

**AGENDA
CITY OF SALEM
REGULAR CITY COUNCIL MEETING
JANUARY 4, 2016
6:00 PM**

Regular City Council Meeting

- 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 – December 21, 2015
 - 2. Presentation of Salem PD K9, Freddie
 - 3. Approval of Engineering Agreement with Rhutasel & Associates for Illinois Street Sidewalk
 - 4. Approval of Resolution Authorizing Selection of Residential Aggregation Rate
 - 5. Approval of Amendment to Good Energy Services Agreement

- 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)(5) – Purchase of Real Estate

- XI. Adjournment**

Bill Gruen
City Manager

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MANAGER'S COMMENTS

V. City Council Action

2. **Presentation of Salem PD K9, Freddie:** Officer Dustin Duncan is scheduled to be on hand to present Salem's new K9, Freddie.

3. **Approval of Engineering Agreement with Rhutasel:** Please see attached engineering agreement with Rhutasel and Associates for design of Illinois Street sidewalk replacement. This is the sidewalk which would be constructed with IDOT FAU funds, but for which engineering design is paid for by the City. The attached agreement includes a not-to-exceed cost of engineering totaling \$21,700. The agreement will be reviewed by staff between today and presentation to City Council.

4. **Approval of Resolution Authorizing Selection of Residential Aggregation Rate:** Please see attached resolution, the intent of which is to authorize the City Manager to execute a new electric aggregation rate agreement with a supplier for the next term. The resolution was drafted by Doug Gruenke of Bruckert, Gruenke, and Long on behalf of communities including Shiloh, New Baden, O'Fallon, Glen Carbon, Trenton, and Columbia. It was presented to me by the Administrator in Columbia as an effort to get the several Good Energy communities on the page regarding the bidding procedure. Summary as follows:

Section 3 → I would be authorized to execute a rate agreement with the lowest responsible bidder on the day that bids are accepted.

Section 4 → Defines the lowest responsible bidder. The lowest **traditional rate** – not green – will be the rate measured to determine lowest bid. Highlighted language is intended to authorize an agent to select a green option if it's within a range defined by the community adopting the resolution. I suggest we remove this language and only go with a traditional, non-green option.

Section 5 → Is intended to address the possibility that the Good Energy buying group doesn't stay together upon receipt of bids. The idea is that a second bid would be taken. I don't expect this will happen, as Good Energy will do what they can to keep the buying group together.

I could find the results from the City's first aggregation bid letting. Green options ranged between 3 and 5% higher than the traditional rate that customers actually paid.

Salem is authorized to collect a fee as part of the aggregated rate. Some communities collect the fee in order to offset the loss of utility tax they levy due to the lower aggregate rate. Salem does not impose a utilities tax, so we've had no reason to impose the fee.

I recommend adopting the resolution authorizing the City Manager to accept the lowest traditional rate.

5. **Approval of Amendment to Good Energy Services Agreement:** The original services agreement with Good Energy is expired. The amendment in your packet would extend the agreement if we execute a new agreement with a supplier produced by Good Energy and cause that agreement to last for the term of the next rate. Recommend approval.