

**AGENDA
CITY OF SALEM
REGULAR CITY COUNCIL MEETING
MAY 27, 2014
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**
 - 1. Daffy Dill Garden Club Proclamation
 - 2. ABATE Motorcycle Awareness Proclamation

- V. City Council Action**
 - 1. Consent Agenda:
 - a. Approval of Minutes –May 5, 2014
 - 2. Approval of 2014 Street Resurfacing/Improvement Program
 - 3. Re-approval of Land Sale/Purchase Agreements with Polar Company (with amendments to #8 Carpenter Rd Agreement)
 - 4. Review of Council-Recommended Zoning and Sign Code Amendments
 - 5. Schedule Council Workshop to Discuss Code/Nuisance Enforcement
 - 6. Recommendation to Rezone 409 E Main to B3 Highway Business
 - 7. Purchase Approval – Mowers
 - 8. Purchase Approval - Trencher
 - 9. Approval of Ordinance for Part Time Police Officers
 - 10. Placement of Park Pavilions
 - 11. Executive Session: 5 ILCS 120/2 (c) (1) Employees; (2) Collective Bargaining; (11) Litigation; (21) Minutes
 - 12. Approval of Executive Session Minutes: February 3, 2014; February 18, 2014; March 3, 2014; April 14, 2014.

- VI. City Manager Report**
- VII. City Attorney Report**
- VIII. Finance Director Report**
- IX. City Council Report**
- X. Adjournment**

Bill Gruen
City Manager

CITY OF SALEM
REGULAR CITY COUNCIL MEETING
MAY 5, 2014
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MANAGER'S COMMENTS

V. City Council Action

2. **Approval of 2014 Street Resurfacing/Improvement Program:** Second reading for the proposed 2014 street resurfacing and improvement program. Budgeted through Fund 18. If no changes are requested, the program is ready for your approval.
3. **Re-approval of Land Sale/Purchase Agreements with Polar Company:** Polar Company requests two changes to the agreement calling for the sale of property at #8 Carpenter Road. The first change pertains to oil and gas drilling. This amendment would ensure that oil drilling and related activities will not be permitted by the City of Salem on the Polar property. This is a power currently retained by the City Council pursuant to Section 14-32. The second change to this agreement clarifies that the Polar Company is allowed to sell its property to a third party for purposes of leasing it back. If the Council is ready to approve the requested amendments to the agreement for #8 Carpenter Drive, I request that it also re-approve the agreement for the sale of land at S Broadway to the City. Subject to review of the new language in the agreement for #8 Carpenter by Mike Jones, recommend approval.
4. **Review of Council-Recommended Zoning & Sign Code Amendments:** Using the detailed minutes from our April 1 workshop, City Clerk Bev Quinn and I have attempted to write up descriptive language in various sections of the Zoning and Sign Codes which we think would effectuate the changes desired by the Council. There is at least one instance, however, in which Bev and I have offered a suggestion for the Council to consider arising out of changes the Council described. Although Mike Jones should confirm, I understand State law to require that proposed changes to the Zoning Code must receive a hearing by what would be our Planning Commission. I ask the Council to review the changes Bev and I have tried to describe to let us know if we are going in the right direction.
5. **Schedule Council Workshop to Discuss Code/Nuisance Enforcement:** Arising from concerns expressed by Councilwoman Morgan, I suggested the Council schedule a workshop to discuss code/nuisance enforcement procedures. Would the Council like to schedule this workshop?
6. **Recommendation to Rezone 409 E Main to B3 Highway Business:** In order to start a new used car business, Garland Simmons requested the rezoning of property from B2 and R2 to B3. This change is recommended by the Planning Commission.

7. **Purchase Approval - Mowers:** The plan for the Street and Parks Departments in FY15 was to purchase three mowers. However, because one of the mowers that we had planned to trade in requires about \$2,000 in repairs, the plan has altered a bit. The request is to purchase two new mowers and to repair the mower that requires it. Low bid for mowers is from Rural King, two Hustler Super Zs for \$20,000. Recommend approval.
8. **Purchase Approval – Trencher:** The FY15 budgets for the Water Sewer System Maintenance and the Gas Departments provide for the purchase of a new trencher with backhoe attachment. A desired safety feature makes Vermeer the only known bidder for the trencher requested. Recommend approval.
9. **Approval of Ordinance for Part Time Police Officers:** Second reading for an ordinance clarifying that the City uses part time police officers, in lieu of the current provisions for auxiliary police officers. The ordinance presented is taken directly from the State Law Enforcement Training and Standards Board. After questions, the Council may be ready to approve.
10. **Placement of Park Pavilions:** Please see emails, dated May 22, 2014, exchanged between Annette Brushwitz and I regarding placement of Americana pavilions the City recently purchased. The pavilions are recommended for placement in Andrew Jackson Park, Roberts Park, and at the south end of the road which leads to the Nature Trail. A fourth park previously discussed was Mueller Park on Jefferson Street, north of Olive, but this park is not recommended for placement.
12. **Approval of Executive Session Minutes:** After review in executive session the Council may wish to approve minutes when it comes out into open session.

**CONFIDENTIAL, EXECUTIVE SESSION INFORMATION
FOR CITY COUNCIL ONLY**

11. Executive Session:

- ✓ Employees → The discussion will be Tim Tyler. Please refer to my email in your packet dated May 9, 2014 for analysis.
- ✓ Collective Bargaining → The FY15 budget was structured assuming a 2% increase in payroll. Cushion was also placed into the budget to account for payroll to increase another 1% and for the additional, associated fringe costs. I would like to have big-picture talks with the Council as to what sort of raise the Council is willing to ratify in new contracts. I hope to have good intelligence as to what the FOP will settle for, which would then help me settle with the Operating Engineers. I will ask you what sort of percentage increase you predict you would be able to accept for raises with the hopes that we only have one to two more meetings needed with the bargaining units.
- ✓ Litigation → I have spoken with Attorney Jason McAuley in Indiana regarding the Klassic Kollections case. If approved by the City Council, I believe we are getting close to wrapping up the City's involvement in this collection effort.

The next hearing is scheduled for June 18, 2014 in Bedford for the guarantors whose signatures were apparently forged in our loan agreements. Jason McAuley's opinion is that it is certain that the court will find in favor of the defendants given the compelling testimony that their signatures were forged. Jason recommends that the City not take this matter to trial. The City Council may consider dismissing this case for \$0.00, although he has said the City could ask for some sort of "nuisance settlement" in which the City would ask for some payment, say, \$1,000 from the defendants. I do not feel good asking for any sort of nuisance settlement as I believe the defendants are victims in the true sense.

As for Nancy Piper and Butch Lessig, both have come out of bankruptcy with their prior debts discharged, according to Jason McAuley. For Butch, Jason provided information to the bankruptcy trustee on possible articles of value that could have been identified for sale to help a creditor like Salem recover on some of its debt. Jason has a high opinion of the bankruptcy trustee who questioned Butch Lessig on any such assets of value but could find none.

Enclosed with your packet are two emails that I sent, one each, to the Illinois Attorney General and the FBI. I attached a letter analysis from Jason McAuley indicating the likelihood that signatures were forged. This was new information back in September of 2013, which I shared with them hoping that it might cause them to reconsider investigation. I got no response from either the FBI or the Attorney General from either email.

Jason McAuley worked on the prosecutor in Indiana hoping to encourage her to prosecute Nancy and Butch. Investigators did not receive cooperation from our “guarantors” due to believed harassment from Butch. The prosecutor did not express interest in prosecuting anyway. I called the City Administrator from Macon, Missouri to ask if they were interested in joining me in Bedford, Indiana to encourage the prosecutor there to prosecute. I spoke with him for a short bit, but he never followed up with another phone call that he said he would make.

11. Request for TIF Assistance for Business Development at 409 E Main: In conjunction with his new business Garland Simmons wishes to construct a new building at 409 E Main, which is in the Downtown TIF District. Previously the Council considered demolishing at least the “old Feed Store” due to state of disrepair. The Council may now wish to consider demolition, including of the old Feed Store, using TIF funds to make way for new construction. Bids are due after publication of this agenda. The Council may consider offering a forgivable loan up to \$15,000 which could be used for demolition. Garland reports he will have a need for two part time employees, or 1 FTE. A term the Council may consider would be 3 years with other standard terms the City has used before being incorporated.

Garland Simmons has indicated a preliminary budget, provided below:

<u>Item</u>	<u>Investor Inject</u>	<u>TIF Inject</u>	<u>TOTAL</u>
New Building (30' x 50')	\$30,000		
Parking Lot	\$25,000		
Equipment	\$5,000		
Car inventory	TBD		
Demolition		\$15,000	
TOTAL	\$60,000	\$15,000	\$75,000