**CITY OF LEXINGTON**

**WORKSHOP MINUTES**

**Thursday, May 17, 2018**

**Immediately following Council meeting**

**City Hall**

**1. Call to Order:** Mayor Kurth

***Mayor Kurth called to order the workshop for April 19, 2018 at 7:59 p.m. Councilmember’s present: Devries, Harris, Hughes, and Murphy. Also Present: Bill Petracek, City Administrator; Kurt Glaser, City Attorney; Chris Galiov, Finance Director; Jack Borgen, Liquor Store Manager; Gary Grote, Fire Chief; Joe Molohan, Quad Press; Chad Payment, Citizen.***

**2. Roll Call:** DeVries – Hughes – Harris - Murphy

**3. Discussion Items:**

1. Discuss American Tower Lease Agreement Process

***Attorney Glaser explained we are coming to the end of our lease agreement with American Tower on our wireless cell tower. Glaser explained that in the past he has used a consultant to place a value of the lease on the tower for the agreement. He added that Lexington, to his knowledge, has not used a consultant to conduct an analysis on the tower since 1992. He stated that the cost is $2,200 for the consultant’s service out of Florida. Discussion ensued.***

***Mayor Kurth asked how much revenue do we get off of the tower. Finance Director Galiov stated the City gets $50,000/year for lease payments, although it will be less in the coming years due to the recent loss of a provider on the tower – Clearwire Wireless. Discussion ensued.***

***Glaser stated that there may be changes coming with 5G networks using public infrastructure for cell sites. Petracek added that he had heard of a 6G network being developed that would use individual cell phones as cell sites. Discussion ensued.***

***The consensus is to spend money to hire the consultant to place a value on our lease with American Tower. Due to timeliness of the contract directed Attorney Glaser and City Administrator Petracek to move ahead with hiring the consultant.***

1. Discuss potential Fire Station upgrades

***Petracek explained the memo received from Al Szymanski, MSA Consultants, regarding the potential remodel/upgrades that could be conducted on the fire station. Discussion ensued.***

***Mayor Kurth asked Fire Chief Grote to work with the firefighters and decide, based off of the memo from MSA Consultants, what upgrades would they like to see on the existing fire station.***

***Petracek stated at some point we would have MSA Consultants provide a cost estimate for the upgrades/remodel, and maybe a rendering of the plans so the Council and Fire Department can see what it will look like. Discussion ensued.***

1. Discuss Pizza Man Business

***Petracek stated that an idea came out of our staff meeting of potentially leasing a space in our liquor store to Don Wegeman, Pizza Man owner, and remodeling it to fit his needs. He added that after discussions with Mr. Wegeman, and Jack Borgen, Liquor Store Manager, that there is a possibility. However, Petracek stated that after the item was placed on the workshop agenda, he had had a discussion with Mr. Wegeman, and Petracek has concerns about Wegeman’s finances and is not sure he would be able to afford the increased rent. Petracek stated we currently charge Pizza Man $1,400/month in the Lovell building - $23.00/sq. ft. for 700 sq. ft. of space – and Wegeman is asking for approximately 2000 sq. ft. of space for his new location. Petracek is concerned about the fact that other leasing opportunities have presented themselves to Mr. Wegeman, and had fallen through due to finances, location, etc. with the building owners.***

***Mayor Kurth expressed his concerns about the smell of pizza and the heat from the ovens in the liquor store. Petracek agreed and explained that even though Pizza Man may not be a good fit, he explained that with the changing liquor store markets, it would be a good idea to try to generate revenue from our building and seek out other options for leasing space in the liquor store. Jack Borgen agreed that he has about 2000 sq. ft. of space – 9,000 sq. ft. building – that is being used for beer storage, but he said it could easily be converted in to rental space. Discussion ensued.***

***Petracek recapped the discussion saying that he will tell Mr. Wegeman that the leasing potential won’t work due to affordability, but he would move forward with obtaining a commercial realtor to help us find a potential leaser for the liquor store that would be a good fit for the City and the liquor store.***

**4. Staff Input – *No staff input***

**5. Council Input – *No Council input***

**6. Adjourn**

***Meeting adjourned at 9:04 p.m.***