

**AGENDA
CITY OF SALEM
REGULAR CITY COUNCIL MEETING
OCTOBER 15, 2012
6:00 P.M.**

- 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. Approval of Minutes – October 1, 2012
 - 2. Bills Payable
 - 3. Bid Opening: Property located at Corner Wells and S. Walnut Street
 - 4. Assumption of Loan – SBIC Property
- VI. City Manager Report**
- VII. City Attorney Report**
- VIII. Finance Director Report**
- IX. City Council Report**
- X. Adjournment**

Bill Gruen
City Manager

**MINUTES
CITY OF SALEM
REGULAR CITY COUNCIL MEETING
OCTOBER 15, 2012
6:00 P.M.**

I. CALL TO ORDER

The Salem City Council met in regular session on October 15, 2012, at the hour of 6:00 p.m. in the Council Chambers of Salem City Hall. Mayor John Raymer called the Meeting to order.

Council Members present upon roll call:

Councilman Royce Bringwald
Councilman Steve Huddlestun
Councilman David E. Black

Councilman Kip Meador
Mayor John Raymer

Others Present:

City Manager Bill Gruen
City Clerk Jane Marshall
Public Works Director John Pruden
Library Director Kim Keller
Code Enforcement Officer Brian Hunt
Assistant to the City Manager Bev West

City Attorney Michael R. Jones
Finance Director Ben Stratemeyer
Chief of Police Ron Campo
~~*Economic Dev. Director McDaneld~~
Recreation Director Sherry Daniels

Also present: Media: Salem Times Commoner, WJBD Radio, Centralia Sentential, Marion County Observer and US Sonet; along with several members of the Public

Absent: DOEM Director Terry Mulvany

*Clerk's note: Ms. McDaneld was not present.

II. PRAYER AND PLEDGE OF ALLEGIANCE

Opening prayer led by Councilman Black, followed by Pledge of Allegiance to the Flag.

III. PRESENTATION OF PETITION/PUBLIC COMMENTS

Leigh Williams, Managing Editor of the Marion County Observer introduced the first edition of their new magazine, "Southern Illinois Family Magazine", a free magazine to be published monthly and distributed to various locations in Marion County and surrounding counties. She commented that this magazine will feature family events happenings in the counties along with stories of interest relating to persons of every age.

Elaina Bierman, a student at Salem Community High School, thanked Council for allowing her to speak. She announced that she was running for Mayor at Salem Community High School and wanted to come and see how the City Council meetings are conducted.

IV. MAYOR'S REPORT AND PRESENTATIONS

Mayor Raymer reported:

- Appreciates the new publication, the *Southern Illinois Family Magazine*
- PKC events coming up again this week
- He and the city manager are looking forward to attending the IML Conference this week

V. CITY COUNCIL ACTION

1. Consent Agenda:

- b. Approval of Minutes – October 1, 2012

Councilman Meador moved and Councilman Black seconded the motion to approve the minutes of October 1, 2012. Roll call vote: AYES: Councilmen Bringwald, Meador, Huddlestun, Black, and Mayor Raymer. NAYS: None. Motion carried.

2. Bills Payable for Period Ending October 15, 2012

Bills payable listing for period ending October 15 for a total amount of \$626,965.05 was presented for review. **Following review period, Councilman Black moved and Councilman Meador seconded the motion to approve the bills payable as presented. Roll call vote. AYES: Councilmen Meador, Huddlestun, Black, Bringwald and Mayor Raymer**

3. Bid Opening: Property Located at Corner Wells and S. Walnut Street

City Manager Gruen commented the City Council approved sale of property at 9/04/12 Council Meeting by ordinance directing bids be advertised and opened at a public meeting as directed by state law. One bid was received and opened by the City Manager at this meeting. The bid was from Jeno Properties, LLC, Jeanne Dunahee, Manager, for a bid price of \$1,010.00 for a portion of property located at 1226 S. Walnut Street. **Councilman Meador moved and Councilman Black seconded the motion to accept the bid received from Jeno Properties, LLC in the amount of \$1,010.00 for a portion of property located at corner of Wells and S. Walnut Streets. Roll call vote: AYES: Councilmen Huddlestun, Black, Bringwald, Meador and Mayor Raymer. NAYS: None. Motion carried.**

4. Assumption of Loan – SBIC Property

City Manager Gruen commented that the City made a guarantee in October of 2000 regarding a purchase by the Salem Business and Industrial Commission of about 20-25 acres at the north east corner of Selmaville Road and Highway 50 east of Conway. Since October of 2000, SBIC has been marketing the property. He indicated that only one payment may have been made, and the interest has been accruing on the note year by year. With the action in 2000 for the city to guarantee the note, there is a move now for City Council approval to begin making payments on the note. As of 10/23/11 the balance was \$342,868.98 with a 3.25% interest rate, with a present estimated balance of \$351,000.00 and annual payments estimated at \$40,709.19. He reviewed the key provisions of a new assumption of note agreement that was prepared by the City's economic development consultants at PGAV:

- the note is not a general obligation of the City and will only be paid for using TIF #2 dollars;
- SBIC will be responsible for marketing the property for development that is consistent with TIF #2 Plan and sale of property will be for development purposes and not speculative purposes for other parties.
- The net proceeds from sale of land be paid to the City as reimbursement for payments made to retire the note; the City may waive this repayment for benefit of development project
- Gruen commented that at suggestion of Mike Webber, an addition of a new provision is recommended - the agreement governs until the city is repaid for what it pays in to retire the note, unless the Council waives the repayment for the benefit of the project. Gruen indicated that the TIF #2 has generated more than enough annual revenues to cover the annual payments to retire the note.

Councilman Black expressed concern that it would have been better had the City paid this note off earlier to save on the interest payments.

Councilman Black moved and Councilman Huddlestun seconded the motion to approve the TIF Redevelopment and Assumption Agreement as prepared by PGAV with an added provision that the agreement governs until the City is repaid or the City Council would waive repayment. Roll call vote: AYES: Councilmen Huddlestun, Black, Bringwald, Meador, and Mayor Raymer. NAYS: None. Motion carried.

VI. CITY MANAGER REPORT

City Manager Gruen reported:

- Update on strobe lights and use of laser for goose control
- Electric Aggregation Presentation at Rotary Meeting and Public Meeting 6:00 p.m., October 24th at City Hall
- Meeting with Terry Johnson regarding county-wide animal control; and he contacted Clay County regarding space at cost in their animal shelter for shelter of dangerous dog; also will contact Clinton County as well
- Update to City website is nearly completed by Nick Farley and ready for staff to enter information
- He will attend Bryan Bennett Library meeting tomorrow to discuss 2013 Tax Levy

VII. CITY ATTORNEY REPORT – No Report

VIII. FINANCE DIRECTOR REPORT – No Report

IX. CITY COUNCIL REPORT

Councilman Black commented that due to public concerns and questions recently about Klassic Kollektions and what the City has done about Klassic Kollektions, he wanted to let everybody know that in June he had contacted the Federal Bureau of Investigations and in July he gave them all the information the City had for investigating fraud and the misuse of city funds.

Councilman Bringwald reported that he attended the third Open House of the Salem Fire Protection District. He was very impressed with all the demonstrations that were presented.

Councilman Black added he believes that we have one of the best fire departments in the nation.

X. Adjournment

There being no further business for discussion at 6:50 P.M., **Councilman Black moved and Councilman Meador seconded the motion to adjourn. Roll call vote: AYES: Councilmen Bringwald, Meador, Huddlestun, Black, and Mayor Raymer. NAYS: None. Motion carried.**

Jane Marshall, CMC
City Clerk

Minutes approved by City Council November 5, 2012.