

AGENDA  
CITY OF SALEM  
REGULAR CITY COUNCIL MEETING  
MAY 2, 2015  
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**
    - 1.     Historical Commission Sponsored Coloring Contest
  
  - V.     **City Council Action**
    - 1.     Consent Agenda
      - a.     Approval of Minutes – April 11, 2016 Special Meeting and April 18, 2016 Regular Meeting
    - 2.     Approval of Appointment of Rick McCollum to Planning Commission
    - 3.     Swearing in of Board and Commission Members
    - 4.     Presentation/Request by Daffy Dills Garden Club
    - 5.     Purchase Approvals:
      - a.     Audit Services with Glass & Shuffett
      - b.     Gas System Improvements
      - c.     Sand & Gravel
      - d.     Chemicals for Water Treatment
      - e.     Sludge Removal from Wastewater Treatment
    - 6.     Discussion – Bryan Park Trail Project
    - 7.     Approval of Term Sheet Regarding Payment of Commission to Real Estate Professional for Approved Sale of City Property at Kinney Boulevard.
    - 8.     Approval for Seeking Proposals for Administration of City Health Insurance Plan
  
  - VI.    **City Manager Report**
  - VII.   **City Attorney Report**
  - VIII.   **Finance Director Report**
  - IX.    **City Council Report**
  - X.     **Executive Session 5 ILCS 120**
    - 1.     Appointment of Person to Fill Public Office [2 (c)(3)]
    - 2.     Litigation [2 (c)(11)]
  
  - XI.    **City Council Action**
    - 9.     Appointment to Fill Vacant City Council Position
  
  - XII.   **Adjournment**
- Bill Gruen  
City Manager

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MINUTES  
REGULAR CITY COUNCIL MEETING  
May 2, 2016 – 6:00 pm

- I.     **CALL TO ORDER**

The regular May 2, 2016 meeting of the City Council was convened at 6:00 p.m. and called to order by Mayor Rex Barbee.

**Council members present:**  
Councilman Nic Farley  
Councilman Craig Morton  
Councilwoman Sue Morgan  
Mayor Rex Barbee

**Council members absent:**  
None.  
*(One vacancy on Council due to resignation.)*

**Others present:**

City Manager Bill Gruen	City Attorney Mike Jones
City Clerk Bev Quinn	Finance Director Ben Stratemeyer
Public Works Director John Pruden	Assistant Public Works Director Annette Brushwitz
Chief of Police Sean Reynolds	Deputy Chief of Police Susan Miller
Code Enforcement Officer Brian Hunt	Economic Development Director Jeanne Gustafson
Animal Control Officer Paul Wimberly	Members of the Media and Public
Library Director Kim Keller	
  
- II.    **PRAYER AND PLEDGE OF ALLEGIANCE**

Opening prayer was given by Councilwoman Morgan, followed by the Pledge of Allegiance to the Flag.
  
- III.   **PRESENTATION OF PETITIONS/PUBLIC COMMENTS**

Mark Decker approached City Council with an opportunity to obtain the carved miniature train currently in front of the building formerly known as The Depot Restaurant. The train was created by local artisan Maurice Decker, who is Mark Decker’s uncle. Mr. Decker indicated his family is

interested in purchasing the train and donating it to the City in an effort to showcase both a local artisan and the City's railroad history. Mr. Decker indicated he and City Manager Gruen had had a preliminary conversation regarding this with City Manager Gruen, and Mr. Gruen had suggested he approach Council. Mr. Decker added that they will need to move on this quickly. Several Council members asked if Mr. Decker had a location in mind for the train. Mr. Decker indicated he would like it to be placed at one of the entrances to Salem. Mayor Barbee asked that Mr. Decker determine a specific location and pass that information on to the City Manager, who will then in turn pass it on to Council, as Council cannot accept the train without having a location in mind for placement.

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

Mayor Barbee congratulated Councilman Nic Farley on being elected to serve as Vice-President of SCIGA, and added that it is nice to see community leaders involved in organizations outside of their community roles.

Mayor Barbee indicated the Theatre Board held its "Blues on Broadway" event on April 23<sup>rd</sup>, and there was a lot of talent showcased. The Salem Community High School Band will be using the theater for their concert on May 3<sup>rd</sup>.

Mayor Barbee indicated local artist Andy Crouch has been creating industrial art, and showcasing it in his and his wife's business, "Crew Cuts". Mayor Barbee indicated he wishes him much success, and will be inviting Mr. Crouch to show a few of his pieces at a future City Council meeting.

Mayor Barbee indicated the Historical Commission recently held a coloring contest for children in Kindergarten through Third grades, with the pictures being historical in nature, i.e. William Jennings Bryan, Trains, Eagle and Crest, and the American Flag. Mayor Barbee was chosen to select the winners. The winners and their families were present to accept their prizes of an individual season pass from the Salem Family Aquatic Center. Winners were:

Kindergarten – Wayne Freeman (St. Theresa School)  
First Grade – Jose Burner (Apostolic Christian Academy)  
Second Grade – Elara Brubaker (Hawthorn)  
Third Grade – Dayton Parker (Hawthorn)

#### V. **CITY COUNCIL ACTION**

##### 1. **Consent Agenda**

- a. Approval of Minutes – April 11, 2016 Special Meeting and April 18, 2016 Regular Meeting  
***Motion was made by Councilman Farley and seconded by Councilwoman Morgan to approve the Minutes of April 11<sup>th</sup> and April 18<sup>th</sup> as presented. Roll call vote: Councilman Farley, Councilman Morton, Councilwoman Morgan, Mayor Barbee. NAYS: None. Motion carried.***

##### 2. **Approval of Appointment of Rick McCullum to the Planning Commission**

Mayor Barbee indicated he is recommending Rick McCullum to serve on the Planning Commission. ***Motion was made by Councilwoman Morgan and seconded by Councilman Morton to approve the appointment of Rick McCullum to the Planning Commission. Roll call vote: AYES: Councilwoman Morgan, Councilman Farley, Councilman Morton, Mayor Barbee. NAYS: None. Motion carried.***

##### 3. **Swearing in of Board and Commission Members**

Board and Commission members whose terms expired on April 30, 2016 were approved for reappointment at the April 18<sup>th</sup> meeting, and invited to be sworn in at the May 2<sup>nd</sup> meeting. Board and Commission members who were present joined Mayor Barbee at the front of the Council Chambers and were sworn in to serve another term.

##### 4. **Presentation/Request by Daffy Dills Garden Club**

Sharon Blair of the Daffy-Dill Garden Club indicated she is once again approaching City Council to request use of Bryan Park at the Bryan Statue for their Garden Treasurer's Tour and Vendor Market. The event will be held on June 25<sup>th</sup> this year, with tours being offered from 8:30 am to 3:00 pm. Ms. Blair indicated they have some excellent vendors this year, as well as live music. The Club is also asking permission to place banners in the Court House and Chamber lawns about two weeks before the event, and smaller signs will be erected in the vendor area the day of the event. Ms. Blair added that there is major construction taking place in the Garden, which they hope will be done by time of the event, but if not the area will be roped off. ***Motion was made by Councilman Farley and seconded by Councilwoman Morgan to approve use of Bryan Park Statue Area for the Garden Treasure's Tour and Vendor Event and the placement of signs, as***

*requested. Roll call vote: AYES: Councilwoman Morgan, Councilman Farley, Councilman Morton, Mayor Barbee. NAYS: None. Motion carried.*

**5. Purchase Approvals**

*(City Manager Gruen asked if 5. e. could be discussed first, since Tyler Kramer from Metro-Ag Inc. is present. Council consensus was that it was acceptable.)*

**e. Sludge Removal from Wastewater Treatment Plant**

City Manager Gruen invited Tyler Kramer to the podium, and indicated that he had spoken with Bryan Kramer last week regarding the sludge hauling. Mr. Gruen added that farmers don't pay for sludge, and the farmer that Metro-Ag has been working with on the City's sludge has been very accommodating and has altered his farming schedule to work with Metro-Ag on this. The cost is going up from \$0.036/gallon of sludge removed to \$0.040/gallon of sludge removed. Metro-Ag expenses have ranged from \$42,307 to \$60,707 in a fiscal year, dependent upon the volume removed. Tyler Kramer concurred, and reiterated that the farmer has been very accommodating. Mr. Gruen indicated he is requesting approval of a two-year contract extension at \$0.040/gallon with Metro-Ag.

***Motion was made by Councilwoman Morgan and seconded by Councilman Farley to approve the two-year sludge hauling contract extension with Metro-Ag at \$0.040/gallon.*** Councilman Farley asked how this will impact the budget. Mr. Gruen responded that it is all dependent on the quantity produced. Mr. Pruden added that he will keep it under budget. Mr. Pruden added that Metro-Ag has the necessary IEPA licensing and equipment that the City does not have. ***Roll call vote: AYES: Councilman Farley, Councilman Morton, Councilwoman Morgan, Mayor Barbee. NAYS: None. Motion carried.***

**a. Audit Services with Glass & Shuffett**

City Manager Gruen indicated the City has worked with Glass and Shuffett since 2003 on its annual audits. The 2016 contract totals \$29,150, which is a 3% increase over last year's contract. Mr. Gruen added that he does think it would be a good idea to go out for proposals next year, but this year he is asking that this contract with Glass & Shuffett be approved, due to the short time frame. Councilman Farley added that he would like to see the City go out for proposals, not because the City is unhappy with the work Glass and Shuffett has done, but it is just good practice. City Manager Gruen concurred that it is not a bad idea to go out for proposals every few years. ***Motion was made by Councilman Farley and seconded by Councilman Morton to approve the contract with Glass and Shuffett for the FY16 audit in the amount of \$29,150.*** City Manager Gruen indicated that due to some changes in GASBE requirements, requiring an actuary for the Police Pension Fund, he may be coming back to Council with an increase for Glass and Shuffett. ***Roll call vote: AYES: Councilman Farley, Councilman Morton, Councilwoman Morgan, Mayor Barbee. NAYS: None. Motion carried.***

**b. Gas System Improvements**

City Manager Gruen indicated the FY17 budget includes \$303,900 for gas system improvements (gas line replacement with PE gas line). Bids were accepted with the low bid for construction coming from Kieffer Bros. in the amount of \$219,397.50 and the low bid for materials coming from USSI in the amount of \$15,737.25. ***Motion was made by Councilwoman Morgan and seconded by Councilman Morton to approve the low bid for construction from Keiffer Bros. in the amount of \$219,397.50 and the low bid for materials from USSI in the amount of \$15,737.25. Roll call vote: AYES: Councilman Morton, Councilwoman Morgan, Councilman Farley, Mayor Barbee. NAYS: None. Motion carried.***

**c. Sand and Gravel**

City Manager Gruen indicated the City accepts bids for sand and gravel on an annual basis for various uses. The City has a "buy local" policy when the cost spread does not exceed 5%. Utilizing the "buy local" policy, Quad County had the low bid for CA-6 Gravel at \$15.00/ton and the low bid for Sand at \$11.75/ton. ***Motion was made by Councilman Farley and seconded by Councilwoman Morgan to award the bid to Quad County for CA-6 gravel at \$15.00/ton and Sand at \$11.75/ton. Roll call vote: AYES: Councilwoman Morgan, Councilman Farley, Councilman Morton, Mayor Barbee. NAYS: None. Motion carried.***

**d. Chemicals**

City Manager Gruen indicated the low bids for Water Treatment chemicals are as follows:

<u>Item</u>	<u>Amount</u>	<u>Low Bidder</u>
Alum Sulfate	\$415.00/ton	Hawkins, Inc.
Soda Ash	\$12.85/bag	Hawkins, Inc.
Chlorine	\$409.00/ton	Brenntag

***Motion was made by Councilman Farley and seconded by Councilwoman Morgan to approve the low bids, as presented. Roll call vote: AYES: Councilman Farley, Councilman Morton, Councilwoman Morgan, Mayor Barbee. NAYS: None.***

**6. Discussion – Bryan Park Trail Project**

City Manager Gruen indicated the City received a letter from IDNR indicating that if the City moves forward using its own dollars to complete the otherwise grant-funded trail project, the City would receive reimbursements *if* the grant becomes reinstated. Mr. Gruen added that the last Council took the firm position that City dollars would not be used for this project, although that position softened a bit given circumstances. Shores Builders had indicated there might be as much as a \$5,000 increase in cost, due to the time delay. Mr. Gruen indicated he spoke with Jarrod Heltsley regarding this project, and this might be a good time of year for them to proceed with the project. Mr. Gruen asked if the City Council wants to move forward on this project using City dollars. Mr. Gruen added that the money is budgeted as an Expense but it is also budgeted as a Revenue, reflecting anticipated receipt of grant funds.

Councilman Farley indicated he would not mind covering some of the overages from Fund 18, but he does not want to see the project totally funded by Fund 18.

Councilwoman Morgan asked if \$90,000-\$95,000 would complete the project. Morgan added that she feels the community is expecting this project to come to fruition, and the trail would be an advantage to Salem. If \$95,000 would complete the project, she would like to see it move forward, even if we do not know if we will be reimbursed by the State.

Mayor Barbee asked Mr. Gruen if he could meet with Shores and determine what the actual increase in cost will be, and what the City would be looking at spending, and bring that information back to City Council.

Councilman Morton suggested borrowing the money from Fund 18, and reimbursing the Fund if the State gives the City the grant funds.

City Manager Gruen indicated this might also be a good use of Video Gaming funds.

**7. Approval of Term Sheet Regarding Payment of Commission to Real Estate Professional for Approved Sale of City Property at Kinney Blvd.**

City Manager Gruen asked Economic Development Director Jeanne Gustafson to present the list of proposed terms, as follows:

**City of Salem, IL.**

***Approval of a Term Sheet Regarding Payment of Commission to Real Estate Professional for Approved Sale of City Property at Kinney Boulevard***

- 1) The City of Salem agrees to pay Broker<sup>1</sup> a commission for services rendered. The specific amount of commission will be negotiated with the Salem City Council as part of a proposal outlining Gross Sales Price of property and targeted commercial/retail operation optioned by the Broker. This commission shall be paid, subject to terms noted below, upon the close of escrow or upon recordation of the deed, as the case may be.
- 2) The commission only applies for sale of the property and not for lease.
- 3) The subject property is owned by the City of Salem for economic development purposes. The City Council reserves the right to sell or not to sell the property for commercial projects it approves. The City will not sell the property to any party for speculative purposes or for re-sale. Sale of property will be contingent upon development of project approved by the City Council for the site.
- 4) Sale Price for the +/- 2 acres owned by the City of Salem on the “Kinney Blvd Property” is \$100,000 per acre. (Parcels 022-502 and 022-501). The purchase price for the remaining parcels is negotiable.

5) This property is located in the newly created I-57 Business District. An additional 1 percent sales tax is charged in the Business District, which generates revenues that a developer can capture on an annual basis to help reimburse him/herself for eligible development expenses. Receipt of this assistance is subject to approval by the Salem City Council and execution of a development agreement.

6) There will be no sale without approval by the Salem City Council. Owner reserves the right to approve or not approve the sale of real estate at Kinney Blvd it deems to be appropriate or inappropriate for any reason or no reason. No fee, commission, charge, or cost that is subject to an agreement with the City of Salem and that is contingent upon the sale of real estate at Kinney Blvd will be paid unless the sale is approved by the City Council. Priority will be given to those projects which complement the existing market rather than compete with existing Salem operations.

7) This agreement shall prohibit any action or activity of the Broker, its employees and personnel, and any of its subcontractors, whether they are involved directly or indirectly with the marketing of Kinney Blvd, that has the effect of encouraging the relocation of any Salem business.

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<sup>1</sup> A "broker" is a properly licensed real estate professional, legally permitted to conduct property transactions on behalf of clients in Illinois.

Councilman Farley indicated he is a little uncomfortable with not have a set percentage for a commission. Ms. Gustafson indicated the realtors have indicated they would like to bring a deal to the City and negotiate a commission at that time. ***Motion was made by Councilman Farley and seconded by Councilman Morton to approve the Term Sheet Regarding Payment of Commission to Real Estate Professional for Approved Sale of City Property at Kinney Boulevard. Roll call vote: AYES: Councilman Morton, Councilwoman Morgan, Councilman Farley, Mayor Barbee. NAYS: None. Motion carried.***

**8. Approval for Seeking Proposals for Administration of City Health Insurance Plan**

City Manager Gruen indicated he has been approached by Kane Insurance, Diamond Brothers, and AJ Gallagher regarding bidding on the City's health insurance program for FY2018. Mayor Barbee indicated it doesn't hurt to go out for bids just to make sure we are remaining competitive. Councilman Farley indicated he would like to see the City go out for bids as due diligence. ***Motion was made by Councilman Farley and seconded by Councilman Morton to request proposals for the City's Health Insurance program for FY18. Roll call vote: AYES: Councilman Farley, Councilman Morton, Councilwoman Morgan, Mayor Barbee. NAYS: None. Motion carried.***

VI. **CITY MANAGER REPORT** - None.

VII. **CITY ATTORNEY REPORT** – None.

VIII. **FINANCE DIRECTOR REPORT** – None.

IX. **CITY COUNCIL REPORT**

**Councilman Morton** indicated the KSB clean-up day in the park was rescheduled for this coming Saturday.

**NOTE: III. PRESENTATION OF PETITIONS/PUBLIC COMMENTS (CONTINUED)**

Rick Livesay and Carl Gillenwater asked if they could address Council regarding a drainage issue they have in their neighborhood. Mr. Livesay lives at 601 W. Allmon and Mr. Gillenwater lives at 560 W. Warmouth. Mr. Livesay indicated that one of their neighbors, Robert McGaughey, has lived at 519 W. Allmon for about a year. Since he moved in, he has burned building materials, a mattress, and other debris in a drainage grate, then covered the burned items and grate with more dirt. Since that time, both Mr. Livesay's and Mr. Gillenwater's yards have flooded regularly. Both Mr. Gillenwater and Mr. Livesay maintain that the grate was very professional, and they feel it was installed by the City at some time in the past. Mr. Livesay indicated the City purchased an easement probably 30-40 years ago. Mr. Pruden indicated the City does not have an easement in that area, and does not own the drain.

City Attorney Mike Jones indicated that if the drain is not on City property, and the neighbor has diverted or changed the flow of water onto private property, it is the private property owners'

responsibility to find a remedy, not the City's. Mr. Jones added that they have every right to pursue this through the courts. Mr. Jones reiterated that the neighbor who caused the issue would be responsible, not the City. Mr. Livesay asked why the City can't just make Mr. McGaughey clean the drain out. City Manager Gruen indicated the drain is on private property, and this must remain a private issue.

Councilman Farley asked if this causes a health hazard that could cause the City to become involved. Code Enforcement Officer Brian Hunt indicated that if there is standing water, he might be able to enforce something, with Council support. Mr. Jones recommended Code Enforcement have a conversation with Mr. McGaughey. City Manager Gruen indicated the City will triple check to make sure the drain is on private property.

Mr. Gillenwater referenced ordinance 2008-20, Section 9-30 Maintenance responsibility, of the City Code, and indicated it said that maintenance is the responsibility of the property owner, but if they don't take care of it, the City can.

Mayor Barbee thanked Mr. Livesay and Mr. Gillenwater for bringing this issue to our attention, and indicated we would check on it.

**X. EXECUTIVE SESSION 5 ILCS 120**

***Motion was made at 7:15 p.m. by Councilwoman Morgan and seconded by Councilman Farley to enter into executive session, after a five minute break, for the purpose of discussing Appointment to Fill Vacant City Council Position and Litigation. Roll call vote: AYES: Councilman Morton, Councilwoman Morgan, Councilman Farley, Mayor Barbee. NAYS: None. Motion carried.***

***Return to Open Session at 7:45 pm***

**XI. CITY COUNCIL ACTION**

**9. Appointment to Fill Vacant City Council Position**

Mayor Barbee indicated he received twelve (12) letters of interest regarding the open Council seat, and after giving due consideration to all applicants, he is proposing appointing Tim Hudspeth to fill the unexpired City Council term of Jim Baity and is requesting City Council approval. ***Motion was made by Councilman Farley and seconded by Councilman Morton to approve the Mayor's appointment of Tim Hudspeth to fill the unexpired City Council term of Jim Baity. Roll call vote: AYES: Councilwoman Morgan, Councilman Farley, Councilman Morton, Mayor Barbee. NAYS: None. Motion carried.***

**XII. 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 7:49 pm. Roll call vote: AYES: Councilman Morton, Councilwoman Morgan, Councilman Farley, Mayor Barbee. NAYS: None. Motion carried.***

Bev Quinn, CMC  
City Clerk

Minutes approved: \_\_\_\_\_