

SPECIAL COMMON COUNCIL MEETING
Tuesday, May 5, 2010

A special and open meeting of the City of New London Common Council was convened on Tuesday, May 5, 2010 at 5:30 p.m. in the Council Chambers of the Municipal Building. After the Pledge of Allegiance, roll was called. Presiding: Mayor Gary Henke

Members Present: Romberg, Tate, O'Connell, Dean, Barrington, Steinhorst, Way, Herter, Besaw Excused: Morack

Officers Present: Hager, Luaders, Tennie, Radke, Hanlon, Hoerth

Others present: Lori Gorges, Tim Pritzl, First State Bank: Kevin Quinn, EJ Metals; Lee Rousseau

AGENDA: Steinhorst/Barrington to adopt agenda as distributed. Carried 9-0

NOTE: Alderman O'Connell submitted a Notice Waiver to the City Clerk at 4:25 p.m.

E. J. Metals:

At the April 27th Special Council meeting, E.J. Metals requested financial assistance from the City to remedy unstable soil conditions on their lot located in the North East New London Business Center. The Council requested more information from the Builder to make sure all costs would be covered for a one-time payment.

Kent Hager distributed a letter from Jeremy Walker, Project Manager for Consolidated Construction. The letter updated the Council on the remediation costs associated with site management and supervision, removing the unsuitable fill material along with filling and compacting new material (Waupaca Foundry Sand). This work would allow the soils to withstand the weight of the structure that E.J. Metals plans to build.

Dean/Herter to contribute \$51,863 to E.J. Metals to remedy the soil conditions in the NENLBC. Carried 9-0.

Simmons Property Acquisition:

The Council met to continue the discussion from the April 20th Council Meeting in reference to partnering with the First State Bank to acquire the former Simmons property out of foreclosure if there is not a private investor who outbids the Bank at the foreclosure auction. Council members recently toured the property to better acquaint themselves with the many aspects under consideration.

Hager gave an update on the history of the property and explained all the possible options available to the City. Discussion ensued with many questions being answered. In Hager's conversations with AECOM Engineering he was informed that there is a Benzene remediation process that has to be completed which will incur an estimated cost of approximately \$15,000.

The engineers also suggested that for the City's protection from future liability, to update the Phase I Environmental Site Assessment before actual purchase at an estimated cost of \$3,000.

If the City were to purchase the entire 25-acre parcel, the City would have control over the future use of the property to insure that any future activity there would be compatible with the neighborhood. The City could utilize some of the land for City purposes and still have a large parcel to sell to help recover costs. There are two metal buildings on the property that could immediately be use for cold storage of City equipment. As funds are available, modifications to these buildings could allow them to become a future City garage facility, which if constructed new could cost \$1.2 million dollars.

Following is a list of approximate costs that would likely be incurred if the property is purchased:

\$165,940	Demolition Cost (Recorded lien against the property)
\$ 55,905	Delinquent taxes payable to Outagamie County as of May 2010
\$ 15,000	Benzene chemical clean up
\$3,000	Update Phase I Environmental Site Assessment
<u>\$215,000</u>	Purchase price payable to the First State Bank
\$454,845	Total costs

Funds for this purchase would have to be borrowed, but are at a relatively low interest rate of 3.50%.

Romberg/Steinhorst to enter into an Offer to Purchase with the First State Bank in the amount of \$215,000 to acquire the former Simmons property. Motion carried 6-3 [Besaw, Tate, O'Connell against]

There being no other business, Way/Dean to adjourn. Council adjourned at 6:10 p.m.

Susan Tennie, City Clerk
May 5, 2010