

**AGENDA
CITY OF SALEM
REGULAR CITY COUNCIL MEETING
NOVEMBER 15, 2010
6:00 P.M.**

- I. Call to Order**
- II. Prayer and Pledge of Allegiance**
- III. Approval of Minutes, November 1, 2010**
- IV. Presentation of Petitions/Public Comments**
- V. Mayor's Report and Presentation**
- VI. City Council Action**
 - 1. Bid Award – Police Squad Car
 - 2. Consideration of Constructing a City Campground at the Reservoir
 - 3. Discussion – TIF Grant and Loan Process
 - 4. Estimate of Tax Levy
 - 5. Garbage Collection Contract Renewal
 - 6. Recommendation for Board of Police Commissioners – Lynn Gardner
 - 7. Bills Payable
- 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
NOVEMBER 15, 2010
6:00 P.M.**

I. CALL TO ORDER

The Salem City Council met in regular session on November 15, 2010, 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 Kip Meador
Councilman Steve Huddleston
Councilman David Black
Councilman Tom Carr
Mayor Leonard E. Ferguson

Others Present:

City Manager Thomas F. Christie
City Attorney Michael R. Jones
City Clerk Jane Marshall
Finance Director Marilyn Shook
Public Works Director John Pruden
Recreation Director Sherry Daniels
Chief of Police Ron Campo
Code Enforcement Officer Brad Crow
Assistant to the City Manager Bev West
Library Director Kim Keller
Economic Development Director Tracey McDanel
DOEM Director Terry Mulvany
Media: Salem Times Commoner, WJBD Radio, Centralia Sentinel; Marion County
Observer and USSonet
Several Members of the public

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 – November 1, 2010

Minutes of Regular City Council Meeting of November 1, 2010 were presented for review. Councilman Black discussed some additions that he had requested prior to the meeting to the minutes under Item #3. Councilman Carr had requested a change in Council Reports under Councilman Black's report and Councilman Black wanted it left as written. Also, Mayor Ferguson requested clarification regarding the way his comments were worded about grants.

Councilman Black moved and Councilman Carr seconded the motion to approve the minutes of November 1, 2010 as amended. Roll call vote. AYES: Councilmen Carr, Meador, Huddlestun, and Black. NAYS: None. Motion declared carried.

IV. PRESENTATION OF PETITIONS AND PUBLIC COMMENTS – None.

V. MAYOR'S REPORT AND PRESENTATIONS

Mayor Ferguson presented a Certificate of Appreciation, mounted on a plaque, to Mike Malan in appreciation of the over 31 years that he served on the Board of Police Commissioners.

VI. CITY COUNCIL ACTION

1. Bid Award – Police Squad Car

Bids were solicited for a Police Squad Car, with bids being received from four dealers: Landmark Ford, Springfield, Ford Crown Victoria \$21,107.00 plus \$225.00 delivery fee; Boulder Chevrolet-Buick, Salem, Impala \$21,943.00; Engel Brothers, Inc., Farina, Ford Crown Victoria \$21,825.00; and Max Dye, Salem, \$23,907.00. This was a budgeted item. Chief of Police Campo indicated he has reviewed the proposals and recommends the Ford Crown Victoria from either low bidders. Because the difference between the two low bidders was within 5%, Councilman Black, **moved and Councilman Huddlestun seconded the motion to accept the bid from Engle Brothers, Inc. for 2100 Ford Crown Victoria Squad Car for a price of \$21,825,00. Roll call vote. AYES: Councilmen Meador, Huddlestun, Black, and Carr. NAYS: None. Motion declared carried.**

2. Consideration of Constructing a City Campground at the Reservoir

City Manager Christie indicated this item was submitted for consideration and discussion by Councilman Meador who is proposing construction of a campground with appropriate pads and hookups at a location near the City's reservoir with the intent of increasing the city's amenities and encouraging tourism. Councilman Meador commented the area he is referring to is the area on the north access to the Nature Trail that is currently unutilized. Number of hookups, electricity, water, sanitary sewer hookups and the need for camping was discussed.

Public Works Director Pruden indicated it would have to meet with Health Department standards. He reported that a few years ago the City made a commitment to the Marion County Fair Association and paid for increased dump sites at the fair grounds before the Blue Grass Festival. Council was of the mind that the City Park was inappropriate for camping and there was concern from residents that it would draw undesired campers.

Following discussion, Pruden agreed to conduct a study on the feasibility of a camping area.

3. Discussion – TIF Grant and Loan Process

Mayor Ferguson provided Council with a list of his suggestions for the TIF grant and loan process indicating he hopes Council would not over-react and not allow some stand-alone grants because he thinks the downtown is a testament of what is sometimes needed to make things happen.

City Manager Christie indicated there have not been formal rules regarding TIF loans and grants which make it difficult to determine what a regular or standard need is, pointing out the most recent grant/loans as examples. One was primarily to improve the exterior of the building with the intent of not only improving the look ability of downtown, but also to improve his business, and the other was to address code enforcement issues; indicating almost every case that the city reviews where a person is requesting assistance has different variables and different needs. Adding, he would hate for one of those rules to stand in the way with a new business getting started or stand in the way with one that is wishing to expand.

Councilman Carr commented on 50/50 grant and loan, matching grant. Mayor Ferguson commented that 50/50 grant/loans amounts to free money, there is no return to the City. City Manager Christie commented we have always required the applicant to have a certain amount of personal investment in the project; otherwise they are not sharing the risk that the City is sharing.

Councilman Black commented that it is not fair to the rest of the people in the community if the applicant does not have an investment in it; including banks. He also suggested limiting

the grant amounts to a maximum of 1/3 of the loan amount (1/3 private investment, and 1/3 loan amount, 1/3 grant). He indicated he doesn't want to harness business by saying "no" to low interest loans - just to grants, suggesting we can adapt in enough cases. He indicated the guidelines for signs, awnings and canopies were put in place to allow the Economic Development Director to work with businesses to improve the facades.

Review by the Loan Committee of requests for grants as well as for loans was discussed along with requiring payment of a penalty if the loans are paid off early.

City Manager Christie indicated there should be some flexibility with the guidelines to allow for some uncommon requests that can't meet the rule; every applicant is different. He agreed that 1/3 personal investment, 1/3 loan, and 1/3 grant is a good guide, but thinks there should be some flexibility.

Councilman Black agreed, indicating his only emphasis was that the grant be 1/3 of the total request; if loan committee comes up with something they don't know how to go about, they should bring it to Council.

City Manager Christie explained the first 3 1/2 years he was here, we didn't do any grants, other than sign, awning and paint; we focused upon loans for a good reason. The downtown TIF was not self-sustained and was getting most of financing from TIF #1. He indicated that along the way, on special occasions, that Council will have to determine, there will be some good reason for some grants. We don't want to end the TIF lifecycle with half million dollars in the bank. He suggested that some of the TIF funds could be used for downtown streetscape and infrastructure projects.

He summarized the discussion as he understood it - a grant should be a special occasion, it should have some compelling reason, it should have a special need; adding that most people are comfortable with the loan process. Also, the loan committee that will be reviewing the applications for grants should make sure that before it is brought before the Council; that it needs to be a special reasoning and a very compelling need.

Councilman Black and Mayor Ferguson agreed, with Ferguson adding - if a grant is considered, it needs to be in combination with a grant.

Mayor Ferguson requested something be put together and brought back to Council regarding TIF loan and grant guidelines.

4. Estimate of Tax Levy

City Manager Christie referred to e-mails sent to Council regarding the Tax Levy offering several options. He commented we try to keep a limit on the levy and hope that the City's example will encourage the other taxing bodies to restrain themselves regarding the levy so that there would be a possibility that the taxpayers could actually see a reduction; it is very obvious that is not going to happen.

City Manager Christie indicated that theoretically, if all taxing entities would levy only enough to recover the TIF recovery EAV in the new construction there should be no rate increase. He commented, if we can get direction from Council for Director Shook to only levy enough, and no more, to recover the TIF recovery EAV in new construction so that we will not contribute to any increase in the tax rate, that is what he would probably recommend.

Following discussion and Council expressing the desire to only levy enough to recover the TIF recovery EAV in the new construction without increasing the tax rate to the residents, Mayor and Council agreed to only levy enough so that the City's part of the tax rate is not changed and to remain neutral. (In order to do this the City's estimated levy would be at 18.3%)

5. Garbage Collection Contract Renewal

Public Works Director Pruden reported that the City's residential garbage collection contract with D.B.S. Disposal will expire on December 31, 2011. Mr. Simmons, owner/operator of DBS Disposal has proposed to continue to pick-up garbage and refuse for an additional year at the current rate. Pruden advised that the Mr. Simmons, has provided excellent service and recommended acceptance of the contract renewal. Pruden indicated that there will be one city-wide clean-up next spring. **Councilman Black moved and Councilman Meador seconded the motion to approve the renewal of the contract with D.B.S. Disposal at the current**

rate for an additional year. **Roll call vote. AYES: Councilmen Huddlestun, Black, Carr, and Meador. NAYS: None. Motion declared carried.**

6. Recommendation for Board of Police Commissioners – Lynn Gardner

Mayor Ferguson recommended Lynn Gardner for appointment to the Board of Police Commissioners to fill the remaining term to April 30, 2011. **Councilman Carr moved and Councilman Black seconded the motion to approve the appointment of Lynn Gardner to the Board of Police Commissioners to fill an unexpired term to April 30, 2011. Roll call vote. AYES: Councilmen Black, Carr, Meador, and Huddlestun. NAYS: None. Motion declared carried.**

7. Bills Payable

Bills payable listing for period ending November 15, 2010 for a total amount of \$977,847.51. Following review period, **Councilman Black moved and Councilman Carr seconded the motion to approve bills payable as presented. Roll call vote. AYES: Councilmen Carr, Meador, Huddlestun, and Black. NAYS: None. Motion declared carried.**

VII. City Manager Report

- City Manager Christie reported that notice has been received regarding Illinois Transportation Enhancement Program (ITEP) grant that Public Works Director Pruden has applied for Bryan Park Sidewalk project was not approved; indicating there were too many grant applications received for these funds.
- He reported that Kinney Boulevard will dedicated tomorrow, November 16th and is hopeful that it will stimulate development in that area.

VIII. City Attorney Report – No report

IX. City Council Report

No reports from Councilmen Carr, Meador, Huddlestun and Black.

Mayor Ferguson Commented:

- The new street, Kenny Boulevard is a very attractive area now.
- He asked when work will start on the sidewalk repairs on West Main Street by Marion County Bank, to which Public Works Director Pruden commented that it will start tomorrow.
- UP will be having the Excursion Train coming through our area, noting it would be good if it were to stop in Salem.

X. Adjournment

There being no further business for discussion at 7:20 p.m., **Councilman Black moved and Councilman Huddlestun seconded the motion to adjourn. Roll call vote. AYES: Councilmen Meador, Huddlestun, Black and Carr. NAYS: None. Motion declared carried.**

**Jane Marshall, CMC
City Clerk**

Minutes Approved as written by City Council on December 6, 2010.