

MINUTES OF THE REGULAR ARCOLA COUNCIL MEETING
Monday June 02, 2008

Mayor Ferguson called the meeting to order at 7:00 p.m. Members present were Alderpersons Goad, Williams, East, Gentry and Lampe. Alderwoman Moore was not present. City Administrator Wagoner, Treasurer Harvey, Attorney Moore and Chief Phillips were also present.

PLEDGE OF ALLEGIANCE Alderman Goad led the Council and audience in the Pledge of Allegiance.

PUBLIC COMMENT There was none.

APPROVAL OF MAY 19, 2008 COUNCIL MEETING MINUTES Alderman East moved to approve the May 19, 2008 Council Meeting Minutes as presented and was seconded by Alderman Goad. Roll call vote, all ayes. Motion carried.

APPROVAL OF MAY 17 – MAY 30, 2008 BILLS Alderman Goad moved to approve the May 17 – May 30, 2008 as presented and was seconded by Alderman Gentry. Roll call vote, all ayes. Motion carried.

APPROVAL OF THE TREASURER’S REPORT FOR MAY Alderman Goad moved to approve the Treasurer’s report for May and was seconded by Alderman East. Roll call vote, all ayes. Motion carried.

APPROVAL OF THE MAY ZONING OFFICER’S REPORT The Zoning Officer reported 2 permits issued in the month of May with valuation of \$175,450.00 and \$500 in fees collected. Alderman East moved to approve the Zoning Officer’s report for May and was seconded by Alderman Williams. Roll call vote, all ayes. Motion carried.

ALDERWOMAN MOORE ARRIVED AT THE MEETING

CONSIDER A REQUEST TO AMEND THE LICENSES PERMITTED UNDER CHAPTER 3 OF THE ARCOLA MUNICIPAL CODE GOVERNING ALCOHOLIC BEVERAGES Alderman Williams moved to amend the licenses permitted under Chapter 3 of the Arcola Municipal Code Governing Alcoholic Beverages, adding 4 Class C licenses. Alderwoman Moore seconded the motion. Roll call vote, Goad, aye; Williams, aye; Moore, aye; East, nay; Gentry, aye; and Lampe, nay. Motion carried.

CONSIDER APPROVING ORDINANCE NO. 08-S-16, AN ORDINANCE ESTABLISHING PREVAILING WAGE RATES Alderman Williams moved to approve Ordinance No. 08-S-16 and was seconded by Alderman East. Roll call vote, all ayes. Motion carried.

COMMITTEE APPOINTMENTS FOR 2008-2009 Alderwoman Moore moved to approve the Committee Appointments for 2008-2009 and was seconded by Alderman Goad. Roll call vote, all ayes. Motion carried.

REPORT FROM KEVIN MCCANNA OF SPEER FINANCIAL (BOND ISSUE)

Kevin McCanna reported the bonds were sold today. The Series 2008A in amount of \$1,050,000 at an interest rate of 3.97% and the Series 2008B in amount of \$1,315,000 at an interest rate of 4.02%. The First National Bank of Arcola bought the 2009 year for both series in amount of \$170,000 and First Mid-Illinois Bank and Trust bought the last 2 years of Series B in amount of \$605,000. The City will only be allowed to prepay the last 2 payments of B Bonds.

CONSIDER APPROVING ORDINANCE NO. 08-S-14, AN ORDINANCE AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION WATERWORKS AND SEWERAGE BONDS SERIES 2008A

Alderman Williams moved to approve Ordinance 08-S-14 and was seconded by Alderman East. Roll call vote, all ayes. Motion carried.

CONSIDER APPROVING ORDINANCE NO. 08-S-15, AN ORDINANCE AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION SERIES 2008B

Alderman Williams moved to approve Ordinance 08-S-15 and was seconded by Alderwoman Moore. Roll call vote, all ayes. Motion carried.

CONSIDER HIRING A PART-TIME POLICE OFFICER Alderman Goad moved to hire Nick Winn as a part-time Police Officer at \$11.25 an hour and was seconded by Alderman Williams. Roll call vote, all ayes. Motion carried.

ACCEPT BID PROPOSAL FOR 1997 GMC 3500 HD TRUCK Five bids were received for the 1997 GMC 3500 HD truck.

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|----------------------|-------------|
| 1. Joe Headrick | \$ 1,263.00 |
| 2. Jack McNary | 2,006.00 |
| 3. TEMM, 2000, Inc. | 2,601.00 |
| 4. David Dilliner | 3,175.00 |
| 5. M & M Partnership | 7,779.00 |

Alderwoman Moore moved to accept the bid in amount of \$7,779.00 received from M & M Partnership and was seconded by Alderman Goad. Roll call vote, all ayes. Motion carried.

CONSIDER PROPOSALS TO ALLOW FOR FARMING ON CITY PROPERTY

Two proposals were received for farming the City property that in the future is to be Green Mill Village. Arcola Lumber proposed splitting proceeds of net, Arcola Lumber 70%, City 30%. Arcola Lumber would assume all cost and risk. Denny Johnson proposed custom farming. After some discussion Rex Willison of Arcola Lumber withdrew his proposal. Alderwoman Lampe moved to accept Denny Johnson's proposal and was seconded by Alderman Williams. Roll call vote, all ayes. Motion carried.

REPORT FROM THE REVOLVING FUND COMMITTEE City Administrator Wagoner requested this be tabled until after Executive Session.

CONSIDER PROMOTING OFFICER SETH BEAN TO SERGEANT WITHIN THE ARCOLA POLICE DEPARTMENT Alderman Goad moved to promote Officer Seth Bean to Sergeant within the Arcola Police Department with a \$.50 an hour increase. Alderman Williams seconded the motion. Roll call vote, all ayes. Motion carried.

EXECUTIVE SESSION TO DISCUSS PROBABLE LITIGATION AFFECTING THE CITY OF ARCOLA At 7:45 p.m. Alderwoman Moore moved to go into Executive Session to discuss probable litigation affecting the City of Arcola. Alderman East seconded the motion. Roll call vote, all ayes. Motion carried.

REGULAR SESSION AT 9:04 P.M.

REPORT FROM THE REVOLVING FUND COMMITTEE After consideration of the recommendations of the Arcola Revolving Loan Fund Board at a duly called meeting held on May 28, 2008, Alderwoman Moore made the motion for the City of Arcola to authorize the sale of a 175.061 acre tract referred to as Rockome Gardens outlying land by The Rockome Group, LLC to Rockome Land Company, LLC for a sales price equal to the payoff of the first mortgage in favor of First Bank and Trust and the second mortgage in favor of the City of Arcola as of the date of closing subject to the following terms and conditions:

1. Rockome Land Company, LLC shall submit to the City of Arcola Articles of Organization as a Limited Liability Company issued by the Illinois Secretary of State's Office.
2. Rockome Land Company, LLC shall execute a written Assumption Agreement assuming the balance of the second mortgage in favor of the City of Arcola and the first mortgage in favor of First Bank and Trust shall be paid in full.
3. The 2007 real estate taxes on the said real estate shall be paid in full at closing.
4. The following persons shall sign Personal Guarantees guaranteeing payment of the assumed loan: Brent Bolen and Joni Bolen, his wife.
5. Rockome Land Company, LLC shall pay all of the cost of closing the transaction including but not limited to recording fees and document preparation fees.
6. There shall be no other liens against the said property at the time of closing except the lien for the 2007 real estate taxes which shall be paid in full at closing.
7. Rockome Land Company, LLC shall substitute a 22 acre parcel of improved real estate located in Chrisman, Edgar County, Illinois as collateral for its loan to the City of Arcola which was in the original principal amount of \$440,000. Prior to the closing of the mortgage of the said 22 acre tract, the Rockome Land Company, LLC shall do all of the necessary title work at its expense and shall pay the cost of providing a Lender's Title Insurance Policy to the City of Arcola to secure payment of the outstanding loan owed to the City of Arcola. At the closing on this mortgage on the 22 acre tract, the City shall release its second mortgage on the 175.061 acre tract.

Alderman Gentry seconded this motion. Roll call vote, all ayes. Motion carried.

After consideration of the recommendations of the Arcola Revolving Loan Fund Board at a duly called meeting held on May 28, 2008, Alderwoman Moore made the motion for the City of Arcola to authorize the sale of a 30.953 acre improved parcel of real estate commonly known as Rockome Gardens by The Rockome Group, LLC to Rockome Gardens, LLC for a sales price equal to the payoff of the two loans made by the City of Arcola on the said property and secured

by mortgages dated October 27, 2005 and March 01, 2006 subject to the following terms and conditions:

1. Rockome Gardens, LLC shall execute a written Assumption Agreement assuming the balances of each of the two loans which loans shall each be brought current in accordance with the original Amortization Schedule at the time of the assumption which Assumption Agreement shall be recorded with the Douglas County Recorder's office.

2. The City of Arcola will then waive any penalty interest due to late payments on each of these loans.

3. All unpaid real estate taxes shall be paid in full including the 2007 real estate taxes payable in 2008.

4. Rockome Gardens, LLC shall at the time of closing submit an Insurance Binder showing proof of liability and hazard insurance upon the improvements located on the said real estate fully insuring said improvements with the City of Arcola as an additional insured along with proof of payment for the first year's premium.

5. The following persons shall sign Personal Guarantees guaranteeing payment of the assumed loans: Brent Bolen and Joni Bolen, his wife.

6. Rockome Gardens, LLC shall enter into a written agreement with the City of Arcola whereby it shall submit monthly financial statements to the City of Arcola in connection with the operation of Rockome Gardens.

7. Rockome Gardens, LLC shall pay all of the costs of closing the transaction including but not limited to recording fees, title search, lender's title insurance in the amount of the sale price and document preparation fees.

8. There shall be no other liens against the said property at the time of closing except the lien for the back taxes and the 2007 real estate taxes which shall be paid in full at closing.

9. Assignment of \$725,000 on life insurance policy on Brent Bolin to the City of Arcola from Pekin Insurance Co.

Alderman Goad seconded the motion. Roll call vote, all ayes. Motion carried.

COMMITTEE REPORTS

Alderman Goad

Had nothing at this time.

Alderman Williams

Had nothing at this time.

Alderman Moore

Had nothing at this time.

Alderman East

Had nothing at this time.

Alderman Gentry

Had nothing at this time.

Alderman Lampe

Reported that everyone needs to promote the fireworks which will be July 06, 2008.

As this concluded the business of the meeting, Alderman East moved to adjourn and was seconded by Alderman Gentry. Council approved unanimously by voice vote.

Adjourned at 9:15 p.m.

Larry Ferguson, Mayor
Carol Turner, City Clerk