

REGULAR MEETING OF THE LEXINGTON CITY COUNCIL

JULY 10, 2017

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 Colclasure, Alderman Richard and Alderman Fosen with Alderman Stover absent. Members of the staff and public present were: David Belvery, Lisa Wilson, Bill Elias and Don Cavallini.

It was moved by Alderman Richard and seconded by Alderman Fosen to approve the minutes of the June 26, 2017 meeting with one correction. The repairs to the squad car were \$992.09 and not \$2,046.00. Motion carried unanimously.

It was moved by Alderman Fosen and seconded by Alderman Schreiber to approve the treasurer's report and pay bills in the amount of \$386,643.45. This is such a large amount due to \$340,000.00 to P. J. Hoerr and the engineering fee for design work on the water treatment plant. Motion carried unanimously.

Public Input: None

Old Business: Appointment of Lisa Wilson to replace Alderman Chuck Cole: Mayor Johansen advised the council that after the resignation of Alderman Chuck Cole, resident Lisa Wilson had expressed an interest in filling the vacancy. Motion was made by Alderman Richard and seconded by Alderman Colclasure to approve the appointment of Lisa Wilson to the City Council to replace Alderman Chuck Cole. Motion carried unanimously.

Consideration/Vote on Appropriation Ordinance 2017-5: Motion by Alderman Fosen and Second by Alderman Colclasure that the Appropriation Ordinance 2017-5 be approved as discussed at the June 26, 2017 meeting and also at the July 10, 2017 Public Hearing meeting. Motion carried unanimously.

Consideration/Vote on \$50,000 Commercial loan for Kelly Tobin Resolution 2017-4: After a fair amount of discussion at the June 26, 2017 council meeting, Tom Sheilds wanted to have a resolution drawn up before the loan was made. The idea is that we are attempting on TIF improvement grants and request for large up front amounts are made that we transition to loans with repayment versus checks up front. That is the case in this loan. Rather than a TIF grant this is a large up front loan with repayment over the life of the loan with 2 years of interest only then interest and principal repayment over 12 years. This is beneficial to the project. Interest payments, principal, and sales tax the city will recoup their investment in 5

years' time. There is one change to our first discussion. We have changed the interest rate from 4% to 2%, since all funds from this loan will be repaid, we feel this shows our commitment to this investment.

The mayor commented that he would like to see the TIF grant program modified that anything over \$1000 would be considered a loan. Will be working with the Finance Committee to come with ideas before the next fiscal year to come up with ideas on how this can be done.

There is one TIF application in the process and we are still working out an agreement. We need to get together with the city attorney and bring to the board in August. We need to post on our web site that TIF applications are suspended for the year. All board members need to visit businesses that apply for TIF funds.

Motion was made by Alderman Fosen and seconded by Alderman Richard that we approve the \$50,000 commercial loan for Kelly Tobin Resolution 2017-4. Motion carried unanimously.

New Business: Consideration/Vote Street sealing bid: There were 2 bids received for street sealing back in April. We will go with the low bid from McLean County Asphalt of \$21,039.95. The engineers estimate was \$28,648.50 and the other bid was from Benage Construction. We will be doing 11 blocks including road out to the new water plant, half way around the park and going down to the football field. This does not use all the motor fuel funds for the year as there is still spray patching to do and salt to purchase for winter.

The county will be putting in new curbs at the end of Main Street and the work should be done by the first of September.

Motion was made by Alderman Richard and Seconded by Alderman Wilson to approve the Street sealing bid of \$21,039.95 from McLean County Asphalt. Motion carried unanimously.

Mayor's Report: He met with the Governor's people and took them around town. They were so impressed they came back to the street fest on Saturday night. The Governor will be here 45-60 minutes with 500-800 motorcycles and will honor first responders and a veteran. Main Street will be closed to traffic to accommodate all the motorcycles.

Main Street under the Stars, a Lexington Chamber of Commerce event is this weekend.

He has been contacted by the Bloomington Corn Belters and they would like to have a Lexington night at the ball field. Will contact the Chamber of Commerce to sell tickets for this event for \$12.00 and the Corn Belters will split the sales 50/50 with them. They will have one of our sports teams run out with the players for the National Anthem.

Police: The accessories for the new squad car has been delivered to the installer.

There were 872 paid gate admission to Street Fest last weekend and Jon Kemp served about 90 in his building. This was a great success over last year as there were only about 350 that attended. Cost to the city was 3 officers for 7 hours for crowd control.

Building/Insurance: None

Finance/TIF: It was stated that the TIF improvement grant program is closed until next year and wants some guidance for applicants. The city has done this in the past and had the committee look at the applicants as a group. They need to define how we want to define a grant and a loan. The guidelines we have now need to be fine-tuned. We have a new mayor and we have a new city council, now is the time to make new guidelines. In short, there are no funds left for TIF projects.

Water/Sewer/Sanitation: None

Street/Alley: The new dump truck should be here by September. We got a new bid on the box. Regarding the lease on the vehicle, the Mayor has called Commerce Bank to start the paper work on a 5 year and a 7 year lease figured on \$100,000. Amanda Klein will e-mail the details. If we put \$50,000 down on the truck it will bring the finance charges down. Probably sell dump truck, chipper, maybe do a surplus auction. We could get \$700 trade in on the old squad car so maybe we should put it on the auction.

There being no further business motion was made by Alderman Richard and seconded by Alderman Fosen to adjourn at 7:37 p.m. Motion carried by unanimous voice vote.

Respectfully submitted,

By Pati Pease

City Clerk

Approved: