

REGULAR MEETING OF THE LEXINGTON CITY COUNCIL

March 14, 2011

The regular meeting of the Lexington City Council was called to order by Mayor Mohr at 7:30 p.m. in the Council Chambers at Lexington City Hall.

Roll call was taken finding the following physically present: Mayor Mohr, Alderman Brill, Alderman Cole, Alderman Fiero, Alderman Miller, Alderman Revelle, and Alderman Winterland. Members of the staff and public present were: Chief Schneider, Mike Beard, Billy DuBois, Bill Elias, Donna Williams, Kasey Wells, Ben Koeller, Todd Eades, and Melanie Kunkel.

It was moved by Alderman Mille and seconded by Alderman Fiero to approve the minutes of the February 28, 2011 City Council meeting with one correction: the date of Jon Kemp's request for the alley closing should have been Saturday, March 12, 2011, and to approve the minutes of the February 14, 2011 police committee meeting. Motion carried unanimously.

It was moved by Alderman Winterland and seconded by Alderman Revelle to approve the Treasurer's Report and authorize payment of bills in the amount of \$32,895.93. Motion carried unanimously.

Public Input: Donna Williams, General Chair for the Red Carpet Corridor event to be held May 7-8, presented updated information on the planning. An example of the "Passport" that will let attendees visit local sites and collect "stamps" was displayed. In addition to last year's events, an entertainment tent, a tractor show, and children's activities focusing on Mother's Day were highlighted. She requested volunteers for the City Booth from the City Council. Forms and information are on the City's website.

Police Chief's Report: Chief Schneider made the following report on February department activity: 12 calls for service, 9 assists to other agencies, 2 assists from other agencies, 2 fire/rescue assists, 3 case reports, 2 arrests/warrants, 6 verbal traffic warnings, 9 traffic citations, 308 total man-hours, 450 building checks, and 1,780 patrol miles logged using 135.296 gallons of fuel at a cost of \$438.59. He also reported that he will be providing the security detail for the Red Carpet Corridor Event. On the technological front, Schneider informed the council of a new potential identity theft activity known as "Caller ID Spoofing", to make people aware that they need to verify the information they see on their caller ID equipment.

Old Business:

Electricity Purchase Agreement: Mayor Mohr displayed information regarding the electricity purchase agreement. Heyworth has been using the company for their power and endorses the savings. Kasey Wells asked if the City had ever considered generating its own power through the use of wind turbines, which has worked in other communities. Given the present monumental project, that option had not been explored. Mayor Mohr appreciates his interest and will be in contact. Alderman Fiero wants to look over the proposed agreement, as there seemed to be some pertinent information missing. This will be addressed at a later meeting.

Property Acquisition: Mayor Mohr would like the City to consider being more pro-active in community planning. Purchasing available property or taking options to purchase could help the City shape the community residentially and commercially. There was question regarding whether or not the City should be doing the job of private investors. More discussions will be deferred to a later date.

Sewer Connection Proposal: In preparation for the public meeting to be held during the next council meeting, Mayor Mohr directed the council to examine and discuss the proposal laid before them. The Council needs to make several decisions.

1. Whether or not the City should be involved in the sewer-to-structure connection process. Mohr reminded the Council that now was the time to set aside personal preferences and think about what was best for all in the community. The city-financed approach is very unconventional. Aldermen Revelle, Winterland and Miller all report that constituents they have discussed this with are all overwhelmingly in favor of the City-financed option. If the choice is NO, then each property owner would be responsible for getting this connection made and bear the entire cost, including a considerable tap-on fee. If the choice is YES, then the City will set the requirements, select contractors by Requests For Proposals, and finance the project using current revenues and a small monthly increase to user fees. After much discussion, it was moved by Alderman Brill and

seconded by Alderman Revelle to vote YES to proceed with City-financed curb-to-structure sewer connections, using modest user fees to be determined by contractor proposal amounts. Motion carried unanimously. The next step would be to pass an Ordinance establishing the project, which is hoped to be ready for the 3/28/11 council meeting. Property-owner agreements will be prepared and available, and Requests for Proposals will go out the following day 3/29/11. Contractors will have until the 4/25/11 meeting to submit proposals, which will be reviewed and awarded that same evening.

2. Rules governing the fees to be charged. Current code provides for the application of a tap-on fee, with no exemptions. All users will be treated equally, and fees will impact all existing structures. Fees for future development will be set at a later date. Any new fees would take effect following the public meeting on March 28. After much discussion, it was moved by Alderman Fiero and seconded by Alderman Winterland to apply a uniform tap-on fee to every structure which currently has water service, which will cover the connections costs, and which will NOT be exempted from those who "self-install" their connection. Motion carried with 5 yes votes and 1 no vote.

3. How will the City require the contractors to submit proposals?. The options here are as follows: A. To be calculated by \$/linear foot, by approved specifications, and include tank decommissioning. B. To be calculated by \$ per connection, and by approved specifications. C. To be calculated by \$ per watershed/pump station areas. Each pump station area has approximately the same number of linear feet to be installed. D. To be calculated based on the number of total services to be installed – approximately 830. Contractors will have to pay prevailing wages, will have an agreed-upon number of contract days to complete the connections, and have the bonding capability for the estimated \$1.5 million project. Discussion included the order in which connections would be made-probably in the order that pump stations come online, and whether city purchase of pipe would save costs to contractors and reduce their proposal amount. It was moved by Alderman Cole and seconded by Alderman Miller to ask that Requests For Proposals be based on linear feet, include pumping and decommissioning tanks, meet plumbing and health department codes and consider the total number of services to be installed. Motion carried unanimously.

4. How should the option of property owners installing their own connection be designed?. The City has estimated that only 2-4% of current owners would choose this option. Rules governing this option need to be put in place. After a great deal of discussion, it was moved by Alderman Cole and seconded by Alderman Winterland to allow self-installation of sewer services, provided a no-fee permit has been applied for prior to the award to contractors, without reimbursement or exemption from tap-on fees and allowing pre-payment. Motion carried unanimously.

5. What is the scope of work that will be required of contractors?. Given that property owners have some responsibility for personal maintenance, and considering the need for efficiency in completing the work, it was moved by Alderman Cole and seconded by Alderman Revelle to set the scope of the contractors work to be the installation of the piping, pumping and decommissioning of the tanks, backfilling the trench one time leaving a 6" mound of plantable soil, and replacing any disturbed concrete with gravel. Property owners will be provided with a list of lawn-remediation contractors. Other special needs to be negotiated by the property owner with the sewer service contractor directly. Motion carried unanimously.

6. How much sewer fund cash should be committed to this portion of the project?. Discussion centered around the ultimate costs after the awards, financing costs, amounts that need to be held in reserve for operation and maintenance of the entire system, current fund balances, and options for using any surplus general funds. No decision was made at this time.

New Business: None

Committee Reports:

Mayor: Mayor Mohr thanked the council for their commitments made this evening for such an unprecedented move for their community. 1. He has been in contact with the owner of a restaurant in a neighboring community who is interested in building a similar business here in Lexington, as well as property owners who have some development plans that are waiting for the completion of the sewer system. He reports that the Lexington Ford dealership has been sold and will apparently house an automotive-related business. 2. The sale of the building on S. Morris St. is still on hold until financing options have been investigated.

Police: None

Building/Insurance: None

Finance/TIF: None

Water: None

Sanitation: None

Street/Alley: Alderman Revelle asked Quinley to research the council's earlier decision on the purchase of storm drain pipe yet in this fiscal year.

There being no further business, it was moved by Alderman Brill and seconded by Alderman Winterland to adjourn at 10:15 p.m. Motion carried by unanimous voice vote.

Respectfully submitted,

Margaret Quinley, City Clerk

Approved: 3-14-11