPDC proposal fee for the agreement is \$30,000 and would be paid for with RLF funds.

James Patrick, SCIRPDC Director, indicated he had held a public hearing at 5:30 pm, prior to the meeting, on behalf of the NAL project in the amount of \$750,000. The reason behind the \$30,000 fee is that SCIRPDC expects to have 600 man-hours in on the two grants over two years. Patrick added that this will take a lot of stress off of staff. If the grants are audited, SCIRPDC will show up with a three-ring binder containing every document to be reviewed and spend the day with the auditors. Mr. Patrick added that the State recommends the grant administration fee be 7% of the total grant, which would be twice what SCIRPDC is proposing. Patrick added that the CBDG grant needs to be done by December 31st, and we can’t get the housing grant until we do both RLF spend downs. In addition, Mr. Patrick provided a resolution confirming action taken at an earlier meeting regarding the NAL project for approval. ***Motion was made by Councilman Farley and seconded by Councilwoman Morgan to approve the SCIRPDC agreement to administer the RLF spend down projects in the amount of \$30,000 and to approve Resolution 2018-06 confirming action regarding the NAL RLF project. Roll call vote: AYES: Councilman Morton, Councilwoman Morgan, Councilman Koehler, Councilman Farley, Mayor Barbee. NAYS: None. Motion carried.***

3. Discussion on Real Estate Agreement Terms

City Manager Gruen had provided the following information as part of the agenda packet prior to the meeting:

Discussion on Real Estate Agreement Terms: The idea for an agreement with Salem real estate offices came from Dunahee Realty. Jeanne and I met with Stacey Russel to discuss some broad terms for how an arrangement might work. Some discussion points were as follows:

- ✓ Only certain City properties would be subject to a contract, which could include: (A) ~ 10 acres south of 300 S Hotze; (B) acreage between 300 S Hotze and #7 Carpenter drive; (C) the ~ 2 acres on Kinney south of the Holiday Inn Express; and (D) the former Brown Shoe property.
- ✓ If two Salem real estate agencies/agents are interested in an agreement, properties could be assigned by a sort of lottery.
- ✓ All agents should agree to the same commission fee and be willing to co-broker if another agency brings a project.
- ✓ The City may also want to set a minimum fee to be paid for a successful project just in case the City sold property below-market in order to finalize a project. The City might say each aforementioned property would be subject to the following fee:

Property	Price-per acre	Fee at 6%
~ 10 acres at S Hotze	\$7,000	\$4,200
~ 20 acres on Carpenter Drive	\$7,000	\$8,400
~ 2 acres at S Kinney	\$100,000	\$12,000
~ 2.3 acres "Brown Shoe"	\$10,000	\$1,380

- ✓ Agreements might be subject to a 12-month term, but should be subject to a 30-day termination provision which would only be invoked under pretty drastic circumstances.
- ✓ Agent responsible for placing "for sale" signage on property (possible cost share on property such as Brown Shoe) and creating information for placement on agency website, MLS, salemil.biz, and Loopnet when appropriate.
- ✓ City officials will not be precluded from continuing promotion of City real estate for economic development projects. Any agreement with Salem real estate agents will have to be prefaced on the concept that a commission fee will be due and payable if we enter into an agreement no matter the source of a lead that concludes with sale of real estate.

City Manager Gruen Indicated the Jeff Dunahee Realty agent Stacy Russell had suggested a 12-month contract, and the City Attorney had suggested putting in a 30-day out, with the understanding that something serious would have to occur to result in termination of the agreement. Additionally, the City Council would have to establish a fee that the broker/agents would receive on the sale. Economic Development Director Gustafson added that she would like there to be a requirement that any lead she brings in be completely exhausted in Salem before the agent can take the prospect to another town. Councilman Farley concurred, and indicated a lead brought in by the City would have to stay in the city, and the agent would need City approval before taking that lead to see properties outside of Salem. Dir. Gustafson added that the answer might be not to share the lead until the end. Gustafson added she will not stop showing the properties, but she does like the idea of having a broker for the property. The properties will then be shown on Loop Net and receive more attention. Councilman Farley indicated he likes this idea, and raised the question of subdividing the properties and assigning them by lot. City Manager Gruen indicated he would discuss this further with local real estate agents and bring back a more concrete document for Council approval.

5. Approval to Surplus Two Public Works Vehicles

Public Works Director Pruden indicated they had purchased two new trucks in November and they had just come in this week. Rather than hold the two trucks being replaced until the next auction, he would like approval to put them in the auction being held on October 20th, with a rain date of October 27th. The vehicles are a 2000 GMS C-2500 pickup truck w/utility body and a 2003 Chevrolet C2500 HD pickup w/utility body. **Motion was made by Councilman Farley and seconded by Councilman Koehler to declare the two vehicles as surplus, and add them to the auction items. Roll call vote: AYES: Councilwoman Morgan, Councilman Koehler, Councilman Farley, Councilman Morton, Mayor Barbee. NAYS: None. Motion carried.**

6. Bills Payable

City Manager Gruen indicated there are two additional invoices to add to the list:

- Chuck’s Excavating & Landscaping, Inc. – Repair of two panels of sidewalk - \$1,964.00
- Landmark Ford, Inc. – Two Public Works F-250 trucks w/utility bodies - \$57,826.00

Motion was made by Councilwoman Morgan and seconded by Councilman Koehler to approve the bills payable of 8/20/18 through 9/14/2018, with the two additions as presented. Roll call vote: AYES: Councilman Koehler, Councilman Farley, Councilman Morton, Councilwoman Morgan, Mayor Barbee. NAYS: None. Motion carried.

VI. CITY MANAGER'S REPORT

City Manager Gruen provided the following update on the RLF spend down:

While keeping a deadline of October 1 for submission of projects for RLF spend-down, I propose the following details for this process:

- a. Project proposals will be accepted no later than 5:00 pm on October 1 for review by the City for ***possible invitation*** to make a presentation to the City Council on October 15 for possible approval.
- b. Enclosed with your packet is a BUSINESS FINANCIAL DOCUMENTATION CHECKLIST which the selected project will have to work from in order to have a completed application to DCEO by the very end of this calendar year.
- c. For proper City Council approval, information to be submitted to the City Council for consideration will have to include the following:
 - i. Project description
 - ii. Project budget
 - iii. Source of financing for project and stage of approval of financing
 - iv. Time frame within which project may be completed
 - v. Projection for job creation/retention associated with project
 - vi. Description of outside approvals (including licenses or permits, etc) that must be obtained in order for project to move forward
- d. City must have a high degree of certainty that a project will reliably be completed due to the circumstances of this spend down. In October, the City Council will be granting direction to a part to complete a fairly significant project application by the end of 2018 for project that will have two years to be completed. Once we set a course on a second project, it will be very difficult or impossible to alter that course.
- e. Projects will have to be completed within 2 years of approval by State.

VII. CITY ATTORNEY REPORT – None.

VIII. FINANCE DIRECTOR REPORT - None.

IX. CITY COUNCIL REPORT

Councilman Koehler asked what is being constructed next to Hucks. City Manager Gruen responded that Hucks is expanding to the east and putting in two diesel lanes. Councilman Koehler asked what the status of the former Selmaville North school is. Dir. Gustafson responded that there is no update at this time, but the project was originally delayed due to a robbery at the site.

Councilwoman Morgan thanked Public Works for removing the tall cattails from the former Nifty Swifty Location. Morgan also asked for an update on the Police Department bicycle giveaway. DC Miller indicated they gave away 54 bikes and received \$70.00 in donations for the “Shop with a Cop” program.

Councilman Morton indicated the mountain bike trail in Bryan Park is doing very well, and they are currently working on a map of the trail. Morton invited Brad Dickneite to address Council. Mr. Dickneite indicated the trail has ended up being approximately five miles long, and he and a friend intend to flag the final connector this week, which will make the trail close to six miles by the end of the year. Mr. Dickneite thanked the City of Salem and volunteers for their work on the project.

Mr. Dickneite indicated on Sunday, September 23rd at 10:00 am, a couple of guys will be working on the trail from 10:00 am to 5:00 pm, followed by a group ride. The last group ride had 25-30 attend, with only two days’ notice. On September 30th, a couple of professional trail riders will be coming to Bryan Park to teach two groups – 3-14 year olds and adults – how to trail ride. The professionals will bring their own obstacles and will teach 20 youth participants from noon to 2:30 pm. There will be a safety check at 11:00 am and donations will be accepted for development of the trail. At 2:00 pm, there will be an intermission, then an adult class will be offered for \$20.00/person. After that session ends, there will be a group ride. Mr. Dickneite added that they are looking for donations of

tools to be used by the volunteers, including chainsaws, garden rakes, shovels and landscape cutters, to be used when they rock the trail.

Mayor Barbee asked how these events will be promoted. Mr. Dickneite indicated they will be posted on trailnet.com, Facebook, and a sign has been made and will be posted.

City Manager Gruen asked if City Council is okay with the group charging a fee in Bryan Park. Council consensus was they are okay with charging a fee.

Mayor Barbee indicated there will be an Enterprise Zone meeting on poverty and unemployment at Holiday Inn Express on Wednesday, September 19th from 1:00 pm to 2:00 pm .

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 7:04 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: _____