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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 SOUTH CAPITOL STREET
ON MONDAY, MARCH 22, 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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The **Pledge of Allegiance** was led by Mayor Dunn.

Roll was called and all Council Members were present.

AGENDA
Motion by Council Member Kortkamp, seconded by Council Member Abel, that **item 9. under New Business be removed from the Agenda, item 10. become item 9. , and the amended agenda be approved.** On roll call vote, all present voted Aye.

MINUTES
Motion by Council Member Abel, seconded by Council Member Barra, that the **minutes of the Regular City Council Meeting of March 8, 2010 and the Special Meeting of March 8, 2010, be approved as written.** On roll call vote, all present voted Aye.

PUBLIC INPUT ON AGENDA ITEMS
Jim Mangan 1200 Parkway, asked the Council to vote no on approving a Code of Conduct for Council Members. He read several scenarios where he felt the code as written would not be enforced fairly. Mr. Mangan sited the 5th Amendment and stated a code of conduct was unconstitutional.

The Council received favorable support from the public regarding the amendment to the loan agreement with Central Illinois Sports Alliance. The following spoke favorably of the management, the potential for youth sports, the desire to succeed, and the value to walkers:
Alan Tucker, 303 Broadway, Denver Colorado
Mark Giearski, 107 Arrow
Jeff Vedas, 109 Parkview Court
Janet and Bob Brown, 1201 South 13th Street
Todd Furniss 5104 S. Cameron Lane

John McCabe 1401 Glendale, spoke in favor of the approval of the Code of Conduct.

CONSENT AGENDA
Motion by Council Member Schmidgall, seconded by Council Member Strand, that the Consent Agenda be approved as presented.
Mayor Dunn read and presented the following for consideration of the Consent Agenda items by Omnibus Vote.

1. **Receive and File Monthly Reports and Minutes:** Liquor Commission Draft Minutes Rescheduled
   Meeting March 10, 2010 and Police Department February Report.

2. **Proclamation:** "*AMBUCS Charity Auction*" Friday May 7, 2010
   "Parkinson's is the pits month" April 2010
   "National Fair Housing Month" April 2010

3. **Charitable Solicitation:** American Youth Basketball Tournament April 23-24

4. **Receive and File** PPUATS Long Range (2010-2035) Plan.

5. **Resolution No. 40-09/10 –** For Governor to Reconsider Reduction in Local Government Distribution Fund

6. **Receive and File** the Pekin Planning Commission Minutes dated March 10, 2010.

7. **Receive and File Pekin Planning Commission Hearings and Recommendations:**
    a. Hearing #09-1795 – recommends approval the site plan for a Funeral Home for property located at the corner of Parkway and Velde Drive.

    b. Hearing #09-1796 – recommends the zoning for property for a Funeral Home located at the corner of Parkway and Velde Drive.

    c. Hearing #09-1797 – recommends approval of the special use request for a Funeral Home for property located at the corner of Parkway and Velde Drive.

On roll call vote, all present voted Aye.

COMMUNICATIONS PRESENTATION

PUBLIC HEARING CONDUIT FINANCING

A Public Hearing was opened by Mayor Dunn at 5:44 p.m. regarding a plan of finance to issue one or more series of the City's revenue bonds in an aggregated principal amount not to exceed $25,000,000. City Manager Dennis Kief introduced background information regarding a proposed Ordinance authorizing the issuance. He indicated the proceeds of the Bonds would be loaned to Pekin Memorial Hospital to be used, together with other funds to currently refund the outstanding portion of several Pekin Memorial Hospital 1993 Series Bonds and pay certain expenses incurred in connection with the issuance and refunding of binds. He also advised all were permitted by the City's home rule powers and that the Bonds did not constitute a dept of the City. The Bonds would be payable solely out of the revenues assigned for their payment in accordance with the loan agreement between the Hospital and the City. Residents, taxpayers, and other interested parties were given the opportunity to express their views for or against the proposed plan of financing.

Kevin Andrews, Pekin Memorial Hospital CEO, addressed the Council to comment on the proposed plan of finance. He compared the action to be taken to an individual refinancing their home mortgage. He advised the Council that the Hospital intended to take advantage of the excellent current interest rates and opportunity to finance from a variable rate to a fixed rate.

No other comments were received. The public hearing was closed at 5:48 p.m.

PUBLIC HEARING ANNEXATION

1. A Public Hearing was opened by Mayor Dunn at 5:48 p.m. for the purpose of considering and hearing testimony as to the adoption of an ordinance authorizing the annexation to the City of Pekin of a tract of property comprising approximately 60 acres of land. City Manager Dennis Kief spoke to the consideration of extending the City boundaries to include the property purchased by the City in October of 2008 known as the Evans property and Iber property adjacent to Route 98. Approximately 20 years ago the area was touted as a potential Industrial Park. He informed the Council and public that the Planning Commission would review the zoning of the property to PUD at their April 26th meeting after which time staff would make a recommendation that the annexation be authorized. All taxing bodies were served proper notice and affidavit of mailing completed. No additional comments were heard. The public hearing was closed at 5:50 p.m.

PUBLIC HEARING BUDGET

A Public Hearing was opened by Mayor Dunn at 5:50 p.m. for the purpose of considering and hearing testimony relative to the adoption of the budget for the City of Pekin for fiscal year May 1, 2010 through April 30, 2011 which budget was published in the Pekin Times on March 10, 2010 and made available for public inspection in the office of the City Clerk. City Manager Dennis Kief noted the following:

- Revenue projections down.
- Expenses exceeded the reserves by an amount ($527,083) – the difference between the lesser amount that the General Fund received from the 2009 levy than the 2008 ($588,197)
- Only 15% of the tax bill comes to the City
- FY2011 Budget could necessitate the utilization of General Funds currently estimated at $527,083.
- Would amend the Budget if the State carries out the proposed 30% reduction in State Local Government Distributed Funds

The public was given an opportunity to be heard.

Jim Mangan, 1200 Parkway Drive told Council recommending a deficit budget was irresponsible. He suggested:

1. 5% employee pay cut across the board
2. 10% staff cuts
3. Council to accept 50% of Pay
4. no loans to businesses

The Public Hearing was closed at 6:05 p.m.

NEW BUSINESS

RESOLUTION NO. 38-09/10
ADOPTING THE FISCAL YEAR MAY 1, 2010 THROUGH APRIL 30, 2011
BUDGET FOR THE CITY OF PEKIN

Motion by Council Member Kortkamp, seconded by Council Member Abel, that **Resolution No. 38-09/10, be adopted.** City Manager Dennis Kief presented and recommended the resolution that approves expenses and revenues for May 1, 2010. He indicated as proposed, the General Reserves could be utilized in an estimated $527,083.00. Council Member Blanchard stated he would be voting no. He felt the budget was not responsible, other cuts could be made, and staff needed to reprioritize after hearing the State was reducing funding. Council Members Barra, Kortkamp, Strand, and Schmidgall spoke in support of the proposal and use of reserves if needed. Mayor Dunn hoped that the City did not get into the position of cuts to salaries or personnel and expressed praise to the employees that run the City. On roll call vote all present voted; Ayes, Barra, Strand Kortkamp, Schmidgall, Abel, and Dunn; Nay Blanchard. Motion Carried.

ORDINANCE NO. 2611-09/10
AN ORDINANCE AMENDING ORDINANCE NO. 1197

Motion by Council Member Blanchard, seconded by Council Member Kortkamp, that the **Ordinance No. 2611-09/10, be adopted.** City Manager Dennis Kief presented a recommendation to amend the City's present established fee to be charged for assisting private entities in the issuance of revenue bonds. He advised that within the ordinance and amendments for fee structure with respect to projects financed inside or out side the city limits. He felt it appropriate to exercise home rule powers and amend the language for projects outside the city limits to receive a fee of 0.3% of the amount of the bonds. Up to 1/3 or 0.1% of that cost could be provided in the form of in-kind services to the City and to recoup all legal fees involved in the preparation of the necessary documentation for outside of the city limits and up to 1/2 or 0.1% of in-kind services for inside the city limit projects. Council Member Blanchard spoke in opposition of the additional preference to businesses. He sited the benefit already given for the use of the City of Pekin's credit rating. Attorney Burt Dancey indicated the rate was consistent with market and other municipalities. Mr. Dancey also addressed the Councilman's question of liability and stated the City was not liable for the bond issue. On roll call vote: Ayes, Strand, Schmidgall, Barra, Kortkamp, Abel, and Dunn; Nay, Blanchard. Motion Carried.

ORDINANCE NO. 2612-09/10
ORDINANCE AUTHORIZING THE ISSUANCE OF NOT TO EXCEED $25,000,000
IN AGGREGATE PRINCIPAL AMOUNT OF CITY OF PEKIN, TAZEWELL COUNTY,
ILLINOIS REVENUE REFUNDING BONDS, SERIES 2010
(PEKIN MEMORIAL HOSPITAL)

Motion by Council Member Schmidgall, seconded by Council Member Abel, that the **Ordinance No. 2612-09/10, be adopted.** City Manager Dennis Kief requested Council's action for approval of an ordinance approving conduit financing to the Hospital in an amount not to exceed $25,000,000. He advised the repayment of the debt service would be solely revenue pledged by the Hospital. The City would be indemnified for repayment of lease obligations and the City not contractually obligated to repay the bond obligations. The City would not pledge funds, property or resources for repayment nor would it constitute a debt of the City. Mr. Kief indicated the City had provided similar tax-exempt bonds that private entities had utilized for the refinancing of UAW Highrise, Dirksen Congressional Center, and previously to the Pekin Hospital. On roll call vote all present voted Aye.

ORDINANCE NO. 2613-09/10
AMENDING CITY OF PEKIN / CENTRAL ILLINOIS SPORTS ALLIANCE LOAN AGREEMENT

Motion by Council Member Abel, seconded by Council Member Strand, that the **Ordinance No. 2613-09/10, be adopted.** Council was advised that in December the City had entered into a Loan Agreement to assist in the acquisition of the Dragon's Dome. The Manager recommended that a 6th year be added to the loan but the eligible Hotel-Motel tax credit be reduced. The amendments to the repayment schedule would accommodate a transition period experience by the Alliance and afford their request to subdivide some of the property for potential sale. Council Member Blanchard spoke in opposition in assisting the business endeavor. A general discussion of support was heard from other Council Members. On roll call vote; Ayes, Strand, Abel, Schmidgall, Barra, Kortkamp, and Dunn; Nay Blanchard. Motion Carried.

Public Works Director Joe Wuellner addressed the next three recommendations of the Pekin Planning Commission for which he advised Council that funeral home were allowed in residential district and no objections were heard from residents of the area.

Motion by Council Member Strand, seconded by Council Member Blanchard, that the **SITE PLAN FOR HENDERSON FUNERAL HOME** on property located at the corner of Parkway and Velde Drive **, be approved.** On roll call vote, all present voted Aye.

Motion by Council Member Strand, seconded by Council Member Abel, that the **SPECIAL USE REQUEST FOR A FUNERAL HOME BY HENDERSON FUNERAL HOME** on property located at the corner of Parkway and Velde Drive, **be approved.** On roll call vote, all present voted Aye.

ORDINANCE NO. 1568-A179-09/10
PROVIDING FOR THE REZONING OF CERTAIN PROPERTY AT PARKWAY AND VELDE DRIVE FROM AG TO R-2 PART PIN 04-04-25-100-033

Motion by Council Member Barra, seconded by Council Member Kortkamp, that the **Ordinance No. 1568-A179-09/10, be adopted.** On roll call vote, all present voted Aye.

Motion by Council Member Blanchard, seconded by Council Member Barra, that the **AGREEMENT WITH HANSON PROFESSIONAL SERVICES FOR THE PRELIMINARY DESIGN OF PETRI AND EL CAMINO EXTENSION, in an amount not to exceed $258,076.59**, **be approved.** Mr. Wuellner next asked that Council consider professional services for design of an alternate route to move traffic east and west between 5th and 14th Streets other than El Camino Drive proposed extension. Petri extended would provide access to the Riverway Business Park, new park sports complex, and reduce daily traffic using Koch Street. On roll call vote, all present voted Aye.

Motion by Council Member Strand, seconded by Council Member Kortkamp, that the **COUNCIL MEMBERS CODE OF CONDUCT**, **be approved.** Attorney Burt Dancey presented the policy. He stated it was straight forward and simple outline of conduct for elected officials. A Code of Conduct for Pekin Council was not unique nor its constitutionality questionable. Council Member Blanchard read from a prepared statement his objections to the policy. He stated the document was vague with subjective words to which people would have varying opinions, a Pandora's Box to punish those that didn't get along, and a potential for abuse down the road from future administrations. Council Member Barra commented that ethical behavior should be instilled and elected officials had responsibility to act with honor with or without a written code. On roll call vote; Ayes, Schmidgall, Strand, Kortkamp, Abel, and Dunn; Nays, Blanchard and Barra. Motion Carried.

ANY OTHER BUSINESS TO COME BEFORE THE COUNCIL
Director of Solid Waste Greg Ranney informed the public that yard waste collection would resume the week of March 29, 2010.

Council Member Abel encouraged the public to submit their Census report to insure the City receives the highest federal funding based on population.

Mayor Dunn announced that the Pekin Public Library would hold an Open House in April for the public to view the renovations made to the lobby area.

Council Member Blanchard expressed appreciation for the prayers and cards received following the death of his wife's sister.

Marge Melchers 1821 Highwood addressed Council with her request to honor Astronaut and native son Scott Altman by renaming Veterans Drive. She read his biography and accomplishment and submitted the letter for the public record.

Winnette Klopfenstein, 317 Henrietta, spoke on behalf of 14 residents representing 8 homes in the 300 block of Henrietta Street concerning the residence at 323 Henrietta. It was stated that the home had been a nuisance for years but a new tenants had been remodeling the structure into 3 apartment units without proper zoning or building permits. There have been calls to the City regarding building materials and junk in the yards. Photos and statement were submitted to the City Clerk for the record. Chuck Stevens 320 Henrietta also asked that the City require the owner to restore the home to a single family dwelling.

Mayor Dunn gave staff direction to follow up on the complaints.

EXECUTIVE SESSION
Motion by Council Member Barra, seconded by Council Member Blanchard, that the Council move to Executive Session at 7:25 P.M. to discuss **5 ILCS 120/2 (c) 2. Collective Bargaining and 5 ILCS 120/2 (c) 11. Litigation.** On roll call vote all present voted Aye.

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

COUNCIL ADJOURNED AT 7:45 P.M.

Sue E. McMillan
City Clerk