

**CITY OF SALEM**  
**REGULAR CITY COUNCIL MEETING**  
**April 1, 2024 – 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 – request approval for 03-18-2024 meeting minutes.
    - b. Approval to accept the low bid for Bituminous Materials and Seal Coat Aggregate for the City’s annual MFT oil & chip program.
    - c. Approval to accept the low bid for patch mix for the FY25 budget season.
    - d. Approval to surplus additional items from Salem Police Department
  
  - 2. Request approval to rezone the parcel at 201 W. Lake St. from RS-2 (Single Family Residential) to B-3 (Highway Business), based on approval recommendation from the Planning Commission.**
  - 3. Request approval of a variance request from Harvey Evans, Produce Plus, 1401 W. Main St. The Zoning Board of Appeals met to review a variance to the setback from the rear property line of the business at 1401 W. Main St. The Board has approved the variance with the inclusion of the “Terms of Relief” and the findings and facts.**
  - 4. Review of the budgets for the FY25 budget season. Second reading no action will be taken.**
  - 5. Review of the City’s health insurance premium renewals. Requesting approval of Option A as outlined.**
  
- VI. City Manager Report with Department Head Updates**
- VII. City Attorney Report**
- VIII. City Council Members Report**
- IX. Motion to Adjourn**

Annette Sola  
Interim City Manager

*Annette Sola*

**REGULAR CITY COUNCIL MEETING**  
**April 1, 2024 – 6:00 PM**

1. Consent Agenda:
  - a. Council members have been provided with a copy of the minutes from the prior Council meeting held on March 18, 2024.
  - b. Approval of the low bid for oil and chip that will be used for road work in the FY25 budget season.
  - c. Approval of the low bid for patch mix that will be used during the FY25 budget season.
  - d. Approval of additional surplus items at the Salem Police Dept. The list includes: Stamp collection, 45 bicycles that will be given away, 18 hard drives that were removed from equipment for forensic shredding, 2 desktop computers, 72 lost and found cell phones, 2 tablets and a ring doorbell.  
**Recommend approval of the consent agenda as presented.**
2. The building at 201 W. Lake St. was zoned RS-2 Single Family Residential but has been used as a storage building with living quarters for many years. The new owners are looking to update the entire property and remodel the living quarters. The business portion of the building will be used as office space and storage. **Recommend approval of the request by the Planning Commission to rezone the property at 201 W. Lake St., from RS-2 Single Family Residential to B-3 Highway Business.**
3. Harvey Evans of Produce Plus is looking to build an addition to the back of his building to increase the space in the kitchen area. In addition, plans are being made to update the façade of the building. The building is placed on the property at a slight angle; when the lot was subdivided, the back property line runs at an angle narrowing to the southwest corner. The variance will be required to allow the building addition to take place. The Zoning Board approved the request but provided Terms of Relief and Findings and Facts outlining the requirements for the building not to encroach more than the variance states. **Recommend the approval of the variance request to allow a building addition at 1401 W. Main St., to allow the southwest corner of the building to sit 8 feet from the rear lot line with the Terms of Relief included in the approval.**
4. Review of the FY 25 budget items.
5. The City's health insurance renewal was presented by representatives from Mutual Medical. Overall, the City had a significant increase in claims for both medical and prescription costs. Two renewal options were given, Option A: keeps all coverage the same, the stop loss premium that the City pays stays at \$55,000 which is the same as last year. The total premium increase is 4% which totals a \$10,693.00 increase overall. The aggregate claims liability takes a harder hit due to the high number of large claims. The increase for this portion of the plan is 11.71% with a total annual increase of \$120,918.00. This makes an overall increase of 12.07% or \$136,351.00 annual increase. In looking over group insurance trends this is still well below the average that most groups are seeing this year. Option B: The only change from A to B is the Individual Stop Loss Premium, in Option B the stop loss would increase from \$55,000 to \$60,000. This means the City pays for the first \$60,000 in medical expense. The option A increase is slightly more than \$10,000, stop loss could potentially cost the City more money on the backside than paying the additional premium up front. My recommendation is Renewal A and leave the stop loss deductible as is. We are presently budgeted to handle this increase and no change in the budget that was presented would be necessary. **Recommend approval of Renewal Option A as presented.**