

**AGENDA
CITY OF SALEM
REGULAR CITY COUNCIL MEETING
APRIL 1, 2013
6:00 P.M.**

- I. Call to Order**
- II. Prayer and Pledge of Allegiance**
- III. Presentation of Petitions/Public Comments**
 - David Foreman – Slalom Skiing on Salem Reservoir
- IV. Mayor’s Report and Presentations**
 - Proclamation: April as “National Safe Digging Month”
- V. City Council Action**
 - 1. Consent Agenda:
 - a. Approval of Minutes – Regular Meeting March 18, 2013
 - 2. Request from Daffy-Dill Garden Club for use of Bryan Stature Area for Annual Garden Treasures Events on June 22, 2013
 - 3. Request from Keep Salem Beautiful for Assistance
 - 4. Bid Award – Water Main Extension – S. College Street & Lake Street
 - 5. Bid Award – 2002 IHC Dump Truck for Public Works
 - 6. Bid Award – Painting Pools at Aquatic Center
 - 7. Request for Release of Mortgage for City, Americana Loan (2006)
 - 8. Request from USEPA to take Background Soil Sampling in Salem for Remedial Investigation at Sandoval Zinc Company Superfund Site
 - 9. Executive Session – 5 ILCS 120/2 (c) (1) and (11) - Personnel and Litigation
- VI. City Manager Report**
- VII. City Attorney Report**
- VIII. Finance Director Report**
- IX. City Council Report**
- X. Adjournment**

Bill Gruen
City Manager

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MANAGER'S COMMENTS

V. City Council Agenda

4. **Bid Award – Water Main Extension Phase 1 on South College Street:** At our regular meeting on January 21, 2013, the City Council authorized proceeding on a few water projects, including work on South College for which we recently received bids. Low bid, which came in from Tri-S Excavating, is recommended. Project to be funded from Fund 18 with rollover dollars from FY13 to FY14. Recommend approval.

5. **Bid Award – 2002 International (IHC) Dump Truck for Public Works:** John Pruden has been looking for a used dump truck to purchase this fiscal year for the Gas Dept and has found options that have not worked for reasons including state of repair. Recently, we found a 2002 International dump truck at Higgs Welding for \$28,500 (please see hand-written price quote in your packet). This is higher than the \$13,500 we budgeted in the Gas Dept this fiscal year for the truck. However, the truck quoted includes the installation of a rebuilt motor that will be given a 100,000-mile warranty. With the warranty and the rebuilt engine, we believe the value of this truck at \$28,500 is too good to pass up. We will look for the needed \$15,000 elsewhere in either the Gas or Water/Sewer budgets to make up for the increased cost of the truck.

If the Council approves, approval will be contingent upon a test drive and final inspection by City personnel. Recommend approval.

6. **Bid Award – Painting Pools at Aquatic Center:** The pool floors at the Aquatic Center require repainting for maintenance. Sherry Daniels sought four and has received two bids for the repainting. Low bid comes from Jerold Henson Painting in the amount of \$19,421. Although a costly one-time expense, we expect the paint to last 3-4 years. Sherry reports that the former City pool was repainted annually at a cost of approximately \$4,500.

Sherry and I had considered using seasonal Aquatic Center staff to complete the repainting but have reached the conclusion that it is not advisable. The paint manufacturer recommends that the paint be mixed and applied by a contractor. Furthermore, we Sherry and I favor the assurances we will have that a contractor will finish the project on schedule.

Additionally, Sherry has been speaking with Pisces Pools about the possibility that a pool cover could contribute to the longevity of the paint. They advise that it

is pool chemistry that requires paint maintenance and that a cover will not contribute to paint longevity. Pisces will provide an advisory quote for a mesh cover for the pool(s), which would be manageable for City staff to apply and would keep out debris. Recommend approval of low bid from Jerold Henson.

7. **Request for Release of Mortgage for City, Americana Loan (2006):** In 2006, the City approved a TIF grant and forgivable loan to Americana. The grant was in the amount of \$80,000 and the loan was made in the amount of \$130,000. With this assistance, Americana expanded its building and was required to maintain business operations and employ an additional eight employees over its 2006 level. The loan agreement calls for the loan to be entirely forgivable if business and employment level were maintained. A mortgage was executed and recorded on the forgivable loan.

Recently, I received a request from People's National Bank of Salem to release the City's mortgage on its forgivable TIF loan. The request was made in conjunction with financing the Bank had already granted to Americana in support of its business operations. The terms of the 2006 loan agreement otherwise allow for the mortgage to be released at the end of July 2013. Although forgivable, the loan was given a 3% interest rate. At this point in its amortization, there would be an approximate \$8,500 balance on the loan.

I neither support nor oppose the Bank's request to release the Americana mortgage early. If the Council wishes, it could alternatively approve a subordination of our mortgage to People's National Bank which would last the additional four months until our mortgage is released naturally. Subordination would satisfy People's National Bank as an alternative to release. Regardless of which one it takes, I recommend the Council to approve action in support of the Bank's financing. It is consistent with the policy of the City and of its loan programs to facilitate bank financing for commercial and economic development projects.

8. **Request from USEPA to Obtain Soil Samples in the City of Salem to Determine Baseline Data to Guide Cleanup of a Smelter Formerly Located in Sandoval**

The USEPA requests permission to obtain soil samples within and at locations owned by the City for purpose of determining baseline data to guide the cleanup of a smelter formerly located in Sandoval. The contractor performing the work will seek samples down to about 10 feet. They are purposefully looking for sites in Salem for which they expect to obtain true samples of clean soils. I have spoken with Mayor Ron Kretzer of Sandoval. They support the EPA's work to clean up the former smelter site. Recommend approval.