

**Agenda
City of Salem
Regular City Council Meeting
December 5, 2016
6:00 PM Regular Session**

- I. Call to Order & Roll Call**
- 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 21, 2016
 - 2. Approval of Assignment of US Sonet Franchise to Wabash Communications
 - 3. Presentation by, Selection of, Bond Advisor for Refinance of 2009 Series Bond

- 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

- XI. Adjournment**

Bill Gruen

City Manager



City of Salem
Regular City Council Meeting
December 1, 2016
6:00 PM

MANAGER'S COMMENTS

V. City Council Action

2. **Approval of Assignment of US Sonet Franchise to Wabash Communications:** The City Council approved a franchise agreement with US Sonet in September of this year. We were aware at that time that a franchise was requested in conjunction with a future sale of US Sonet to Wabash Communications. Closure of that transaction is reportedly in the foreseeable future, and US Sonet has requested that the franchise be transferred/assigned to Wabash.

The City doesn't have to approve assignment for the franchise to be transferred, but may if it wishes. We have a letter from US Sonet requesting assignment, so I recommend the City Council take an action. What do we know about Wabash? Please see the email enclosed in this packet detailing some background information. Barry Adair of Wabash reports that approximately 30 of their 50 employees are responsible for on-site customer service and to infrastructure maintenance. Barry also reports that they will retain US Sonet staff, who we already know handle matters related to maintenance. Subject to other information about Wabash the City Council may wish to review, I recommend the Council approve assignment.

3. **Presentation by, Selection of, Bond Advisor for Refinance of 2009 Series Bond:** The City's 2009 bond will be callable in the spring. I request the Council consider retaining a bond advisor for this refi. I expect presentations for this service will be made by Hilltop Securities, Piper Jaffray, and Speer Financial.

Proposed fees range from \$9,500 to \$15,000. If the amount to be refinanced is about \$3.2 million, this fee would represent a percentage ranging from 0.29% to 0.47%. Relating this to a \$100,000 mortgage, this would equate to a \$290 or a \$470 fee. An advisor's fee can be rolled into the total amount refinanced.

<u>Firm</u>	<u>Presenter</u>	<u>Office Location</u>	<u>Fee</u>
Hilltop Securities	Chris Collier	St Louis	\$10,000
Piper Jaffray	Michelle Bock	St Louis	\$15,000
Speer	Kevin McCanna	Chicago	\$9,500

I understand that presenters will sequester themselves away from the City Council during the time that others present. This is not my request, it is a courtesy that professionals in this field expect of each other.