

REGULAR MEETING OF THE LEXINGTON CITY COUNCIL

May 9, 2016

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

Roll call was taken to find the following physically present: Alderman Miller, Alderman Cole, Alderman Johansen, Alderman Meyer, Alderman Richard and Alderman Stover. Members of the staff and public present were: Melanie Kunkel, Don Cavallini, David Belvery, John Vezzetti, Billy Dubois, Katie Adams, Walker Adams, Bob Kohlhase, and Zack Knight.

The minutes from the previous meeting were not prepared and distributed for review prior to this meeting.

It was moved by Alderman Stover and seconded by Alderman Meyer to approve the treasurer's report and pay bills in the amount of \$30,499.11. Motion carried unanimously.

Public Input: Katie Adams addressed the council regarding a successful Red Carpet Corridor. Alderman Johansen complimented Starlette Torkelson and Katie Adams on the work they did to make the event a huge success again this year. He also acknowledged all the work that Walker Adams has done behind the scenes. Mayor thanked Alderman Johansen for all his efforts as well.

Old Business:

Bernardi Securities Presentation: John Vezzetti provided the council with a short presentation regarding Bernardi Securities and the bond refinancing service his company offers that may help save some money on annual bond payments. He noted that his company will bring the city current on filing the annual audit requirement for the EMMA Disclosure Database. The current interest rates on the bonds is 5% and with interest rates being low at this time, the new rate could be between 2.8% and 3.5% providing the city with a savings between \$55,000 and \$75,000 over the remaining 17 year life of the bonds. Motion by Alderman Meyer and second by Alderman Miller to approve initiating a bond refinancing agreement and EMMA report submission with Bernardi Securities. Motion carried unanimously. Mr. Vezzetti indicated that the paperwork could be ready for final approval and signing by the first meeting in June.

Revised Solicitation Ordinance: Alderman Johansen is revising the city's current ordinance regarding solicitors. They have found an ordinance from another town they are interested in. One question is whether or not the city should purchase an id making machine at a cost of over \$600.00. Council members were not in favor of purchasing the machine. This item will be forwarded to a future meeting after the ordinance is reviewed by the city's attorney at Miller, Hall, and Triggs.

105 N. Cedar St. Demo Bids: Alderman Johansen noted that amendments to the purchase/sale contract giving the previous owner access to the property after closing to continue salvaging items has caused some issues with obtaining demolition bids. The demolition company indicated they would give the previous owner a little time after the building comes down to

salvage some brick before the company starts hauling it away. The company does not want anyone on the project while they are working. Alderman Johansen wants to make sure the city is covered liability wise. Motion by Alderman Johansen and second by Alderman Cole to initiate a request for proposals for the asbestos inspection. Motion carried unanimously. Alderman Johansen also asked if the council should check with the insurance company to see if the building should be fenced off. Alderman Richard indicated that he thought the insurance company wanted the building area fenced off.

New Business:

TIF Application –Fireside/Class Act Realty: Alderman Stover circulated a TIF grant request from Class Act Realty on behalf of the owner of the old Fireside building. Alderman Stover asked to hand off communication to Alderman Johansen as there seems to be several individuals communicating with the property managers and he feels it would be best streamlined with one person doing the communicating. Mayor’s recommendation is that no more TIF grants be awarded, except those already promised, until the payment plan for the water treatment plant project is completed and there is more of a definitive picture on how much those loan payments will actually be. Alderman Stover also recommends making revisions to the current TIF applications, following the current application process as written or do away with what is there currently in favor of different procedures determined by the Council. Motion by Alderman Meyer and second by Alderman Richard to defer TIF grant application considerations for 6 months pending a review of the process. Motion carried unanimously.

Blacktop Fire Station Parking Lot: Alderman Cole circulated a bid supplied by Bill Elias for blacktopping the parking lot for the fire station in the amount of \$7,422. The fire station has money of their own that they are using for some parking lot work and he feels it would be a lot cheaper to have McLean County Asphalt do all the work while they are there. Mayor would like to have some time to review the end of the fiscal year finances to see what has been paid out and where the money would come from. Alderman Cole would rather move forward with the project at this meeting instead of waiting any longer. Motion by Alderman Johansen and second by Alderman Cole to move forward with contracting with McLean County Asphalt to pave the South side of the fire station parking lot in the amount of \$7,422. Motion carried unanimously.

American Legion Additional Flag Poles: The Legion is going to install six 16’ flag poles at the monument which will hold all the service flags. They are looking for labor of the city workers. Motion by Alderman Cole and second by Alderman Johansen to assist with the Legion flagpole project. Motion carried unanimously.

Resignation of Steve Pearce from the Planning Commission: Postponed for a future meeting pending receipt of written resignation.

Resolution 2016-3 Intent to Award Water treatment Plant Construction Contract: Zack Knight and Bob Kohlhase of Farnsworth addressed the council regarding the bid opening. Six general contractors bid for the water treatment plant and five the bids were very close to each other. After the detailed review of the requirements of the bids, Farnsworth recommends PJ Hoerr as they were the lowest bidder at \$3,056,000 and recommends awarding Alternate Bid 3

for a new groundwater well at the site. They also recommend keeping Alternate bids 1 and 2 for future approval. Mayor provided the council with an overview on how the city will pay for the water treatment plant with money from expiring redevelopment agreements, existing annual water fund cash flow, TIF increment from new development, and a few other sources. Total available cash flow could cover nearly \$4,000,000 in project costs. Motion by Alderman Johansen and second by Alderman Miller to approve Resolution 2016-3 Intent to award the water treatment plant construction contract to PJ Hoerr. Motion carried unanimously.

Resolution 2016-4 approving a Water Treatment Plant Payment Plan: This resolution is intended to identify and earmark funds necessary to complete the new water treatment plant. This item will be postponed for a future meeting pending completion of the resolution.

Committee Reports:

Mayor: None

Police: The monthly activity report has been circulated.

Building/Insurance: Alderman Richard circulated a list of workshops the city's liability insurance carrier provides that anyone who works for the city can take. He encouraged the employees to try and take one or two classes a year as a continuing education type scenario.

Finance/TIF: None

Water: Billy DuBois noted that South Street boring is complete and everything went well.

Sanitation: Alderman Johansen is still in discussions with Jack's and Joe's Pizza. He also would like to get Route 66 pins for next year's Red Carpet Corridor to sell. He also asked that during the carnival and in upcoming city sponsored events, that the city employee who is on call take care of the trash during the event.

Streets/Alleys: None

There being no further business, it was moved by Alderman Miller and seconded by Alderman Cole to adjourn at 9:25 p.m. Motion carried by unanimous voice vote.

Respectfully submitted,

Melanie Kunkel, City Clerk

Approved: 5/23/2016