

**AGENDA
CITY OF SALEM
REGULAR CITY COUNCIL MEETING
DECEMBER 1, 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**

- V. City Council Action**
 - 1. Consent Agenda:
 - a. Approval of Minutes – November 17, 2014
 - 2. Approval of Risk Management Program for Year Dec 2014 through November 2015
 - 3. Policy on Authorization to Open Vacant Graves in Salem Cemetery
 - 4. Second Reading – Amendments to Salem Hotel Motel Tax
 - 5. Amendment to Allow Residential Use in B3 Zones Under Certain Circumstances
 - 6. Approval of Demolition Bids
 - 7. Retention of Engineering Services for Street & Drainage Projects
 - a. Selection of Engineer to Review Drainage Issues at N Franklin Street
 - b. Authorization to Seek Grant Financing for Widening N College Street (Boone to Hawthorne)
 - c. Engineering Agreement with HMG to Study Realignment of Broughton Rd at Hospital

- VI. City Manager Report**
- VII. City Attorney Report**
- VIII. Finance Director Report**
- IX. City Council Report**
- X. Executive Session**
 - 1. 5 ILCS 120/2 (C)(1) Personnel
 - 2. 5 ILCS 120/2 (C)(2) Collective Bargaining

- XI. City Council Action, Continued**
 - 8. Classification of Personnel

- XII. Adjournment**

Bill Gruen
City Manager

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MANAGER’S COMMENTS

V. City Council Action

2. Approval of Risk Management Program for Year Dec 2014 through November 2015: I asked Kane Insurance to price risk management coverage (property/liability/work comp) with other providers. Kane also sought a renewal with the City’s current provider, which is ICRMT (Illinois Counties Risk Management Trust). Coverage quotes and some notes are below:

<u>Provider</u>	<u>Property/Liability</u>	<u>Work Comp</u>
ICRMT	\$196,478	\$267,729
Travelers	No Bid	No Bid
One Beacon	\$208,408	No Bid
IL Public Risk Fund	NA	\$380,791

- Illinois Municipal League offers risk management coverage for municipalities and is a popular among many. IML, however, doesn’t provide coverage for the City’s natural gas system. Furthermore, Kane reports that their coverage limits are not as good as those provided by ICRMT. IML was not approached for a bid.
- Kane reports that Travelers appeared to work pretty hard on generating a quote for Salem. However late in the game, they offered no official bid for any coverage. The unofficial cost given to Kane for property/liability was higher than ICRMT. They did not bid work comp at all.
- Illinois Public Risk Fund only covers work comp.

Not only is ICRMT the lowest of the providers who bid, the overall cost of their coverage decreases from 2014 to 2015, as noted below.

<u>ICRMT Coverage</u>	<u>2015</u>	<u>2014</u>	<u>Diff (\$)</u>
Property/Liability	\$196,478	\$211,689	(\$15,211)
Work Comp	\$267,729	\$260,348	\$7,381
TOTAL	\$464,207	\$472,037	(\$7,830)

Coverage begins December 1. In order not to have a lapse in the coverage, I have already executed the extension with ICRMT after checking with Council members about doing so. I ask that the Council ratify the extension.

3. **Policy on Authorization to Open Vacant Graves in Salem Cemetery:** In your packet is a proposed certification that the City would use in extreme situations when ownership of a gravesite cannot be strictly verified by way of ownership documents. It would be modified by removing a sentence (highlighted) indicating that ownership would be proven at another date. Either Council approval or disapproval of this certification would be appreciated. If approved, the City would use it in extreme situations so as to facilitate placement of a person at a gravesite. If unapproved, City staff will know how to handle situations that arise in the future.
4. **First Reading – Amendments to Salem Hotel Motel Tax:** A hotel/motel tax increase is proposed from 4% to 5% for new hotel rooms if constructed **after** January 1, 2015. In conjunction, hotel rooms constructed after January 1, 2015 but before December 31, 2015 shall be eligible for a credit or a rebate of a portion of the 5% tax if the hotel owner enters into a development agreement with the City for the project. **Salem’s established hotels would continue to pay the current 4% tax rate the ordinance currently provides.** These changes are proposed in order to facilitate development of the new Holiday Inn Express at Kinney Boulevard, without which the developer will not be able to move forward on the project in Salem.
5. **Amendment to Allow Residential Use in B3 Zones Under Certain Circumstances:** An item previously discussed by the City Council.
6. **Approval of Demolition Bids:** Public Works has looked at direct costs to the City for demolition of structures now approved for demolition. John Pruden reports they tried to be as accurate as possible projecting the number of loads it would take to remove the demolition debris. Actually, the bids we have received are largely lower than what it would cost the City to demolish itself. I recommend that the Council accept the low bids from contractors who bid.
7. **Retention of Engineering Services for Street & Drainage Projects:** I request discussion with and direction from the City Council on how to move forward on some projects the Council has discussed previously.
 - a. **Selection of Engineer to Review Drainage Issues at N Franklin Street:** At our previous meeting the Council discussed reviewing drainage issues brought to our attention on North Franklin Street. Rhutasel & Associates or HMG Engineers could be selected to conduct such a review. Although HMG has not been officially engaged by the City for any project, they have been identified as the engineer with whom we would work on any project at College Street. North College and Franklin Streets are impacted by the same drainage needs. The Council could waive the formality of reviewing the credentials of both firms as they are equally qualified to review N Franklin drainage issues. If I were alone in making the decision, I would select HMG to review Franklin Street drainage given their potential work on College Street. Does the Council agree?
 - b. **Authorization to Seek Grant Financing for Widening N College Street (Boone to Hawthorne):** HMG has reviewed preliminarily the widening of North College Street between Boone and Hawthorne. They estimate the cost of widening the entire stretch of North College described to be about \$2.4 million. Does the Council want staff to

work with HMG to seek out grant financing to help fund construction of widened College? The City would not need to formally engage HMG for this sort of assistance, but HMG would respectfully ask that the City retain their services given their assistance in potentially finding grant funding. If grant funding were found for this sort of project, the City would most likely be expected to make a financial match to the project.

c. Engineering Agreement with HMG to Study Realignment of Broughton Rd at

Hospital: In your packet is an engineering agreement with HMG to review a realignment of Broughton Road in a manner which I understand the Council may be willing to approve to give the Hospital additional room for a parking on the north side of the new Hospital expansion. Please read the "Project Description" in the Professional Services Agreement for a better understanding of the work HMG would provide. The cost for this service would not exceed \$14,500.

****** Mayor Raymer has advocated for retention of a traffic engineer to study traffic patterns around the Hospital for advice on how streets could/should be designed to accommodate both the driving public and the space needs for the Hospital. This would be a logical action for the City to take to continue engaging the Hospital on street design and future Hospital expansion. I imagine the Council would be concerned that there are things to study other than the option presented to the Council which it has already declined. Direction would be appreciated on how the Council would want to approach this type of service.