

## REGULAR MEETING OF THE LEXINGTON CITY COUNCIL

May 8, 2017

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.

Mayor led the council in the pledge of allegiance.

Roll call was taken to find the following physically present: Mayor Mohr, Alderman Miller, Alderman Cole, Alderman Johansen, Alderman Stover, Alderman Meyer, and Alderman Richard. Members of the staff and public present were: Dee Ann Cole, Peggy Powell, Lori Powell, Margaret Johansen, Elizabeth Johansen, Charles Reynard, Ruth Colclasure, John Colclasure, Cheryl Pensky, Gregg Pensky, Matt Holaway, Bill DuBois, Mike Beard, Shane Little, Don Cavallini, Rev Jan Proeber, David Proeber, Thomas Drewry, Tom Shields, Scott Drazeski, Rebecca Foley, Ally Edwards, Lisa A. Wilson, James Shaddle, Brian Schuneman, Bill Elias, Logan Elias, Donna Elias, Jessica Miller, Dawn Schneider, Rebecca Pentecost, Star Torkelson, and Sue Noland.

It was moved by Alderman Miller and seconded by Alderman Cole to approve the minutes from the April 24, 2017 council meeting. Motion carried unanimously.

It was moved by Alderman Stover and seconded by Alderman Meyer to approve the treasurer's report and pay bills in the amount of \$20,711.33. Motion carried unanimously.

Mayor Mohr recognized the outgoing Aldermen Spencer Johansen, Paul Miller, and Don Meyer for the work they have done as council members and the support they have given to the community.

**Public Input:** None

**Old Business:**

**Castle Garden Request for Utility Burial:** Bill Elias discussed the request with Bernie Anderson, a Nicor representative, and was informed Nicor does not want to do anything in regards to the utility burial at Castle Garden. Alderman Richard recommended no further action be taken.

**Water Infrastructure Fee Modification:** Mayor circulated an ordinance amending the water infrastructure surcharge which was discussed at the last meeting. The surcharge will increase the current water infrastructure fee by \$0.06 per 100 gallons of water used. Equal to about \$3.00 per month for the average user. Mayor Mohr stated this is the first water rate increase in four years. This increase is initiated to help cover the infrastructure costs of the new water treatment plant. With passage the increase will be effective May 1, 2017 and payable in June. Motion by Alderman Richard and second by Alderman Cole to approve Ordinance 2017-2 an Amendment to Chapter 63 of the City Code authorizing an increase in the water infrastructure fee. Motion carried unanimously.

**Closed Meeting Minutes Release:** Closed meeting minutes were reviewed by Alderman Richard and Alderman Stover. They recommend releasing minutes from meetings on the following dates: 9/14/15, 7/25/14, 2/8/10, 1/28/13, 2/27/12, 8/22/11, 3/9/09, 1/23/95, 1/28/91, 1/15/91, 2/26/90, and 5/22/89. Motion by Alderman Richard and second by Alderman Stover to approve Resolution 2017-3 regarding the release of closed meeting minutes from the dates aforementioned. Motion carried unanimously.

**FY 18 Budget:** Alderman Stover submitted corrections to the budget which have been completed. Also insurance adjustments were made by Alderman Richard and are included the budget. Numbers are in the budget for a dump truck and squad car to be reviewed by committee and will be approved at a later date in separate decisions. Motion by Alderman Stover, second by Alderman Johansen to approve the FY18 budget. Motion carried unanimously.

**Wirtz Realty Redevelopment Agreement Summary Report:** This project generates the City approximately \$42,000 in incremental property taxes. That would be equivalent to 120 - \$200,000 houses outside the TIF district to generate the same revenue. The project will pay for almost 20% of the new water treatment plant project. Once the TIF district expires this warehouse project will generate \$110,000 annually to the school district. Miller, Hall and Triggs and Farnsworth have reviewed the Wirtz Realty TIF eligible expense submission. Their opinion is that the City has fulfilled its obligation to pay for up to \$680,000 in WIRTZ Way and PJ Keller Hwy improvements with IDOT's Economic Development Grant. Furthermore, it could be argued that the City paid more than its contractual share. It's recommended by Mayor Mohr, the City Attorney and the City Engineer to forego any claim of overpayment, accept TIF eligible expenses of approximately \$2,500,000, execute the promissory note accordingly and to proceed with the property tax sharing terms of the Redevelopment Agreement - distributing 75% of the annual property tax increment to Wirtz Realty and the remainder to the City. The RDA is clear that the City is not obligated to repay the entire amount of the promissory note. Payments are limited by the projects assessed valuation, the resulting property tax increment and the remaining life of the TIF district.. The Promissory Note will have to be executed by the new Mayor, the City Treasurer and the City Clerk. Then the 2014 and 2015 property tax increment will have to be distributed to Wirtz Realty.

Mayor Mohr said he has served for 16 yrs meeting twice monthly, serving four years as an Alderman in Ward 3 and twelve years as Mayor. He was thrilled to have had the opportunity to serve the community in these roles.

**New Business:** After a short recess, the deputy clerk administered the oath of office to the newly elected officials. Swearing in Aldermen John Colclasure, Leo J. Schreiber, Stephen T. Fosen, and Mayor Spencer L. Johansen. Mayor Johansen thanked Mayor Mohr and outgoing Aldermen Don Meyer and Paul Miller for their dedication to the City of Lexington.

**Intergovernmental Agreement with Animal Care & Control:** The contract agreement was presented to the council. Motion by Alderman Colclasure and second by Alderman Fosen to

approve the Intergovernmental Agreement with Animal Care & Control Agreement. Motion approved unanimously.

**Committee Assignments:** A chairperson for each committee will need to be appointed. Upon appointment of the chairpersons, the committees will submit requests for the dump truck and squad car which were approved in the FY 18 budget. All requests will be submitted to the council for approval.

**Committee Reports:**

**Mayor:** Reported on the success of the Red Carpet Corridor event held this past weekend.

**Police:** None

**Building/Insurance:** None

**Finance/TIF:** None

**Water:** None

**Sanitation:** None

**Streets/Alleys:** None

There being no further business, it was moved by Alderman Richard and seconded by Alderman Stover to adjourn at 8:17 p.m. Motion carried by unanimous voice vote.

Respectfully submitted,  
Sue Noland, City Treasurer

Approved: