

October 13, 2015

CITY OF TUSCOLA
COUNTY OF DOUGLAS
STATE OF ILLINOIS
Tuscola City Hall
October 13, 2015

The regular meeting of the City Council was called to order with Cleland, Henderson, Hoey, Maxey, Shoemaker, Slaughter, Truitt, and Mayor Kleiss in attendance. Alderman Day was absent. Mayor Kleiss led the Pledge of Allegiance. Alderman Day arrived at 7:33 PM.

Mayor Kleiss went over the items on the consent agenda:

- Minutes of the September 28, 2015 meeting
- Payment of bills totaling \$289,361.57
- Pay request from Owen Tucker in the amount of \$51,697.42, for Doris Subdivision Infrastructure
- Pay request from Otto Baum in the amount of \$150,182.74, for the Court Street Improvements

Henderson moved to approve the items on the consent agenda. Truitt seconded. VOTE YEA* Cleland, Day, Henderson, Hoey, Maxey, Shoemaker, Slaughter, Truitt. Maxey moved to approve the consent agenda for October 13, 2015. Cleland seconded. VOTE YEA* Cleland, Day, Henderson, Hoey, Maxey, Shoemaker, Slaughter, Truitt.

Mayor

Mayor Kleiss offered his thanks to Chip Haake, Brian Moody, the Tuscola firefighters, and city crews for their contributions to the walk-out ceremony held in honor of Chief Hettinger. Kleiss added this was a very nice event.

Kleiss submitted the name of Brian Moody to take over the position of Tuscola Fire Chief at the current chief's salary. Henderson moved to approve the appointment of Brian Moody as Fire Chief. Slaughter seconded. VOTE YEA* Cleland, Day, Henderson, Hoey, Maxey, Shoemaker, Slaughter, Truitt. Moody was presented with his chief's hat and photos were taken of Chief Moody, Retired Chief Hettinger, and Mayor Kleiss.

City Clerk – No Report

City Treasurer

Treasurer Long reported Eddie Boutilier and the Red Barn Vet Service are delinquent on their TIF loans.

City Attorney – No Report

City Administrator - No Report.

Mayor Kleiss suggested taking the rest of the October 13 agenda in reverse order.

Tabled Discussion Topics/Other

Mayor Kleiss stated Steve Hettiger tendered his resignation as building inspector at the time of his retirement as fire chief. Until council has a chance to appoint a new building inspector, Hettiger has agreed to stay with the city and help out on a part time basis. Truitt moved to approve the appointment of Steve Hettiger as part time building and electrical inspector at the current hourly rate. Hoey seconded. VOTE YEA* Cleland, Day, Henderson, Hoey, Maxey, Shoemaker, Slaughter, Truitt.

Requests for TIF Assistance

1. Administrator Hoel reported Steve Lacine, Lighthouse Insurance, has requested TIF assistance for a new office building on the vacant lot at the corner of Center Street and Route 36, just east of Lacine's current office. New construction is not eligible for TIF funds, Hoel stated, but site development, parking, and signage are eligible. Also, interest subsidies can be offered on new development. Day moved to approve the TIF committee's recommendation of a rebate of new, incremental property taxes for the remainder of the life of TIF; 50% of site development costs up to \$30,000; and a 30% interest subsidy for construction costs only for five years for Steve Lacine's new Lighthouse Insurance Agency at 200 Southline Road. Maxey seconded. VOTE YEA* Cleland, Day, Henderson, Hoey, Maxey, Shoemaker, Slaughter, Truitt.
2. Bob Woodard owns the property at 802 South Main and is planning to acquire the property north of the old Lloyd Oil Company, now K&L Truck Services. Woodard has requested a liquor license and TIF assistance to tear down the existing building and install parking facilities for a planned gaming parlor at 802 South Main. Henderson moved to approve the TIF committee's recommendation of a TIF grant of 50% of the demolition costs of the existing structures up to \$3000, contingent upon completion of the other project elements and issuance of a liquor license. Truitt seconded. VOTE YEA* Cleland, Day, Henderson, Hoey, Maxey, Shoemaker, Slaughter, Truitt.
3. Kelly Englehardt, owner of Posies and Pattycakes, has requested TIF assistance for interior remodeling at 100 East Sale. Englehardt plans to locate her business in this space (north part of what used to be The Store). The building owner is providing about \$5000 in electrical upgrades, which are not included in the TIF package, Hoel stated. Hoey moved to approve the TIF committee's recommendation of a 50% grant, up to \$5250, for interior remodeling at 100 East Sale to Kelly Englehardt, owner of Posies and Pattycakes. Shoemaker seconded. VOTE YEA* Cleland, Day, Henderson, Hoey, Maxey, Shoemaker, Slaughter, Truitt.

Contracts and Agreements

After a brief discussion and suggestion from Mayor Kleiss, Truitt moved to table the assignment of the Tanger Redevelopment Agreement to ADCO, LLC, and pending further information. Shoemaker seconded. VOTE YEA* Cleland, Day, Henderson, Hoey, Maxey, Shoemaker, Slaughter, Truitt. Administrator Hoel pointed out he has requested information about the new mall owners, but has heard nothing so far.

Administrator Hoel reported on the latest roof replacement change orders. The contractors have discovered the center section of the rear wall at the north fire/police station needs to be removed and replaced, Hoel stated, at an additional cost of \$12,400. Also, the master meter building needs an additional \$2960 in masonry repairs. Hoel added these discoveries are unfortunate, but unavoidable. Day moved to approve the additional roofing

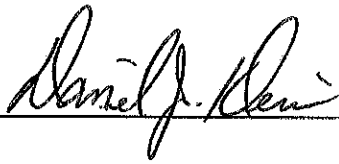
change orders of \$12,400, at the north fire/police station and \$2960, at the master meter water building. Cleland seconded. VOTE YEA* Cleland, Day, Henderson, Hoey, Maxey, Shoemaker, Slaughter, Truitt.

Mayor Kleiss opened discussion on the bid results for the Community Building renovation by stating he is getting cold feet about a million dollar project. He wants to be sure we do the right thing. The Community Building is a very nice building that gets a lot of good use. Administrator Hoel went through a presentation of renderings of the 'value engineering' suggestions that have been made. The renderings show how the architects originally designed the renovation compared to the 'value engineering' changes that could be made. Administrator Hoel went over several suggested changes that would save approximately \$50,000, and discussed an option that would save an additional \$56,700, if the acoustical tile ceiling were not done at all, the lighting was changed to surface mounted, and the sheet vinyl wall protection was eliminated and replaced with drywall. Maxey wonders if we are using 'cadillac products' when we could be using a little less quality and still getting the renovation done. He thinks this is the smart thing to do with our money. Hoel pointed out this is exactly what the architect has done. Shoemaker added we want the best value for the buck. Administrator Hoel stated we don't tell the contractor what brands to use; we define a type and the bidding process is what is meant to find us the best value. Maxey stated he understood from previous conversations this was not happening. Shoemaker reported he has spoken with some of the contractors who bid on the project and he was told some of the items are 'cadillac products'. The contractors also told Shoemaker that some things in the bid package require a project guy to be on site every day, at a cost of \$80,000. Henderson stated he does not think we could replace the Community Building at the cost we are discussing for renovations. Hoel added this is how we do things; we hire professionals to design and draw up bid specs. This was done according to the committee's suggestions and we get what we get. Some things can be changed without re-bidding, but if we change the scope too much, it will have to be re-bid. The question is do we try to work around the edges to shave off some expenses or do we start over completely. Shoemaker appreciates everyone's efforts on this. Now that we are not happy with the bids that came back, should we consider other options? Mayor Kleiss pointed out we are not really too far off what we initially planned to spend for the renovation. Council discussed the construction expenses and the 5-10% contingency on the project. Kleiss added some things are going to have to be done to the building; HVAC, the ceiling, and electrical at the very least. Hoey would like to see the building fixed up nice. Slaughter agreed, adding we do not need a project manager, though. Shoemaker would like the HVAC bid separately so we have some control over who does the installation and try to keep it local. Administrator Hoel pointed out we opened these bids on September 9, and the bids are good for 60 days. Hoel does not think we can wait until the first November meeting to award the bid, so we need to be prepared to award or reject at the next council meeting. We also have the practical problem of our window of time that was blocked out for construction, Hoel added. More discussion was held on the HVAC. Hoel reported the contractor contacted references from the two boiler/chiller systems the HVAC sub-contractor had completed, adding the contractor was less concerned after doing this. The contractor also shared their mechanical sub-contractor's bids. Hoey asked Richard Kidwell, business owner, if he felt \$1,000,000, was too much for this project. Kidwell answered this is a lot of money, but if we are going to do something, we should do it right. Hoel informed council the low mechanical bid was \$365,000, and the other four bids were under \$400,000. This is a good indication of actual cost. Shoemaker pointed out we can save \$100,000 by going away from the boiler/chiller system. Hoel answered the money

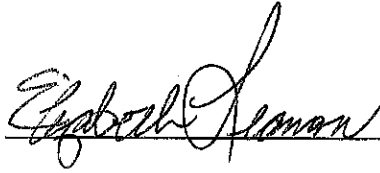
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saving system would be entirely inadequate. After more discussion about costs and the HVAC, Administrator Hoel suggested scheduling a committee meeting with the architect to go over the specs and bring up some of the points raised during this discussion. Shoemaker asked how we would handle this if we do find some points in the bids that are not to our liking, such as oversight for sub-contractors. Hoel answered we would probably re-bid the entire project. After some discussion about what committees should meet with the architects, it was decided the Public Buildings and TIF committees will hold a special meeting before the next council meeting.

The motion to adjourn was made by Henderson and seconded by Hoey. VOTE YEA*
Cleland, Day, Henderson, Hoey, Maxey, Shoemaker, Slaughter, Truitt.



Mayor



City Clerk