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PROCEEDINGS OF THE REGULAR MEETING
OF THE CITY COUNCIL OF THE CITY OF PEKIN, ILLINOIS,
HELD IN THE COUNCIL CHAMBERS OF CITY HALL
111 S. CAPITOL ST
ON MONDAY SEPTEMBER 9, 2019 AT 5:30 O'CLOCK P.M.
MARK LUFT * CHAIR * PRESIDING

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PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Luft. The Clerk confirmed all Council Members were present. A quorum was declared by Mayor Luft.

Attendee Name	Title	Status	Arrived
Michael Garrison	Councilman	Present	4:38 PM
Rick Hilst	Councilman	Present	4:52 PM
Karen Hohimer	Councilwoman	Present	5:05 PM
Dave Nutter	Councilman	Present	4:51 PM
Lloyd Orrick	Mayor Pro-Tem	Present	4:55 PM
John P Abel	Councilman	Present	4:57 PM
Mark Luft	Mayor	Present	4:54 PM

APPROVE AGENDA

3.1. Motion to: **Approve agenda**

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	John P Abel, Councilman
SECONDER:	Lloyd Orrick, Mayor Pro-Tem
AYES:	Garrison, Hilst, Hohimer, Nutter, Orrick, Abel, Luft

APPROVAL OF MINUTES

4.1. Motion to: **Approval of Minutes**

4.2. **City Council - Regular Meeting - Aug 26, 2019 5:30 PM**

4.3. Motion to: **Motion to Approve Minutes**

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Lloyd Orrick, Mayor Pro-Tem
SECONDER:	Karen Hohimer, Councilwoman
AYES:	Garrison, Hilst, Hohimer, Nutter, Orrick, Abel, Luft

PUBLIC INPUT

Charity Gullett approached the podium to discuss agenda item 7.9. She expressed that she would like to see cannabis regulated the same as alcohol. As far as the tax rate, suggested to go to a moderate rate as Pekin needs the revenue.

CONSENT AGENDA

6.1. **Police Department Monthly Stats - July 2019**

6.2. Motion to: **Motion to Approve Consent Agenda**
Hilst moved to remove accounts payable item to New Business, seconded by Councilmember Nutter. Clerk advised that consent can still be voted on that it was just asked to be removed. The Consent Agenda was approved by Omnibus vote of the Council.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Michael Garrison, Councilman
SECONDER:	Dave Nutter, Councilman
AYES:	Garrison, Hilst, Hohimer, Nutter, Orrick, Abel, Luft

NEW BUSINESS

7.1. Revised Agreement for Construction and Maintenance with Tazewell and Peoria Railroad for Front Street Grade Crossings

City Manager, Mr. Mark Rothert, introduced the item.

City Engineer, Mr. Michael Guerra, presented the agenda item to approve a revised construction and maintenance agreement with Tazewell and Peoria Railroad for the railroad grade crossings on Front Street. This agreement was requested from the railroad to include additional and clarification language with regards to the type of work being performed and the schedule of the project. Mr. Guerra continued to explain that the agreement is required by IDOT to allow the project to be awarded. The bid is scheduled for September 20, 2019. Should the agreement not get approved it will jeopardize the Competitive Freight Grant Funding for the project.

Councilmember Nutter asked who pays for the insurance.

Mr. Guerra explained that typically the contractor acquires the insurance and the City usually reimburses this. The construction is not included in the road project but included in the CSO Phase 3 piping project. Completion date is 2020, but can be extended if unforeseen circumstances. There are three factors that correlate with this project. The road project is being received next Friday, the IEPA, we are reaching out to them to receive the permit, once we have permit we can enter into the loan process. We have been in queue for several years.

Councilmember Nutter asked if there are target dates not to lose funding. Mr. Guerra explained the target dates.

RESULT:	**APPROVED [6 TO 1]**
MOVER:	Lloyd Orrick, Mayor Pro-Tem
SECONDER:	Karen Hohimer, Councilwoman
AYES:	Garrison, Hohimer, Nutter, Orrick, Abel, Luft
NAYS:	Rick Hilst

7.2. Local Public Agency Agreement for Federal Participation with Illinois Department of Transportation for Front Street Project

City Manager, Mr. Mark Rothert, introduced the agenda item and gave a quick summary.

City Engineer, Mr. Michael Guerra, presented the agenda item to approve a Local Public Agency agreement for the federal participation for the Front Street Project as required by IDOT. The City is receiving a combined total of $5.9M in grant funding for the project. The City is responsible for $452,000 for the balance of this project. This bid is required to accept the money and acquire the necessary funding. Should the bids come in lower that is more favorable to the City. The first 80% goes to competitive freight, then $117,000 is used to match for our local share, then economic development funding program until that fund is exhausted.

Councilmember Abel questioned the construction start date. Mr. Guerra explained it may be November or December depending on weather. The Illinois River will be shutting down July 1, 2020 for barge traffic so it may be two years.

Councilmember Orrick questioned how long this project has been in process. Mr. Guerra explained they first took a look in 2012-2013 and had some issues with the payment, then followed with a study. It has been 5 to 6 years.

Councilmember Nutter questioned shutting down the river. Mr. Guerra explained that repairs to the lock and dams are planned to shut down. The river will be closed in terms of moving material. The good is that some of the industries won't be able to operate so relieves congestion. Bad is that Pacific Ethenol relies on that to move their project so they will rely more heavily on rail and trucks.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Michael Garrison, Councilman
SECONDER:	John P Abel, Councilman
AYES:	Garrison, Hilst, Hohimer, Nutter, Orrick, Abel, Luft

7.3. Motor Fuel Tax Resolution 21-19/20 Authorizing the use of $425,000 of MFT Funds to pay for the City's responsibility for Front Street Improvement Construction costs

City Manager, Mr. Mark Rothert, presented the agenda item to adopt a MFT Resolution to allocate MFT fund reserves for Front Street Construction. Mr. Rothert pointed out that there was a transposition in numbers in the printed resolution, the amount should be $452,000. Mr. Rothert continued to explain that action was just previously taken and approved to support the project with a local match dollar amount and this is how the City would pay for it.

Council Member Hilst suggested that TIF funds should be used for this project in lieu of Motor Fuel Tax reserves. TIF funds are available and MFT reserves should instead be used to fix streets outside of the TIF district.

Council Member Nutter asked if it is an IDOT requirement to use MFT funds for the project.

Mr. Guerra, explained that it is not a requirement, but historically we have used MFT funds as an eligible expense.

Councilmember Nutter feels it is not good to pinpoint ourselves to MFT fund reserves, but should use other funds.

Mr. Guerra, explained that a resolution allocating those funds is required. The City can still use non MFT Funds to pay for this improvement. The resolution confirms that the money is allocated in MFT.

Councilmember Hilst questioned that if we don't have to use MFT reserves, what is the request asking. Once approved gives the City authorization to use MFT fund reserves.

Mr. Rothert explained that Motor Fuel Tax is specifically designed to be used for roadway repair and maintenance. If council desires TIF funds can be used.

Councilmember Abel asked if MFT funds can be used on Court Street in a TIF District. For example, can it be used for building repair.

Mr. Rothert explained that MFT Funds cannot be used for building rehabilitation. TIF funds can be used for public infrastructure and a list of other eligible costs. Primarily generated out of gasoline related to streets.

Mr. Guerra, added that in order to use MFT we have to have a resolution allocating the funds approved by the State. If a resolution was not allocated using MFT Funds, we cannot later at the time of payment use MFT funds. If the resolution is passed using MFT Funds, the City can later decide at the time of payment to utilize non MFT funds.

Councilmember HIlst, said that if approved MFT would be used to pay that bill.

Mr. Rothert, explained that there are $2M in each TIF fund to cover this cost. One is for downtown revitalization and would have to make a transfer if that is what Council desires.

HIlst said there should be $3M and these TIF funds should be used for Court Street. Don't want Court Street looking like Derby.

Mayor Luft added that the discussion topic for utilizing TIF funds will be on next meetings agenda for discussion. Swapping one thing for another. We have TIF to utilze Court street. Why would we want to use TIF funds for a project that most won't see and utilize. As we could use it for projects downtown. Eventually MFT will be used for something somewhere. Can designate that for roads down there, just don't see why use TIF for the average community member won't benefit from. MFT are designed for road repair and maintenance. It's really trading one off for the other. Both accounts can handle the payment.

Mr. Rothert explained that there is approximately $100K in the Southern TIF for available use. Front Street is in this TIF district and can be used.

Councilmember Orrick recalled that in the 90's TIF money was ued to overlay Court Street. There is a 60 inch sewer used for TIF money. So we have used TIF money in the downtown. MFT can be used anywhere in the city. Would prefer some of the TIF money being spent on this. Agrees with HIlst and Nutter to pay some out of TIF.

Mr. Rothert highlighted that staff is happy to implement whatever Council requests.

Mayor Luft asked if the resolution can be revised to remove MFT funds

Mr. Rothert, explained that if the council desires not to use MFT funds it would not be applicable. We would have to pass a resolution that council will meet the obligation with local funds. Formal documentation has to be issued and they may not accept that.

Orrick if we pass now we don't have to.

Guerra we can pass this one and next meeting clarify and pass a new resolution.

Abel, not worth gambling on this. Mayor agrees.

Nutter, in otherwards we can budget it all next year.

Mr. Rothert, recommends we do it immediately.

Nutter added that it is something wrong with the timeline and it is not being addressed.

Mayor Luft clarified that the resolution needs to be passed by Friday or we put ourselves at risk of losing grant money for the project. Passing tonight we still have option at next meeting of where these funds will be directed from for this project. Will there be an issued once we have the audit.

Guerra, first payment probably next May. Our money is the last money in.

City Engineer, Mr. Michael Guerra, presented the agenda item to allocate Motor Fuel Tax funds to pay for the City's responsibility for the construction of the Front Street improvements.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	John P Abel, Councilman
SECONDER:	Karen Hohimer, Councilwoman
AYES:	Garrison, Hilst, Hohimer, Nutter, Orrick, Abel, Luft

7.4. Resolution No. 22-19/20 Authorizing the Purchase of Recycle and Garbage Carts

Brett Olson, Assistant Operations Supervisor requested and recommended Resolution No. 22-19/20 be adopted. The resolution authorized the department to purchase 540 96-gallom containers and 130 64- gallon containers at a total price of $29,997.60 from Cascade Engineering. Council was informed cart inventory was running low and requested the utilization of the vendor used before in the Sourcewell contract. Per the Procurement Policy the City was able to acquire the carts through the competitive process by a consortium of governmental entities which the City was a member. Council discussed delivery in 6-8 weeks, 10 year warranty, storage at the Street Department and sale to residents at cost.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Dave Nutter, Councilman
SECONDER:	Michael Garrison, Councilman
AYES:	Garrison, Hilst, Hohimer, Nutter, Orrick, Abel, Luft

7.5. Authorization to Seek Bids and Purchase New Street Maintenance Equipment

City Manager ask the Council to authorize him to seek bids and purchase new street maintenance equipment. Council was advised a critical component utilized for street maintenance and in-house square patching had failed. The compact loader, nearly 20 years old, was not recommended for additional hydraulic repairs without guarantee of a long term fix. Staff recommended utilizing Sourcewell contract with CAT for the estimated $70,000 purchase. Council discussed the unanticipated and unbudgeted expense and the compatibility of the loader with other street equipment.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Michael Garrison, Councilman
SECONDER:	John P Abel, Councilman
AYES:	Garrison, Hilst, Hohimer, Nutter, Orrick, Abel, Luft

7.6. Central Business District TIF Incentive Program Policy

7.7. Motion to: **Motion to approve**

City Manager Rothert reviewed with the Council the existing tax increment financing district. The Central Business District TIF would expire 2021 and use of funds would only continue until 2022. Currently two programs are offered to fund private sector improvements. The Downtown TIF Commercial Retail/Upper Story Housing Loan Program and the Façade Revitalization Program have had limited participation. Staff asked that Policy 23-19/20 be adopted to amend these programs to increase flexibility and participation.

RESULT:	**ADOPTED [5 TO 2]**
MOVER:	Lloyd Orrick, Mayor Pro-Tem
SECONDER:	John P Abel, Councilman
AYES:	Garrison, Hohimer, Orrick, Abel, Luft
NAYS:	Rick Hilst, Dave Nutter

7.8. Ordinance No. 2844-19/20 Approving and Authorizing the Execution of A TIF Redevelopment Agreement By and Between The City of Pekin and Michael and Jill Gambetti

The ordinance authorized the execution of a TIF Redevelopment Agreement with Michael Gambetti and Jill Gambetti. The program award was to the Pekin Trophy house and Engraved Gifts at 403 S. 8th Street in the amount of $4,785.00. Council was advised the property owners' goal was to enhance their property with HVAC and electrical upgrades and repairs. The Gambetti's would pay 50% of the 9,570.00 total project costs.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Lloyd Orrick, Mayor Pro-Tem
SECONDER:	Karen Hohimer, Councilwoman
AYES:	Garrison, Hilst, Hohimer, Nutter, Orrick, Abel, Luft

7.9. Ordinance No. 1568-A210-19/20 Approving the Rezoning of the Property at 904 N. 10th Street From R-4 (One Family Residential) District to RT (Two Family Residential) District

John Lebegue Building and Inspections, reminded and informed the Council that the recommendation of the Pekin Planning Commission for the Petition for rezoning property at 904 N. 10th Street came before them at the August 26, 2019 meeting. At that meeting Council Members disagreed with the PPC recommendation to deny the request and approved to reconsider the rezoning from R-4 One Family Residential District to RT Two-Family Residential District. The ordinance presented would formally approve the rezoning of the property.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Rick Hilst, Councilman
SECONDER:	Michael Garrison, Councilman
AYES:	Garrison, Hilst, Hohimer, Nutter, Orrick, Abel, Luft

7.10. Continued discussion of the possession and private use of cannabis for those 21 years of age and older and provisions for the sale of adult-use cannabis in the community

Council Members continued discussion from Council Meeting of August 26, 2019 on the possession and private use of cannabis for those 21 years of age. Mayor Luft and City Manager Mark Rothert advised that more information had been received on provisions for the sale of adult use cannabis in the City of Pekin. Each Council Member spoke of the input they had received from the public after the Mayor had encouraged conversation and input from the public for the Council to vote on the issue. It was noted the City cannot outlaw the possession of marijuana after January 1, 2020 but can prohibit the sale within the City. It was the opinion of Attorney Katherine Swise in answer to Council Member Abel that the City could allow medical dispensaries without approving recreational sales. It was reported that medical dispensaries would be first to receive limited licensing under the new law. Council Members further discussed the collection of municipal sales tax and spoke supportively of a 3% maximum allowed. Council Member Hilst suggested any approved tax rate should attach to funding roads and pensions. Council Member Garrison was not supportive of violated a Federal Law. He voiced concerns and questioned what the Council was teaching our children in action to approve the sale of an illegal narcotic. Mayor Luft asked that the public continue to send their input on such an important matter.

7.11. Preliminary discussion Video Gaming Licenses Video Gaming Terminal Fees
Council Members were provided with a video gaming fee comparables in Illinois municipalities stating charges to the establishment, the terminals, and/or terminal owners. Members were advised that presently the City of Pekin did not charge a fee for licensing establishments and a minimal $50.00 has been charge per machine since inception of State Gaming. City Manager Rothert discussed annual fee scenarios at various rates if increase and based on present number of register machines of 169. Income possible if a new license for each establishment was charged were presented. Council were supportive of both suggested increases.

7.12. Accounts Payable Bill Run through 09-06-19

7.13. Motion to: **Motion to Receive and File the Accounts Payable Report**
Council Member Hilst had removed the Accounts Payable report from Consent Agenda in order to discuss 2 different payments made from the bill run for more detail.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Lloyd Orrick, Mayor Pro-Tem
SECONDER:	Rick Hilst, Councilman
AYES:	Garrison, Hilst, Hohimer, Nutter, Orrick, Abel, Luft

ANY OTHER BUSINESS TO COME BEFORE THE COUNCIL

John Burns Pekin Fire Department read from a prepared statement. He expressed appreciation to the Council for funding the Deputy Chief position that had been cut 2 years ago. He gave recent examples of an immediate difference having the position made in the department.

Charity Gullett spoke on the discussion item of cannabis. She would support earmarking a sales tax for road maintenance.

Council Member Hohimer advised the Council of CBS News just reporting of children being hospitalized for accidently eating what they though was candy but contained THC. Council Member Garrison voiced concern of news media reports of hospitalizing so many for vaping.

Council Member Abel questioned and was informed that the aging white-faded traffic control signs were being addressed and replaced. Council Member Hilst questioned competition of the Codification and the audit. He was informed that the 2018 FY Audit was scheduled for end of September to be completed.

Mr. Shipman spoke in support of Council Member Garrison’s position that the City should not set such a precedent of breaking Federal Law on the sale of drugs. Mayor Luft expressed appreciation for a successful Marigold Festival and Cabela’s Fishing Event. Mayor Luft presented a Resolution given to the City by Representative Tim Butler in memory of Senator Everett Dirksen.

EXECUTIVE SESSION 5 ILCS 120/2 (C) 5. THE PURCHASE OR LEASE OF REAL PROPERTY FOR THE USE OF THE PUBLIC BODY

9.1. Motion to: **Motion to Move to Executive Session**

RESULT:	**ADOPTED [UNANIMOUS]**
AYES:	Garrison, Hilst, Hohimer, Nutter, Orrick, Abel, Luft

ADJOURN