
**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, JUNE 21, 2010 AT 5:30 O'CLOCK P.M.
RUSTY L. DUNN * MAYOR * PRESIDING**

**PRESENT: COUNCIL MEMBERS, ABEL, BLANCHARD, BARRA, KORTKAMP,
SCHMIDGALL, AND DUNN**

ABSENT: COUNCIL MEMBER STRAND

Council received agenda and proper notice was posted of a special meeting, to review the Waste Water Treatment Plant upgrades/expansion and financing options/recommendations.

Pledge of Allegiance was led by Mayor Dunn.

Roll was called and all Council Members were present except Council Member Strand.

AGENDA

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

COMMUNICATIONS, PETITIONS, REPORTS

Mayor Dunn opened discussion to receive comments on information that had been furnished to the Council by staff regarding renovation of the Sewer Treatment Plant and the financing options recommended. He felt there were important decisions to be made and the opportunity to control the City's own destiny. He indicated the aging facility was beyond band aide fixes and expansion was needed to continue a core service to the community.

Public Works Director Joseph Wuellner provided to Council a Funding Schedule Analysis for the 7 project Phases. He and Patrik Sheridan P.E. representing Farnsworth Group, Inc., contracted for design and construction oversight, reiterated plans for the estimated \$ 60 million dollar upgrade and expansion project. The plan showed sewer user fee increases and funding adjustments through grant, reserves and bond issue. Both gentlemen indicated the renovations were needed to meet ever-increasing regulations by the Illinois Environmental Protection Agency and that bidding and award of the construction take place as soon as possible. Overlapping of Phase I into Phase 2 project timeline would not be in the best interest of the City. The City also needed to remain on schedule with the Project Facility Plan submitted to the IEPA in 2009 regarding the CSO related improvements and the Pollution Contols Board Order or face daily penalties for non compliance or also lose important step in securing potential Low Interest Loan Financing. Specifics of each of the Phases were addressed.

Treasurer Jim Wolf addressed the projected numbers on the Schedule for the bond payments at 3.3% Phase I and the suggested average residential user rate.

Each Council Member responded to the presentation. Council Member Abel spoke in support. Council Members Barra's and Schmidgall's questions and concerns were addressed:

Weather's affect on construction

Overlapping contractors if both Phases were under construction at same time

Would additional employees be needed for expanded facility

Could City reserves be used instead of borrowing

Council Member Blanchard indicated he never felt improvements were not needed, his concern was that the scope of the project had grown so much. He stated he was advised that the extent of the improvements were not needed. He felt the tax payer was unable to bare increases in sewer charge in the present economy. He stated he had not been shown mandates and had not been shown by staff that there was a need for extended improvements.

PUBLIC INPUT

Ed Davis, 205 Charlotte read from a prepared statement and presented photos of property damage from sewer backups.

Steven Moore, 2010 Westgate, asked questions regarding the financing. Treasurer Jim Wolf responded with proposed with figures of \$7 million dollar loan at 3.3% interest rate for 20 years and the utilization of the IEPA low interest forgivable loan from the Federal government.

Rich Dotz, 714 North 2nd Street asked that the Council address the sewer problems before spending dollars on the expansion of the treatment plant.

Jim Mangan, 1200 Parkway Drive, presented and read a statement of his facts and a proposed pay-off period that would in his opinion share proportionately the burden.

Mike Smith, 607 Washington, spoke in support of the presentation of the Treatment Plant project. He felt it was in the best interest of the City to act on the user fee now in order to spread as proposed over the years for less of a burden.

City Manager Dennis Kief responded to the public input concerns regarding sewer backups and citizen's suggested sewer user charge. He stated that separating sewers had been examined for years but costs prohibitive in the millions of dollars. He indicated the City had not ignored these residents or combination sewer areas as evidenced by improvements at 3rd and Winter, Willow, and Sunset Hills. Also industrial areas were required to have their own sewer treatment. Tap on fees had been increased for compliance related to use of sewers not flow related

ANY OTHER BUSINESS TO COME BEFORE THE COUNCIL

Council Member Blanchard extended condolences to the family of Lee Williams a long time director of the Chamber of Commerce and founder of the Marigold Festival.

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

COUNCIL ADJOURNED AT 7:35 P.M.

Sue E. McMillan
City Clerk