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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 TUESDAY, FEBRUARY 24, 2009 AT 5:30 O'CLOCK P.M.
RUSTY DUNN MAYOR PRESIDING

PRESENT: COUNCIL MEMBERS, ABEL, BLANCHARD, STRAND, AND KORTKAMP

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

Motion by Council Member Blanchard, seconded by Council Member Abel, that the **minutes of the Regular City Council Meeting of February 9, 2009 be approved as written.** On roll call vote, all present voted Aye.

CONSENT AGENDA

Motion by Council Member Kortkamp, seconded by Council Member Strand, that the Consent Agenda be approved as presented.

Mayor Dunn read presented the following for consideration of the Consent Agenda items by Omnibus Vote. On roll call vote, all present voted Aye.

1. **Receive and File Monthly Reports and Minutes:** Fire Report, Traffic Safety Committee Minutes February 6th, 2009, Liquor Commission Minutes January 22, 2009, and Mayor's Advisory Committee for Persons with Disabilities Minutes January 8, 2009

2. **Receive and File** Pekin Planning Commission Minutes dated February 11, 2009

3. **Receive and File all Bids for the Improvement Pekin Fire Department Eastside Station #1 removal and replacement concrete 85' x 75'**

COMMUNICATIONS, PETITIONS, REPORTS

A Public Hearing for the FY 2009-2010 Budget was opened by Mayor Dunn at 5:34 p.m. City Manager Dennis Kief presented a chronology of the work in progress in the Budget presented. He noted examples of cuts that had been made to the 3.5 million dollar deficit over the months of preparation; delays in projects; providing services with less; deviations from budgets for unfunded mandates; wise planning in 5 year plans; and steps in generating revenue from reduced state funds and interest income. Mr. Kief was more specific with dates from October to January when staff took Council's direction to strive for additional cuts and revenues. He indicated at those work sessions and Town Hall meetings to inform the public of the financial situation, Council generally agreed to not using reserves, not cutting personnel, allowing 2-3% wage increases, and supported the package liquor and food and beverage taxes.

Jason Juchems 1306 Catherine addressed the Council with questions regarding the food and beverage tax ordinance. He questioned if the action would deter residents from eating at the local restaurants. It was the indication of staff that adding 20 cents to a ten-dollar meal would not be a significant impact. Only two of the thirteen comparable cities did not utilize the revenue to meet budget expenses. Mr. Juchems suggested Council consider a tobacco tax as an alternative.

Jim Mangan1200 Parkway Drive felt a balanced budget was not presented. He requested Council reassess the Budget with two months to pass and make changes necessary. He suggested there be a hiring freeze and a 2% reduction in personnel salaries and reduced Council Member salaries.
The Hearing was closed at 6:11 p.m.

NEW BUSINESS

ORDINANCE NO. 2578-08/09
REGARDING TITLE 3, CHAPTER 2, SECTION 7 OF THE CODE OF THE CITY OF PEKIN ESTABLISHING A PACKAGE LIQUOR TAX

Motion by Council Member Strand, seconded by Council Member Kortkamp, that Ordinance No. 2578-08/09 be adopted. Attorney Dancey explained the enacting of a tax of 2% on the purchase of alcoholic liquor not to be consumed immediately on the premises where sold in the City of Pekin. The consumer would be liable for payment but the retailer responsible for the collection of the tax. Council Members Strand, Kortkamp, and Mayor Dunn spoke in support; generally noting the tax was the least harmful to residents being an option to purchase liquor. Council Member Jones stated though not in favor of a tax agreed it was the right thing to do in facing fiduciary responsibility to help balance the budget. Council Member Blanchard spoke in opposition to both tax ordinances presented and the Budget from a prepared statement. He urged Council to consider addressing the following:

holding one more budget work session
find other ways to cut $1 million dollars
use reserves
at minimum place 2 year sunset on package liquor and food and beverage tax

Council Member Abel stated he would not repeat what had already been said.
On roll call vote, Ayes, Strand, Kortkamp, Jones, and Dunn; Nays, Blanchard and Abel. Motion Carried.

$41.7 million budget Increased revenues $1 million by 2% taxes other revenue-generated measures considered utility, gas, vehicle, storm, garbage, and real estate transfer.

ORDINANCE NO. 2579-08/09
REGARDING TITLE 3, CHAPTER 2, SECTION 8 OF THE CODE OF THE CITY OF PEKIN ESTABLISHING RESTAURANT, FOOD, AND BEVERAGE TAX

Motion by Council Member Abel, seconded by Council Member Kortkamp, that Ordinance No. 2579-08/09 be adopted. Attorney Dancey advised that the 2% tax on prepared food items for immediate consumption also included alcoholic beverages and soft drinks. Council Members asked questions to clarify definitions of those responsible for the tax. Other than normal on-premises restaurants, snack shops, concession stands, gas station/food marts, and catering services, would apply. Churches, schools, not-for-profits serving on occasional basis were exempt. Council Member Abel stated he would vote no based on constituents input in opposition. On roll call vote, Kortkamp, Strand, Jones, and Dunn; Nays, Abel and Blanchard. Motion Carried.

RESOLUTION NO. 70-08/09
A RESOLUTION ADOPTING THE FISCAL YEAR MAY 1, 2009 THROUGH APRIL 30, 2010 BUDGET FOR THE CITY OF PEKIN, ILLINOIS

Motion by Council Member Kortkamp, seconded by Council Member Jones, that Resolution No. 70-08/09 be adopted. Council Member Blanchard addressed the proposed use of TIF reserves and MFT reserves and and felt there were still cuts to be made. He noted TIF funds earmarked for relocating riverfront power lines could be used for sewers throughout the TIF. He then suggested use of reserves. On roll call vote, Ayes, Abel, Jones, Strand, Kortkamp, and Dunn; Nay, Blanchard. Motion Carried.

Motion by Council Member Jones, seconded by Council Member Strand, that the **AGREEMENT WITH ILLINOIS CENTRAL RAILROAD COMPANY FOR GRADE CROSSING IMPROVEMENTS** in the amount of $254,145.00 be approved. Public Works Director Joe Wuellner advised that Council had approved the expenditure based on an estimate of $250,000.00 at the meeting of December 8, 2008 for the extension of Hanna Drive. With approval, the Railroad will start the procurement of necessary equipment and the City will begin draw down on the EDA grant. On roll call vote, all present voted Aye.

Motion by Council Member Strand, seconded by Council Member Abel, that the **EXPENDITURE FOR RELOCATING THE INDUSTRIAL SPUR SERVICING HANNA STEEL** in the amount of $169,508.00 be approved. Mr. Wuellner informed Council the expenditure was to install a new switch and bring the rails to the property lines for the spur. On roll call vote, all present voted Aye.

Motion by Council Member Abel, seconded by Council Member Blanchard, that the low bid for **EASTSIDE STATION CONCRETE IMPROVEMENTS** in the amount of $40,535.00 be approved and the contract be awarded to Illinois Civil Construction, Inc. Council was informed that bids were opened publicly on February 13, 2009 to replace the concrete at the Eastside Fire Station that has begun to fail as evident by large cracks and settling. Staff recommended ICCI as the low qualified bidder. On roll call vote, all present voted Aye.

RESOLUTION NO. 71-08/09

IDOT RESOLUTION FOR MAINTENANCE OF STREETS AND HIGHWAYS

Motion by Council Member Blanchard, seconded by Council Member Abel, that Resolution No. 71-08/09 be adopted. Staff requested the appropriation of $500,000 Motor Fuel Tax for seal coating operations and possible Heat and Scarify process based on 5-year Street Plan from May 1, 2009-April 30, 2010. MFT funding would be utilized in addition to Street Department budget, and CDBG funds for a $916,500.00 program. On roll call vote, all present voted Aye.

ANY OTHER BUSINESS TO COME BEFORE THE COUNCIL

Council Member Strand spoke in appreciation of the Open House Celebration at Illinois Central College South in Riverway Business Park. The facility was a positive addition to Pekin.

Council Member Kortkamp noted the continuing growth of the area having attended the Ground Breaking for Tazewell Mental Health 15-unit permanent supportive living housing facility for the seriously mentally ill on February 20, 2009. She also extended her appreciation to the Tazewell County Historic Places Society for hosting the 200th Birthday Celebration for the Abraham Lincoln Bi-Centennial at the Park Pavilion on February 12, 2009.

Council Member Jones suggested staff consider reviewing the government channel 22 programming and changing the format. Council Member Blanchard also asked that the City Website be upgraded to be more user friendly. Council Member Abel encouraged the community to attend the Firefighters Charity Dance on Saturday March 21, 2009 at the Moose. The event raises funds for local agencies.

Mayor Dunn expressed appreciation to the Council and staff for their attendance at the Legislative reception on Monday, February 23, 2009. He also announced that the City invited the Broadmoor Boys Basketball team who had won the State Tournament runner-up trophy to attend a future Council Meeting to be recognized for their achievements.

Bill Gilroy 1312 South 11th Street addressed Council and suggested that the City should have contacts for the owners of repossessed houses throughout the City in order to do something about their appearance. Mr. Gilroy spoke in disagreement with the City investing additionally in the Riverfront area. He stated that Council Member votes on the taxing ordinances would be remembered at election time.

EXECUTIVE SESSION

Motion by Council Member Strand, seconded by Council Member Blanchard, that **Council move to Executive Session** at 7:20 P.M. to discuss 5 ILCS 120/2 (c) 6. The setting of a price for sale or lease of Municipally Owned Property and 5 ILCS 120/2 (c.) 3. Selection, Appointment, Performance, Discipline, or a Vacancy in a Public Office. 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 7:40 P.M.

Sue E. McMillan
City Clerk