



PROCEEDINGS OF THE WORK SESSION
OF THE CITY COUNCIL OF THE CITY OF PEKIN, ILLINOIS,
HELD IN THE COUNCIL CHAMBERS OF CITY HALL
111 S. CAPITOL ST
ON MONDAY APRIL 4, 2022 AT 5:30 O'CLOCK P.M.
MAYOR PRO TEM BECKY CLOYD PRESIDING

PLEDGE OF ALLEGIANCE

The purpose of the meeting was to conduct a Work Session to discuss the FY23 Budget for remining departments and fees, fines, licenses, permits.

The Pledge of Allegiance was led by Councilmember Nutter.

CALL TO ORDER

Attendee Name	Organization	Title	Status	Arrived
Rick Hilst	City of Pekin	Councilman	Present	5:30 PM
Karen Hohimer	City of Pekin	Councilwoman	Absent	
Dave Nutter	City of Pekin	Councilman	Present	5:30 PM
Becky Cloyd	City of Pekin	Mayor Pro tem	Present	5:30 PM
Lloyd Orrick	City of Pekin	Council Member	Present	5:30 PM
John P Abel	City of Pekin	Councilman	Present	5:30 PM
Mark Luft	City of Pekin	Mayor	Absent	

APPROVE THE AGENDA

RESULT:	APPROVED [UNANIMOUS]
MOVER:	John P Abel, Councilman
SECONDER:	Dave Nutter, Councilman
AYES:	Hilst, Nutter, Cloyd, Orrick, Abel
ABSENT:	Karen Hohimer, Mark Luft

PUBLIC INPUT

Tammy DeGroot and her husband, spoke regarding her home located at 1311 Chestnut Street. She stated she had lived there for 5 years. Each time there was a downpour their home would flood tremendously. An issue not disclosed by the previous owners. She had a quote to fix the damage for \$45,000. Continuously a problem. Firefighters had been out there to man the streets and was told that the system could not handle it. She cleans drains out herself. Would like to see the issue fixed for all the residents on that street.

Councilmember Nutter stated that he looked at the street and would defer to the City Engineer.

Ms. Josie Esker, admitted that the City had some work to do and had hopes that a project could be initiated. Ms. Esker stated that the City was working on a design and was gathering information on how to proceed.

Mr. Josh Smith at 1307 Chestnut, been there for 9 years and had been a problem since he moved in. Major flooding 5 or 6 times. Provided pictures to Council to see.

COMMUNICATIONS

5.1. Budget FY23 Work Session for Remaining Departments / Fees, Fines, Licenses, Permits

City Manager Mr. Mark Rothert, presented the FY23 Operating and Capital Budgets along with fees, fines, licenses, and permits. Mr. Rothert stated that the proposed budget also included an analysis of the Sewerage Fund.

Mr. David Bess, CDBG Program Manager, discussed the spreadsheet provided to Council, segmented out by general departments, with past revenues and a description of each along with initial filing fee and if the license was renewable. An analysis was also conducted to compare a fee from September of 2000. The current code matched those fees. The recommended fee was provided by department heads and provided to the City Manager.

Council discussed if each change to the fee would correspondence in the code.

Mr. Rothert explained that a schedule of fees would be provided instead.

There were recommendations by departments to eliminate fees.

Mr. Rothert stated that the budget was balanced. Sewerage fund and Stormwater next year would be in the red. Staff was recommending a fee increase in Solid Waste and sewer. The volumetric charge had been the same rate for at least 4 years. In the capital budget, there were a lot of columns for storm sewer projects to fix storm water flooding. They were listed as red because the funding used for other storm water projects had primarily been the reserve fund of the sewerage fund. At this point, the City was limited to do future projects without a rate increase of upwards around \$10.00 per \$1,000 gallons used.

The capital improvement fee only covered \$800K a year. Orrick thought that it should be a flat fee per resident since it is there for every structure and should be uniform throughout the city.

Mr. Justin Reeise, Public Works Director, stated that raising the fee to \$10 per thousand would create \$2M in additional revenue each year. The projected \$2M would give additional revenue and to bond out FY24. Mr. Reeise gave an example of the calculation of the fee.

Mr. Rothert stated that the options were either a flat fee for capital improvement fee and a volumetric fee or do away with a flat fee and fold into volumetric based on usage. Another option was to look at other funding streams to pay such as a utility tax. Council could say we would dedicate this funding thing to these things; roadwork, sewer and stormwater infrastructure.

Councilmember Orrick stated that the City should just work with remaining fees as the economic climate was not good.

Councilmember Abel stated that if a local restaurant used over 10,000 gallons used for water their bill goes up 35%.

Mr. Rothert pointed out that other utilities were increasing their costs. The private selection of garbage was putting a gas surplus on their bill. When the RFP for solid waste services was issued, the City bid just like a business and the rate came in at \$20. There was still a need to replace our trucks and the fuel cost

needed to be considered in that. The City had been at \$20 for solid waste collection for awhile.

Councilmember Cloyd stated that she would like to see that a consensus to bring fee up to something manageable.

Councilmember Orrick questioned how much money of the wastewater transferred to general fund. Mr. Rothert stated \$0. Council argued that there were transfers in the budget. Councilmember Hilst pointed out page 13 under transfer under solid waste. Councilmember Nutter reiterated that the new budget proposal was \$0.

Mr. Rothert stated that budgeted for next year was \$0. The FY23 does not have a transfer.

Council continued the discussion regarding the transfer of funds and discussed a possible increase to the solid waste rate and the wastewater fee.

Councilmember Orrick requested additional data before making a decision on increasing the wastewater fee and moving to a volumetric charge.

Councilmember Nutter and Councilmember Abel discussed Broadway Farms and how if that was settled the City could utilize those funds.

Ms. Josie Esker pointed out page 47 in the sewerage fund, that it was in the budget but was not a funded project and therefore did not have the money for Broadway Funds.

Chief Dossey's fees were somewhat set by statute and adjudication proceedings. It was recommend bumping up court fee to \$60.

City Clerk, Ms. Sue McMillan stated that the violation revenue goes to finance department and not the Clerk's Department.

Mr. Rothert brought back the discussion of an increase to the solid waste and sewerage rates. Mr. Rothert requested consensus from Council that staff could bring forth a proposal.

Councilmember Hilst wanted to look at other options without raising rates and discussed the loans and bonds listed in the proposed budget. Councilmember Hilst felt that the language in the Efficiency Study stated that fees should be reviewed annually.

Mr. Rothert stated that staff would bring forward an escalator increase for the sewerage rate. Mr. Rothert suggested using the CPI and putting a ceiling on it.

Ms. Esker stated that there were more sewer projects that what was listed in the handout.

Larry Moreland and another resident spoke stating that a small increase to the wastewater bill would not be a problem but felt the high rise paying one fee needed to be looked at.

Councilmember Abel stated that he preferred one fee over two separate fees.

Discussion of the FY23 Budget:

Mr. Rothert walked Council through changes to the FY23. Mr. Rothert explained that there were negotiations with Safebuilt to have a permit technician contracted so the City could hire a Chief Building Official to save the City \$80-\$90K per year. Mr. Rothert also stated that revenue was added to Economic Development and TIF. Additional analysis was still requested by police and fire pensions. Also, not added was a utility locator position which will be an offset of costs.

Councilmember Nutter discussed the bus department monitors that were approved during COVID.

Councilmember Hilst discussed the bus department transfer of funds to the capital fund and the general fund.

Human Resource Director, Ms. Sarah Newcomb, stated that bus monitors were taken to the airport to practice driving buses so they could be hired for that position.

Mr. Rothert announced that a public hearing on the budget would be held on April 25, 2022 and other times for additional meetings as Council desired.

Councilmember Nutter questioned the F22 budget against the FY23 budget with regards to the fire and police pensions.

Mr. Mark Rothert stated that he had received an Actuarial report from Lauderbach and discussed those changes that included the statutory contribution, real estate, cannabis, video gaming, and the increasing costs of pensions.

Councilmember Hilst requested that manhole covers and brick streets get repaired with Tourism Fund.

Councilmember Nutter questioned the BDD tax transferring to the Hotel/motel tax.

Council also discussed the splashpad at the riverfront and adding franchise fees.

ADJOURN

There being no further business of the Council, a motion was made by Councilmember Abel seconded by Councilmember Nutter to adjourn the meeting. Motion carried viva voce. Mayor Pro Tem Cloyd adjourned the meeting at 8:21 PM.