

**AGENDA
CITY OF SALEM
REGULAR CITY COUNCIL MEETING
MONDAY, MARCH 7, 2011
6:00 P.M.**

- I. Call to Order**
- II. Prayer and Pledge of Allegiance**
- III. Approval of Minutes, February 21, 2011**
- IV. Presentation of Petitions/Public Comments**
- V. Mayor's Report and Presentations**
- VI. City Council Action**
 - 1. Traffic Signal Master Agreement
 - 2. Consideration of A TIF #3 Grant and loan for USA Licensed Bows
 - 3. Consideration of a Resolution Authorizing the EPA to Perform Testing and Assessment of Specific Property
 - 4. City Manager and Finance Director shall Present the Projected Fiscal Status of the General Fund for FY2011 and FY2012
 - 5. Consideration of Salary Adjustments of Specific Employees
- VII. City Manager Report**
- VIII. City Attorney Report**
- IX. City Council Report**
- X. Adjournment**

**Thomas F. Christie,
City Manager**

**MINUTES
CITY OF SALEM
REGULAR CITY COUNCIL MEETING
March 7, 2011
6:00 P.M.**

I. CALL TO ORDER

The Salem City Council met in regular session on March 7, 2011, at the hour of 6:00 p.m. in the Council Chambers of Salem City Hall. The meeting was called to order by Mayor Leonard Ferguson.

Council Members present upon roll call:

Councilman Tom Carr Councilman Steve Huddlestun
Councilman David Black Mayor Leonard E. Ferguson
Councilman Kip Meador

Others Present:

City Manager Thomas F. Christie	Recreation Director Sherry Daniels
City Attorney Michael R. Jones	Assistant to the City Manager Bev West
City Clerk Jane Marshall	Chief of Police Ron Campo
Public Works Director John Pruden	Economic Dev Director Tracey McDanel
Finance Director Jane Brown	Code Enforcement Officer Brad Crow
Media: Salem Times Commoner, WJBD Radio, Centralia Sentinel; US Sonet and Marion County Observer	

Absent: DOEM Director Terry Mulvany and Library Director Kim Keller

II. PRAYER AND PLEDGE OF ALLEGIANCE

Opening prayer led by Councilman Carr, followed by the Pledge of Allegiance to the Flag.

III. APPROVAL OF MINUTES – February 21, 2011

Following review of Minutes of the City Council Meeting of February 21, 2011, **Councilman Carr moved and Councilman Meador seconded the motion to approve the minutes of February 21, 2011 as written and waive the reading. Roll call vote. AYES: Councilmen Carr, Meador, Huddlestun, and Black. NAYS: None. Motion carried.**

IV. PRESENTATION OF PETITIONS AND PUBLIC COMMENTS – No petitions or public comments

V. MAYOR'S REPORT AND PRESENTATIONS - None

VI. CITY COUNCIL ACTION

1. Traffic Signal Master Agreement

An Intergovernmental Agreement between the Illinois Department of Transportation and the City of Salem as described in the agreement as a (Master Agreement for Governmental Body maintenance and apportionment of energy costs for traffic control devices located on State highways within or near the Governmental Body as shown on the attachment Exhibit A) was presented. Upon recommendation of Director Pruden and concurrence of City Manager Christie, **motion was made by**

Councilman Black and seconded by Councilman Huddlestun to approve execution of the Traffic Signal Master Agreement with Illinois Department of Transportation. Roll call vote. AYES: Councilmen Meador, Huddlestun, Black, and Carr. NAYS: None. Motion carried.

2. Consideration of A TIF #3 Grant and loan for USA Licensed Bows

City Manager Christie reported that a request for TIF #3 grant and loan has been received from USA Licensed Bows. The owners of potential new business intend to establish a business at the current location of Curves and the Resale Shop on South Broadway. The business will be a combination of light sewing, assembly and retail associated with hair bows and related products. The owners are requesting assistance from the City for rehab and renovation of the buildings, purchase of equipment and raw materials. The grant portion of the package will be used for permanent improvements. Financial assistance will be in the form of a \$15,000 grant and a \$15,000 loan. The loan will be amortized for five years at 3% interest. Collateral will be in the form of equipment and personal guarantees. He further reported that grant approval would be contingent upon architect sealed plans detailing improvements and approval by Director Pruden. He reported that the Loan Committee has reviewed the application and is forwarding a positive recommendation. Following brief discussion period, **Councilman Black moved and Councilman Carr seconded the motion to approve the request for a \$15,000 loan at 3% for 5 years and a \$15,000 grant to Jeff and Emily Morgan, owners of JETA Morgan, Inc. Roll call vote. Councilman Huddlestun, Black, Carr, Meador. NAYS: None. Motion declared carried.**

3. Consideration of a Resolution Authorizing the EPA to Perform Testing and Assessment of Specific Property

City Manager Christie commented that representatives of the Illinois Environmental Protection Agency approached Economic Development Director McDanel and later him, offering their assistance, as far as we know is at no cost to the City, to do an environmental assessment of properties that may have contaminants and that may present a danger to the public. He commented that during the discussion, it became a consensus of opinion that the previous World Color site was the ideal location to utilize their services. At some point in the future this property will become available for development, and if and when that time approaches, it will be good for any potential new owners to be assured that there are no contaminants that would present any problems for their operation. Economic Development Director McDanel commented that if any type of problem were found, then the owner of record is ultimately responsible. She further commented that the intent of this resolution is to position the Economic Development Department and the County to be prepared if approached by a developer or interested party. Council discussed this issue and **Councilman Black moved, and Councilman Huddlestun seconded the motion to approve Resolution 2011-02 as presented. Roll call vote. AYES: Councilmen Black, Carr, Meador, and Huddlestun. NAYS: None. Motion carried.**

4. City Manager and Finance Director shall Present the Projected Fiscal Status of the General Fund for FY2011 and FY2012

City Manager Christie read from his Memo regarding the projected fiscal status of the General Fund for FY 2011/2012. In his Memo he stated that he, Director Brown, and Treasurer Lamb have spent considerable time to provide as accurate projections as possible for the General Fund, including ending FY2011 and proposed Fiscal Year 2012. Their conclusions were that the FYE2011 projections indicate the General Fund will end on 4/30/11 with a Fund Balance in Reserves of \$1,341. – the lowest level of reserves in four years. For Fiscal Year 2010, projected Fund Balance Reserves at a negative <\$483,105.> In his memo he suggested remedial action that could be initiated next fiscal year listing potential cost reductions that could be enacted that will result in service level decreases. He also recommended that Council “table” consideration of salary adjustments for seven, non-union positions. Concluding comments in his Memo he advised that as layoffs, particularly within the city’s collective bargaining units are probable, he is required to immediately provide the collective bargaining units with notification. Sixty days notice is required before any layoffs can be enacted. This time period allows the collective bargaining units time to offer cost reduction suggestions that may avoid layoffs. He additionally attached a list of potential cost reductions totaling \$483,595. He added that it is difficult to project because we still have two months figures to consider.

Mayor Ferguson commented that the City Manager’s comments were very good and well placed. His concern is as we consider this problem area; we have to consider the loss of trucking industry. He added he hopes we can protect as many jobs as possible. Councilman Carr commented we need to share the burden and is hopeful that other ideas will come in on how to adjust the budget. A date for the Budget Workshop was discussed.

Mayor Ferguson called for a motion to table consideration of salary adjustments at this time.

Councilman Black read from his prepared statement regarding employee wage increases that was discussed in the news media. In his statement, he discussed e-mail correspondence on 2/26/11 from City Manager Christie regarding Wages-Open Meeting. In the conclusion of his statement, he requested that the City Manager resign his position immediately.

Councilman Carr disagreed with Councilman Black and commented that this was an attack on the City Manager and was not what was going to be discussed.

City Manager Christie responded to Councilman Black's comments and stated his job as City Manager is to try to advise the Council if he sees there is going to be a problem meeting - the Council's job is either to accept his advice or ignore it – his intention was for the e-mail to remain confidential. He commented that he is not going to resign; the only way he would resign is if he thought he was doing the wrong thing.

Councilman Black commented that he didn't expect him to resign - will leave this to the public to decide. Councilman Huddleston commented at the two previous sessions when Council was to go into closed session, he would not vote for any increases until the budget is approved.

Councilman Carr moved and Councilman Black seconded the motion to table consideration of salary adjustments for specific employees. Roll call vote. AYES: Councilmen Carr, Meador, Huddleston, and Black. NAYS: None. Motion carried.

5. Consideration of Salary Adjustments of Specific Employees

This Item discussed under Item 5.

VII. CITY MANAGER REPORT

- City Manager Christie commented – last year wage increases were given before the budget was approved.
- Animal Control – after meeting with new owners of Dr. Sprague's All Pets Animal Hospital, they are not interested in animal control for the City of Salem. He has contacted other veterinarians in the community and one has declined. This may or may not provide a problem with the budget. He reported if the city provides its own animal control operation the estimated cost would be \$381,000. He further reported that the animal control activities must remain suspended. He added, dangerous animals can be reported to the Police Department.

VIII. CITY ATTORNEY REPORT - No Report

IX. CITY COUNCIL REPORT

Councilman Carr reported there was a nice turn-out for the Mystification Program at the Theatre.

Councilman Meador and Councilman Huddleston – recognized the Salem Wild Cats basketball team on winning the Regional Championship.

Councilman Black asked about limbs being picked-up. Public Works Director Pruden advised that the Public Works Department will pick-up limbs that are cut in 4 foot lengths and tied in bundles, not more than 50 pounds. Leaves will be picked up during March and April on an as needed basis.

Mayor Ferguson commented that the Salem Foundation Awards Dinner will be on Friday evening.

X. ADJOURNMENT

There being no further business for discussion at 7:15, **Councilman Black moved and Councilman Huddleston seconded the motion to adjourn. Roll call vote. AYES: Councilmen Meador, Huddleston, Black, and Carr. NAYS: None. Motion carried.**

Jane Marshall, CMC
City Clerk

Minutes approved as written by City Council on March 21, 2011.