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PROCEEDINGS OF A SPECIAL MEETING
OF THE CITY COUNCIL OF THE CITY OF PEKIN, ILLINOIS,
HELD IN THE COUNCIL CHAMBERS OF THE CITY HALL
111 SOUTH CAPITOL STREET
ON MONDAY, AUGUST 2, 2010 AT 5:30 O'CLOCK P.M.
RUSTY L. DUNN * MAYOR * PRESIDING

PRESENT: COUNCIL MEMBERS, ABEL, BLANCHARD, BARRA, KORTKAMP, SCHMIDGALL, STRAND, AND DUNN
ABSENT: NONE

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Council received agenda and proper notice was posted on July 13, 2010 of a special meeting for Wastewater Treatment Plant Improvements and financing.

Pledge of Allegiance was led by Mayor Dunn.

Roll was called and all Council Members were present.

AGENDA

Motion by Council Member Abel, seconded by Council Member Blanchard that the **agenda be approved as presented**. On roll call vote, all voted Aye.

Mayor Dunn asked that general information, comments, concerns of staff and Council be discussed prior business items and public input.

City Manager Dennis Kief first presented a short wastewater treatment chronology:

- initial collection system installed in 1905, comprised of combined sewers
- construction of Treatment Plant No. 1 in 1939
- expansions in 1963, 1970, and 1995
- 1979 Facility Plan and USEPA grant funding in the 1980's allowed treatment plant improvements with City share of construction cost in the form of bonds
- 1986 a Sewer User Free was established

Mr. Kief distributed a listing of the Average Monthly Water compared to Sewer Rates from 1982 through the proposed 2015.

PUBLIC INPUT

Residents and 2 business owners in attendance expressed concerns of higher rates they felt would place a burden on them.

Jim Mangan, 1200 Parkway Drive, indicated that he had been in discussions with the City regarding the accuracy and fairness of the new charges. He also met with Public Works Director Joe Wuellner. Mr. Mangan shared his prepared payment plan he felt would be less of a burden on the residents. He asked that Council not vote at this meeting but take the time to analyze his figures for the same payment for all users.

Josh Fryman, owner of the Laundromat at 1306 Derby Street, addressed Council with concerns. He indicated his wastewater bill could increase based on larger business user to an estimated $600 over the 5 year proposed fee.

Kathleen Bright told Council she worked in the medical field. She asked if a person's water could be shutoff for non payment of wastewater when residents could not afford the increased user fee. Mrs. Bright commented that year after year sewer line backup complaints in her neighborhood could not be addressed from lack of money, yet money would be made available at a cost to the community for an expanded treatment plant.

Dave Calhoun, speaking on the carwash business located at 2115 Cherry Lane, indicated the user charges would add a dramatic increase expense that would have to be passed on to the consumer. He suggested staggered rates for the bigger users.

Comments were received from individual Council Members. Staff and Patric Sheridan from Farnsworth Group addressed concerns presented on the following business items.

NEW BUSINESS

Motion by Council Member Schmidgall, seconded by Council Member Strand that the **BID FOR WASTEWATER TREATMENT PLANT IMPROVEMENTS PHASE I** be approved in the amount of 7,664,000.00 and the contract awarded to **WILLIAMS BROTHERS, INC.** Bids were received at the Council Meeting of July 12, 2010 and the recommendation to award the contract to the lower bidder. Discussion followed. Council Member Blanchard indicated he was not against improvements but was not convince of the scope of the project. On roll call vote all present voted Ayes, Abel, Strand, Barra, Kortkamp, Schmidgall, and Dunn; Nay, Blanchard. Motion Carried.

RESOLUTION NO. 62-10/11

A RESOLUTION EXPRESSING OFFICIAL INTENT REGARDING CERTAIN CAPITAL EXPENDITURES TO BE REIMBURSED FROM THE PROCEEDS OF AN OBLIGATION

Motion by Council Member Kortkamp, seconded by Council Member Barra that Resolution No. 62-10/11 be adopted. Treasurer Jim Wolf spoke to the Council regarding questions of finance, IEPA low interest loan, and bonding issues. He stated the document was a preliminary step in the process intent that expenditures for the Wastewater Treatment Plant improvements would be reimbursed with proceeds from a bond issue. The interest rate of the bond would be determined at the meeting of August 23, 2010 by the bond underwriters. The maximum 7.5 million indicated in the document was not binding to be spent. Treasurer Wolf advised that the City was presently indebted less than $3 million dollars. He responded to Council Member Blanchard's question that the bonds feature was not callable which would add an estimated 25 basis points to the rate.

During discussion of the overall projects presented Attorney Dancey advised that the City was moving forward with their obligation to meet requirements of the Pollution Control Board order and addressing the Long Term Control Plan (LTCP) for combined sewer outfalls (CSO) stated in the permit notice of violations and subsequent penalties.

Council Member Blanchard called the question. On roll call vote all present voted Ayes, Abel, Strand, Barra, Kortkamp, Schmidgall, and Dunn; Nay, Blanchard. Motion Carried.

ORDINANCE NO. 2624-10/11

AMENDING TITLE 4, CHAPTER 4, ARTICLE C OF THE CODE OF THE CITY OF PEKIN 1995 REGARDING SEWER USER CHARGES

Motion by Council Member Barra, seconded by Council Member Strand that Ordinance No. 2624-10/11 be adopted. Public Works Director Joe Wuellner recommended the ordinance which provided for the language in the Code for a method of defraying costs of improvements to the wastewater facility by adjustments in the volumetric rate and surcharge rate for use of treating wastewater. It was explained to Council that escalating or decreasing numbers were used in the presented spread sheet adjustments through 2015. User rates could be raised or lower after 5 years when the new plant would be operational and effectiveness to handle storm events and extent of maintenance needed could be accessed. Council Member Abel pointed out that it was not an "us against them" scenario in raising rates, Council Members also were residents impacted by rates. On roll call vote all present voted Ayes, Abel, Strand, Barra, Kortkamp, Schmidgall, and Dunn; Nay, Blanchard. Motion Carried.

ANY OTHER BUSINESS TO COME BEFORE THE COUNCIL

Council and Staff exchanged appreciation for all of the foresight and work that was put in to the Wastewater Treatment Plant Project.

Public Works Director Joe Wuellner clarified a point that was suggested during the meeting that the Treatment Plant was not doubling in size but designed toward reducing Combined Sewer Outfalls a key component in meeting NPDES Permit and foreseeable future requirements.

Council Member Blanchard expressed sympathy in the death of Norma Bosley, a member of the Mayor's Advisory Committee for Persons with Disabilities.

Marge Melchers, 1821 Highwood, advised Council she had spoken with the Pekin High School Board President who had no opposition to renaming Stadium Drive. She asked that Council consider her request to rename the public right of way in honor of Astronaut Scott Altman. She recommended the street be dedicated on his return to Pekin September 11, 2010 in combination with the renaming of the Sunset Grade School.

No further business to come before the Council, Mayor Dunn called the meeting closed.

COUNCIL ADJOURNED AT 6:55 P.M.

Sue E. McMillan
City Clerk