

REGULAR MEETING OF THE LEXINGTON CITY COUNCIL**March 11, 2019****7:00 P. M.**

The regular meeting of the Lexington City Council was called to order at 7:00 P. M. by Mayor Spencer Johansen in the City Council Chambers at City Hall.

Mayor Johansen led the council in the Pledge of Allegiance.

Roll call was taken to find the following physically present: Mayor Johansen, Alderman Schreiber, Alderman Stover, Alderwoman Wilson, Alderman Franklin, Alderman Richard and Alderman Colclasure. Members of the staff and public present were: Chief Belvery, Luke Smucker with the Lexingtonian, Bruce Klein, Karen Sours, Ken Sours and a member of Boy Scout Troop 51.

It was moved by Alderman Colclasure and seconded by Alderwoman Wilson to approve the minutes of the February 25, 2019 regular City Council meeting. Motion carried unanimously.

It was moved by Alderman Stover and seconded by Alderman Richard to approve the minutes of the TIF District Joint Review Board meeting. Motion carried unanimously.

It was moved by Alderman Stover and seconded by Alderman Franklin to approve the Treasurer's Report in the amount of \$23,692.94. Motion carried unanimously.

Public Input: Mayor Johansen took this opportunity to introduce Luke Smucker who is the new correspondent with the Lexingtonian. .

Old Business:**Discussion on New Public Works Building Cost**

Mayor Johansen had hoped to have Brian Hoggins attend the meeting to answer questions on the new building but he was not able to attend this evening. Mayor Johansen did have some figures for the council to think about. He had a price for a building 70' by 144' by 17' tall is \$186,000 with a \$10,000 rebate from Menards that takes the price down to \$176,000. That is for a life time steel panel six inch floor, insulated and light steel lined. The same building at 60' by 144' by 17' was \$165,000 with a \$7,000 rebate making a total of \$157,000. The building has three overhead 16' by 14' doors. That is a rough estimate and at some point we will get into more detail. That includes concrete but no electric and no heat.

The guys thought they could do a lot of the work themselves. Either size would work for them but if they add equipment over the years the larger one would be better.

It was decided to wait and see if Brian could come to the next meeting to answer questions.

Discussion/Vote on Selling of Certain Surplus Property Owned by City of Lexington

The City has appraisals for all of the properties and Alderman Stover thinks we should go ahead and put all properties up for sale. We have to take bids but we do not have to take the highest bid and we do not even have to sell when the bids come back in. That lets the public know the buildings are for sale, that there is an opportunity. If we can move a couple of these buildings it will go a long way toward paying for a new building. He believes this is a good step in the right direction to finding out what the market is for these buildings.

Mayor Johansen contacted the gentlemen interested in the old Water Plant and told him we were thinking about putting them up for bid and he is not in a position to bid at this time as he has had some medical issues come up,. Mayor Johansen feels we may need to divide off that property.

The City of Lexington parcel where the squad cars are parked has three buildings on it. The steel building, the brick building and the Water Plant. Our thoughts when we talked to him about opening up a business in there were that he buy the front building and we include the other two to have for storage. If that is not going to happen, we have to decide if we are going to separate those parcels and sell those buildings separately. We also will have to have a certain setback from the Water Tower. The piece of property was appraised at \$40,000 but that includes all three, the value of the Water Plant was 0 and there was no value in the brick building behind it. Also keep in mind, if we tear the Water Plant down we are talking probably \$135,000 to tear it down.

Alderman Stover felt we should be patient with the interested buyer if he still has some interest to see what his time frame is as far as selling it. If we could recoup enough to at least get the sediment pumped out of the tanks inside whatever that cost is.

Mayor Johansen thinks that even if we sell the front building, divide that property off and sell the other buildings he would still be interested in the Water Plant. He also felt that there was no reason why we couldn't put some of it out for scrap as long as they have insurance to cover it and still have the building for some use. He feels we should start the process of dividing this parcel off and sell the front building and decide should the parcel include the brick building in the back.

Alderman Stover thought we needed to think about if we put it out for bids, what type of bids are we looking for. You could get any kind of bids including storage shed, business or property for a house. There are a lot of different options. If we have any preference, we need to think about that, what are we looking for and what are we likely to accept. Will we put any restrictions on it? It is zoned for general business but it could be rezoned. Mayor Johansen would like to see it turned into retail. He doesn't want to see it turned into a man cave. The question was asked if we can put that into the bid sheet but he will check with City Attorney Shields if we can ask what do you intend to use the building for. We are not obligated to take the highest bid or any bid. If we don't get any bids then we can advertise it for sale.

Mayor Johansen wanted to go thru each parcel to see if we wanted to sell it.

The **Salt Shed** is used to store salt and the salt needs to go to the building on Orange Street. The storage building on Orange Street will need a cover. The Salt Shed was appraised at \$55,000. That parcel includes the parking lot behind it. The building has no water or heat but does have some electric and a concrete floor except where the salt was stored and that is gravel.

The **Old Fire Station** is the best building out of all three. It has a rest room and heat and is in pretty decent shape. It appraised at \$61,000. It has three overhead doors. It is a decent size building and in decent shape. It is used to store the dump truck and a small tractor now. ESDA was housed in there.

The **empty lot next to Tom Shields and Patton Park** is comprised of two pieces of property. One where old City Hall stood and one on the corner where the gazebo is. The appraisals came in at \$2.00 - \$3.25 per square foot making them \$9,548-\$15,515 and the smaller lot by Tom Shields would be \$6,304-\$10,156. The question was asked if the lot next to Tom Shields was big enough to put a house on. It would be large enough to put a small house on it with a zero lot line.

Alderman Stover felt that the first step was to get things moving see what the opportunities are and if the City decides that a sale is not what we want to do, there is always the lease option which might be friendlier toward retail.

Mayor Johansen thinks that is a good point. One of the struggles a small business has is the cost of buying a building and being able to set up their business in it. If we do a lease type deal where we do not do any interior or exterior work to the building we give them a reasonable price on the lease. But he thinks it would have to be retail. That might generate some interest in that.

Mayor Johansen's preference for the lot next to Tom Shields is, he wants to keep it so if someone wants to put up new construction, instead of giving them a long term TIF agreement or any rebates, we give them the property and let them put their building up and we collect the property tax off of the new construction.

It is a good idea to put them out there to get an idea of what they are worth and if we decide to turn all of the bids down we have an idea down the road if we decide to sell them what they are worth or we can explore the lease option.

Motion was made by Alderwoman Wilson and seconded by Alderman Schreiber to put 102 E. Parkway, 104 S. Center and adjacent lot and 104 E. Parkway out for bids. Motion carried unanimously.

Discussion/Vote on Lighting on P. J. Keller Highway

Mayor Johansen started the discussion by stating that Ameren's quote for the lights was \$4,250 for new poles and lights on P. J. Keller Highway. The lighting by the cemetery needs to be buried underground. He has checked with Stinde Electric regarding the cost and his bid was around \$6,000. They are going to rent a trencher and supplies at a cost of around \$2,000 so the total will be \$6,250 with the City employees doing the work and Ameren will supply the wires so all the City needs to do is trench it and run the conduit. He thinks this is a good idea. It will brighten up that road coming into town and will attract some more people into town at night. Corn Belt has installed two more lights out there. Ameren will pick up where they left off and come all the way into town. The funds will come out of the TIF budget as that is in the TIF area and it is an improvement. This amount is considerably less than the original quote. There are no sidewalks out there and they are able to put the poles closer to the roadway than was originally thought.

Motion was made by Alderman Colclasure and seconded by Alderwoman Wilson to approve the lighting on P. J. Keller Highway. Motion carried unanimously.

Discussion/Vote to approve Closed Minute Session Review

Alderman Stover and Alderman Richard have reviewed the minutes from prior closed meetings. The report was last done in October 2018. They do not feel it is appropriate to make any of the minutes from these sessions public at this time.

Motion was made by Alderman Richard and seconded by Alderman Stover to approve the closed minute session review. Motion carried unanimously.

New Business: None

Committee Reports:

Mayors Report: Mayor Johansen is having another meeting with the developers next Thursday. There is a strong interest in an apartment complex. At the last meeting they talked about what incentives the City could offer those regarding water and sewer on our own without contracting anybody out.

He has not heard back from the Schweitzer family. Farnsworth does think that they could build on the first five acres without building a pump station but anything more would require installing a pump station. A pump station costs about \$100,000 without any piping or anything else. Mayor Johansen thinks that would be a good place for higher end homes.

There has been nothing new on Casey's but it is still a go with no construction date set.

With McDonalds closing sometime in April he did discuss the possibility of a free standing store but the owners did not feel that that was feasible at this time. If we get more development they may be back in the future. They are working on getting a chicken chain coming into their

space at BP that specializes in going into fast food areas. The space is so small that is one of the problems out there.

CDS is doing an evaluation of our computer system and we are meeting with them on Wednesday. Kelly was working on something that will save us some money.

April 1st the City will start taking credit cards for payment of water bills. Star is taking training and has the equipment needed. The fee for the use of the card is passed on to the consumer. You can pay at City Hall or online at the City’s web page.

After our next meeting Fred has invited everyone to go thru his brewery.

Beginning this weekend Kelly’s will be open on the weekends for breakfast.

The question was asked if there had been talk about a cross walk at the Myers Trail at Route 66. That is a State road and would be their responsibility.

Police: None

Building/Insurance None

Finance/TIF: Alderman Stover is working on two TIF applications One from Colleen Morency and the ramp in front of Main Street Hair. He would also like to get started and have meetings with the departments next week. So if everyone could pick a time next week that would be great. It is March! I need your budget information.

Water/Sewer/Sanitation: None

Street/Alley: None

There being no further business, motion was made by Alderman Colclasure to adjourn at 7:43 P.M. Motion carried by unanimous voice vote.

Respectfully submitted,

Pati Pease

City Clerk

Approved: March 25, 2019